FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite, Cheryl Martin

Line No.		(1) Plant in Service	(2)* Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	76,377,987	(34,507,142)	41,870,845	577,297	-	-	42,448,142	(1,174,182)	-	41,273,960
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%		100%	100%	
3	Jurisdictional Per Books	76,377,987	(34,507,142)	41,870,845	577,297	-	-	42,448,142	(1,174,182)	-	41,273,960
4	Adjustments:										
5	Non-regulated Propane Operations	(55,497)	23,723	(31,774)	(907)	-	-	(32,681)	-	-	(32,681)
6											
7											
8											
9											
10											
11											
12											
13	Total Adjustments	$ (55,497)	$ 23,723	$ (31,774)	$ (907)	$ -	$ -	$ (32,681)	$ -	$ -	$ (32,681)
14											
15	Adjusted Jurisdictional	$ 76,322,490	$ (34,483,419)	$ 41,839,071	$ 576,390	$ -	$ -	$ 42,415,461	$ (1,174,182)	$ -	$ 41,241,279
16											
17	* Includes Account 2520 - Customer Advances for Construction										

Supporting Schedules: B-2 (2007), B-3 (2007), B-7 (2007), B-9 (2007)

Recap Schedules: B-2 (2007)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite, Cheryl Martin

Line No.		(1) Plant in Service	(2)* Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	81,494,977	(37,206,306)	44,288,671	75,000	-	-	44,363,671	(1,310,654)	-	43,053,017
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%		100%	100%	
3	Jurisdictional Per Books	81,494,977	(37,206,306)	44,288,671	75,000	-	-	44,363,671	(1,310,654)	-	43,053,017
4	Adjustments:										
5	Non-regulated Propane Operations	(57,464)	25,443	(32,021)	-	-	-	(32,021)	-	-	(32,021)
6											
7											
8											
9											
10											
11											
12											
13	Total Adjustments	$ (57,464)	$ 25,443	$ (32,021)	$ -	$ -	$ -	$ (32,021)	$ -	$ -	$ (32,021)
14											
15	Adjusted Jurisdictional	$ 81,437,513	$ (37,180,863)	$ 44,256,650	$ 75,000	$ -	$ -	$ 44,331,650	$ (1,310,654)	$ -	$ 43,020,996
16											
17	* Includes Account 2520 - Customer Advances for Construction										

Supporting Schedules: B-2 (2008), B-3 (2008), B-7 (2008), B-9 (2008)

Recap Schedules: B-2 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite, Cheryl Martin

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1	PLANT				
2	Commission Adjustment:				
3	Allocate Various Items of General	Non-Regulated Propane Operation at			
4	Plant Accounts to Propane; based	Fernandina Beach Location			
5	on Customers and/or Square Footage	"			
6	Measurements	"			
7	(Accounts 3890, 3900, 3911, 3912,	"			
8	3913, and 391305)	"			
9	Plant-in-Service	"	(55,497)	100%	(55,497)
10	Reserve	"	23,723	100%	23,723
11	CWIP	"	(907)	100%	(907)
12	Total	"	(32,681)		(32,681)
13					
14					
15	Company Adjustment:				
16	None				
17					
18					
19					
20	WORKING CAPITAL				
21	Commission Adjustment:				
22	None				
23					
24					
25					
26	Company Adjustment:				
27	None				
28					
29	Adjustments Included in Last Rate Case Not Included in Current Rate Case , And Reasons for Excluding		Adjustment		
30			Amount		
31	Adjustment:	Reason:	Not Included		
32	1860.1 - Elimination of 1/2 of Deferred Rate Case Costs	Elimination penalizes Company for legitimate costs incurred during the normal businss cycle and on behalf of ratepayers.	(141,147)	100%	(141,147)
33	1860.21 - Fuel Under-recovery	Elimination penalizes Company for legitimate costs incurred during the normal businss cycle. This account exists exclusively due to PSC Orders on the 0001 Fuel Docket, and other factors beyond company control.	(1,716,749)	100%	(1,716,749)

Supporting Schedules: B-3 (2007) Recap Schedules: B-1 (2007), B-3 (2007), B-4 (2007)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite, Cheryl Martin

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1	PLANT				
2	Commission Adjustment:				
3	Allocate Various Items of General	Non-Regulated Propane Operation at			
4	Plant Accounts to Propane; based	Fernandina Beach Location			
5	on Customers and/or Square Footage	-			
6	Measurements	-			
7	(Accounts 3890, 3900, 3911, 3912,	-			
8	3913, and 391305)	-			
9	Plant-in-Service	-	(57,464)	100%	(57,464)
10	Reserve	-	25,443	100%	25,443
11	CWIP	-	-	100%	-
12	Total	-	(32,021)		(32,021)
13					
14					
15	Company Adjustment:				
16	None				
17					
18					
19					
20	WORKING CAPITAL				
21	Commission Adjustment:				
22	None				
23					
24					
25					
26	Company Adjustment:				
27	None				
28					
29	Adjustments Included in Last Rate Case Not Included in Current Rate Case , And Reasons for Excluding		Adjustment		
30			Amount		
31	Adjustment:	Reason:	Not Included		
32	1860.1 - Elimination of 1/2 of Deferred Rate Case Costs	Elimination penalizes Company for legitimate costs incurred during the normal businss cycle and on behalf of ratepayers.	(304,118)	100%	(304,118)
33	1860.21 - Fuel Under-recovery	Elimination penalizes Company for legitimate costs incurred during the normal businss cycle. This account exists exclusively due to PSC Orders on the 0001 Fuel Docket, and other factors beyond company control.	(1,143,377)	100%	(1,143,377)

Supporting Schedules: B-3 (2008) Recap Schedules: B-1 (2008), B-3 (2008), B-4 (2008)

Schedule B-3 (2007) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS |

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(1) Dec 2006	(2) Jan 2007	(3) Feb 2007	(4) Mar 2007	(5) Apr 2007	(6) May 2007	(7) Jun 2007	(8) Jul 2007	(9) Aug 2007	(10) Sep 2007	(11) Oct 2007	(12) Nov 2007	(13) Dec 2007	(14) 13 MONTH AVERAGE
1		ASSETS AND OTHER DEBITS														
2		UTILITY PLANT:														
3	1010	PLANT IN SERVICE	72,747,156	72.995,519	73,247,576	73,356,263	73,485,914	74,472,571	74,763,306	75,064,561	75,276,362	76,084,296	76,436,702	76,659,033	77,617,672	74,785,150
4	1070	CWIP	778,241	721,964	832,944	1,015,513	1,128,238	446,184	463,177	403,766	625,532	115,829	100,191	65,202	-	515,137
5	1080	PLANT RESERVE	(31,928,074)	(32,172,699)	(32,417,998)	(32,583,604)	(32,798,617)	(32,991,541)	(33,186,833)	(33,225,864)	(33,423,008)	(33,620,942)	(33,820,356)	(34,021,643)	(34,223,520)	(33,108,823)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	1,478,869	1.479,138	1,479,371	1,515,182	1,528,636	1,570,238	1,585,435	1,596,744	1,620,942	1,648,540	1,706,310	1,744,774	1,752,693	1,592,837
7	1190	ALLOCATED COMMON PLANT RESERVE	(505,570)	(513,810)	(522,053)	(526,593)	(534,925)	(543,530)	(548,730)	(554,150)	(563,269)	(570,349)	(575,592)	(585,480)	(595,724)	(549,214)
8	1070	ALLOCATED COMMON CWIP	88,165	97,569	99,704	92,184	82,158	65,012	48,954	65,104	69,770	69,950	28,390	1,121	-	62,160
9																
10		OTHER PROPERTY AND INVESTMENTS														
11	1280.1	OTHER SPECIAL FUNDS	3,100	3.100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
12																
13		CURRENT AND ACCRUED ASSETS.														
14	1310	CASH	14,467	365,780	399,366	631,117	245,856	437,065	99,011	120,582	81,042	74,074	86,318	94,233	82,493	210,108
15	1340	SPECIAL DEPOSITS-ELECT	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836
16	1350.1	WORKING FUNDS- PETTY	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
17	1350.10	WORKING FUNDS- PETTY	125	125	125	125	125	125	125	125	125	125	125	125	125	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	3,203,486	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,270,514
19	1440	ALLOW. FOR UNCOLL.AC	(69,678)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(35,502)
20	1540.1	MATERIALS & SUPPLIES	1,042,109	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	908,227
21	1630.3	STORES EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	227,877	206,066	184,255	168,906	164,541	113,709	80,050	45,588	294,590	260,431	274,889	252,739	230,589	192,633
23	1650.4	PREPAID EXP - OTHER	43,168	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	60,783
24	1650.41	PREPAID EXP.-MAINTENANCE	29,264	15.420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	16,485
25	1730.1	UNBILLED REVENUES	424,137	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	444,044
26	1820.2	REG ASSET-RET PLANS	96,056	96,056	110,334	110,334	110,334	110,334	71,662	71,662	71,662	34,129	34,129	34,129	391,644	103,267
27	1840.7	CLEARING ACCOUNT--REFUNDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1850.1	TEMPORARY SERVICES	12,836	27.150	27,150	27,150	27,150	27,150	27,150	27.150	27,150	27,150	27,150	27,150	27,150	26,049
29																
30		DEFERRED DEBITS.														
31	1860.1	DEFERRED DEBITS - OTHER	48,400	48,537	48,675	48,813	48,951	49,090	49,229	49,368	49,508	49,648	49,789	49,930	50,071	49,231
32	1860.1	DEFERRED DEBITS - RATE CASE	190,702	183.639	176,576	169,513	162,450	155,387	210,524	265,661	320,798	375,935	431,072	486,209	541,346	282,293
33	1860.3	MISC DEF'D DR-UNDIST	-	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	14,557
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	862,214	1,022,405	1,081,495	1,009,727	938,778	1,195,705	1,430,136	1,419,454	1,511,817	1,289,432	1,009,159	811,214	1,143,377	1,132,686
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	617,270	626,138	631,972	638,649	620,260	623,921	616,559	618,354	627,663	630,167	636,382	637,347	644,523	628,400
36	1900	ACCUMULATED DEFERRED TAXES	1,048,453	1.056.992	1,054,958	1,062,642	1,191,364	1,184,411	1,175,849	1,170,658	1,160,356	1,157,897	1,157,750	1,158,210	1,167,843	1,134,414
37																
38		TOTAL ASSETS AND OTHER DEBITS.	50,778,609	52.332,498	52,526,379	52,827,850	52,493,142	53,007,760	52,977,533	53,230,692	53,842,969	53,718,241	53,674,337	53,506,222	54,922,211	53,064,497
39																

Schedule B-3 (2007) 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
1		ASSETS AND OTHER DEBITS								
2		UTILITY PLANT:								
3	1010	PLANT IN SERVICE	RB	74,785,150	DIRECT	100%	74,785,150	(55,497)	Allocated Non-Reg. Plant	74,729,653
4	1070	CWIP	RB	515,137	Direct	100%	515,137	(907)	Allocated Non-Reg.	514,230
5	1080	PLANT RESERVE	RB	(33,108,823)	Direct	100%	(33,108,823)	23,723	Allocated Non-Reg.	(33,085,100)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	RB	5,599,290	Plant / Customers	28% / 29%	1,592,837	-	-	1,592,837
7	1190	ALLOCATED COMMON PLANT RESERVE	RB	(1,912,461)	Plant / Customers	28% / 29%	(549,214)	-	-	(549,214)
8	1070	ALLOCATED COMMON CWIP	RB	215,617	Plant / Customers	28% / 29%	62,160	-	-	62,160
9										
10		OTHER PROPERTY AND INVESTMENTS								
11	1280.1	OTHER SPECIAL FUNDS	RB, WC	10,000	Adjusted. Gross Profit	31%	3,100	-	-	3,100
12										
13		CURRENT AND ACCRUED ASSETS.								
14	1310	CASH	RB, WC	677,768	Adjusted. Gross Profit	31%	210,108	-	-	210,108
15	1340	SPECIAL DEPOSITS-ELECT	RB, WC	317,836	Direct	100%	317,836	-	-	317,836
16	1350.1	WORKING FUNDS- PETTY	RB, WC	8,000	Direct	100%	8,000	-	-	8,000
17	1350.10	WORKING FUNDS- PETTY	RB, WC	500	Payroll	25%	125	-	-	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	RB, WC	4,270,514	Direct	100%	4,270,514	-	-	4,270,514
19	1440	ALLOW. FOR UNCOLL.AC	RB, WC	(35,502)	Direct	100%	(35,502)	-	-	(35,502)
20	1540.1	MATERIALS & SUPPLIES	RB, WC	908,227	Direct	100%	908,227	-	-	908,227
21	1630.3	STORES EXPENSE	RB, WC	-	Direct	100%	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	RB, WC	621,397	Adjusted. Gross Profit	31%	192,633	-	-	192,633
23	1650.4	PREPAID EXP - OTHER	RB, WC	196,074	Adjusted. Gross Profit	31%	60,783	-	-	60,783
24	1650.41	PREPAID EXP.-MAINTENANCE	RB, WC	53,177	Adjusted. Gross Profit	31%	16,485	-	-	16,485
25	1730.1	UNBILLED REVENUES	RB, WC	444,044	Direct	100%	444,044	-	-	444,044
26	1820.2	REG ASSET-RET PLANS	RB, WC	413,066	Payroll	25%	103,267	-	-	103,267
27	1840.7	CLEARING ACCOUNT-- REFUNDS	RB, WC	-	Adjusted. Gross Profit	31%	-	-	-	-
28	1850.1	TEMPORARY SERVICES	RB, WC	26,049	Direct	100%	26,049	-	-	26,049
29								-		-
30		DEFERRED DEBITS.						-		-
31	1860.1	DEFERRED DEBITS - OTHER	RB, WC	49,231	Direct	100%	49,231	-	-	49,231
32	1860.1	DEFERRED DEBITS - RATE CASE	RB, WC	282,293	Direct	100%	282,293	-	-	282,293
33	1860.3	MISC DEF'D DR-UNDIST	RB, WC	14,557	Direct	100%	14,557	-	-	14,557
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	RB, WC	1,132,686	Direct	100%	1,132,686	-	-	1,132,686
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	CS	1,956,157	Allocated Consolidated Equity	32%	628,400	(11,414)	Allocated Equity Adjustment	616,986
36	1900	ACCUMULATED DEFERRED TAXES	CS	1,134,414	Direct	100%	1,134,414	-	-	1,134,414
37										
38		TOTAL ASSETS AND OTHER DEBITS					53,064,497	(44,095)		53,020,402
39										

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 MONTH AVERAGE
40		LIABILITIES AND OTHER CREDITS														
41		PROPRIETARY CAPITAL														
42	2010.1	COMMON STOCK ISSUED	(2,858,936)	(2,900,006)	(2,927,029)	(2,957,951)	(2,872,785)	(2,889,737)	(2,855,642)	(2,863,957)	(2,907,070)	(2,918,670)	(2,947,453)	(2,951,925)	(2,985,161)	(2,910,486)
43	2040.1	PREFERRED STOCK ISSUED-$1	(194,927)	(197,728)	(199,570)	(201,679)	(195,872)	(197,028)	(194,703)	(195,270)	(198,209)	(199,000)	(200,963)	(201,268)	(203,534)	(198,442)
44	2070.1	PREM ON CAPITAL STOCK	(1,721,859)	(1,746,595)	(1,762,870)	(1,781,493)	(1,730,200)	(1,740,410)	(1,719,876)	(1,724,883)	(1,750,849)	(1,757,835)	(1,775,171)	(1,777,864)	(1,797,881)	(1,752,907)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	(259,903)	(263,637)	(266,094)	(268,905)	(261,162)	(262,703)	(259,604)	(260,360)	(264,279)	(265,334)	(267,950)	(268,357)	(271,378)	(264,590)
46	2140.1	CAPITAL STOCK EXPENSE	129,952	131,818	133,047	134,452	130,581	131,352	129,802	130,180	132,140	132,667	133,975	134,178	135,689	132,295
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	(10,915,937)	(11,072,750)	(11,175,931)	(11,293,996)	(10,968,814)	(11,033,544)	(10,903,362)	(10,935,108)	(11,099,723)	(11,144,010)	(11,253,913)	(11,270,984)	(11,397,888)	(11,112,766)
48	2170.1	COMMON STOCK REACQUIRED	779,710	790,911	798,281	806,714	783,487	788,110	778,812	781,079	792,837	796,001	803,851	805,070	814,135	793,769
49	.															
50		LONG TERM DEBT														
51	2210.1	BONDS	(16,276,444)	(16,510,263)	(16,664,110)	(16,840,155)	(16,355,286)	(16,451,800)	(16,257,691)	(16,305,028)	(16,550,478)	(16,616,517)	(16,780,387)	(16,805,846)	(16,995,066)	(16,569,931)
52	.															
53		OTHER NON-CURRENT LIABILITIES.														
54	2280.11	ELECTRIC STORM RESERVE	(1,636,118)	(1,646,252)	(1,656,387)	(1,666,522)	(1,676,657)	(1,686,792)	(1,696,927)	(1,707,062)	(1,717,197)	(1,677,332)	(1,687,467)	(1,697,602)	(1,707,737)	(1,681,542)
55	2280.31	PENSIONS RESERVE	(753,918)	(777,876)	(801,835)	(813,473)	(848,682)	(883,890)	(873,029)	(908,237)	(943,445)	(932,584)	(967,792)	(1,003,001)	(1,482,905)	(922,359)
56	2280.32	MEDICAL POST-RETIREMENT	(578,260)	(580,701)	(584,204)	(588,397)	(592,061)	(595,535)	(591,387)	(590,813)	(590,239)	(587,879)	(587,305)	(586,731)	(596,554)	(588,466)
57	2280.34	401(K) ACCRUAL COMPANY SH	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	(56,247)	(52,431)	(42,680)	(34,144)	(34,587)	(29,166)	(31,934)	(34,701)	(37,469)	(40,237)	(43,004)	(45,772)	(48,540)	(40,839)
59																

Schedule B-3 (2007) 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
40		LIABILITIES AND OTHER CREDITS								
41		PROPRIETARY CAPITAL								
42	2010.1	COMMON STOCK ISSUED	CS	(9,262,770)	Allocated Consolidated Equity	31%	(2,910,486)	(11,059)	Allocated Equity Adjustment	(2,921,545)
43	2040.1	PREFERRED STOCK ISSUED-$1	CS	(600,000)	Allocated Consolidated Equity	33%	(198,442)	9,198	Allocated Equity Adjustment	(189,244)
44	2070.1	PREM ON CAPITAL STOCK	CS	(5,523,948)	Allocated Consolidated Equity	32%	(1,752,907)	10,614	Allocated Equity Adjustment	(1,742,293)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	CS	(818,884)	Allocated Consolidated Equity	32%	(264,590)	6,308	Allocated Equity Adjustment	(258,282)
46	2140.1	CAPITAL STOCK EXPENSE	CS	428,441	Allocated Consolidated Equity	31%	132,295	2,838	Allocated Equity Adjustment	135,133
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	CS	(35,170,162)	Allocated Consolidated Equity	32%	(11,112,766)	19,842	Allocated Equity Adjustment	(11,092,924)
48	2170.1	COMMON STOCK REACQUIRED	CS	2,464,286	Allocated Consolidated Equity	32%	793,769	(16,515)	Allocated Equity Adjustment	777,254
49										
50		LONG TERM DEBT								
51	2210.1	BONDS	CS	(52,500,000)	Allocated Consolidated Equity	31%	(16,569,931)	11,050	Allocated Equity Adjustment	(16,558,881)
52										
53		OTHER NON-CURRENT LIABILITIES								
54	2280.11	ELECTRIC STORM RESERVE	RB, WC	(1,681,542)	DIRECT	100%	(1,681,542)	-	-	(1,681,542)
55	2280.31	PENSIONS RESERVE	RB, WC	(3,689,436)	Payroll	25%	(922,359)	-	-	(922,359)
56	2280.32	MEDICAL POST-RETIREMENT	RB, WC	(1,898,279)	Adj. Gross Profit	31%	(588,466)	-	-	(588,466)
57	2280.34	401(K) ACCRUAL COMPANY SH	RB, WC	-	Payroll	25%	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	RB, WC	(131,740)	Adj. Gross Profit	31%	(40,839)	-	-	(40,839)
59										

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(1) Dec 2006	(2) Jan 2007	(3) Feb 2007	(4) Mar 2007	(5) Apr 2007	(6) May 2007	(7) Jun 2007	(8) Jul 2007	(9) Aug 2007	(10) Sep 2007	(11) Oct 2007	(12) Nov 2007	(13) Dec 2007	(14) 13 MONTH AVERAGE
60		CURRENT AND ACCRUED LIABILITIES														
61	2310.1	NOTES PAYABLE	(1,786,835)	(1,812,504)	(1,829,393)	(1,848,720)	(1,795,490)	(1,806,086)	(1,784,777)	(1,789,973)	(1,816,919)	(1,824,169)	(1,842,158)	(1,844,953)	(1,865,726)	(1,819,054)
62	2320.	ACCOUNTS PAYABLE - FUEL	(2,341,685)	(3,111,584)	(3,008,291)	(2,691,590)	(2,628,658)	(2,916,641)	(3,247,557)	(3,317,519)	(3,371,012)	(3,040,509)	(2,613,415)	(2,351,601)	(2,881,858)	(2,886,302)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	(914,573)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(881,846)
64	2320.	ACCOUNTS PAYABLE - OTHER	(287,359)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(216,064)
65	2350.1	CUSTOMER DEPOSITS	(2,322,227)	(2,320,879)	(2,335,632)	(2,642,123)	(2,661,468)	(2,680,956)	(2,700,586)	(2,720,360)	(2,740,278)	(2,760,343)	(2,780,554)	(2,800,914)	(2,821,422)	(2,637,519)
66	2360.1	TAXES ACCRUED - AD VALOREM	-	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(190,570)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	(115,386)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(106,180)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	(50,691)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(41,410)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	(630)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,061)
70	2360	TAXES ACCRUED - INCOME TAX	(481,758)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(576,498)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	(99,032)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(66,161)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	(134,950)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(314,748)
73	2380	DIVIDENDS DECLARED - PREFERRED	(2,280)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(340)
74	2410	WITHHOLDING TAXES PAYABLE	-	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(329)
75	2410	TAX COLLECTIONS PAYABLE	(268,716)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(293,989)
76	2420	EMPLOYEE FUND	(1,138)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(877)
77	2420	ACCRUED VACATION	(323,504)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(289,739)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	(41,655)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(51,787)
79																
80		DEFERRED CREDITS														
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	(900,810)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(849,105)
82	2530.1	OTHER DF CR-CASHIER	-	67	67	67	67	67	67	67	67	67	67	67	67	62
83	2530.21	OVER RECOVERY-FUEL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	(44,652)	(56,853)	(68,596)	(60,011)	(19,772)	(10,158)	(9,418)	(11,605)	(13,813)	(16,015)	(13,521)	(6,772)	(1,257)	(25,573)
85	2550.1	INVEST TAX CREDIT	(124,971)	(122,499)	(120,037)	(117,575)	(115,113)	(112,651)	(110,189)	(107,727)	(105,265)	(102,803)	(100,341)	(97,879)	(95,417)	(110,190)
86																
87		ACCUMULATED DEFERRED INCOME TAXES														
88	2820. 2821, 2830.	ACCUMULATED DEFERRED TAXES	(6,192,870)	(6,178,346)	(6,110,725)	(6,057,959)	(6,746,280)	(6,725,802)	(6,745,142)	(6,765,025)	(6,757,378)	(6,859,349)	(6,846,446)	(6,829,678)	(6,815,388)	(6,586,953)
89																
90		TOTAL LIABILITIES AND OTHER CREDITS	(50,778,609)	(52,332,498)	(52,526,379)	(52,827,850)	(52,493,142)	(53,007,760)	(52,977,533)	(53,230,692)	(53,842,969)	(53,718,241)	(53,674,337)	(53,506,222)	(54,922,211)	(53,064,497)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %		(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON		(23) ADJUSTED AMOUNT
60		CURRENT AND ACCRUED LIABILITIES										
61	2310.1	NOTES PAYABLE	CS	(5,729,846)	Allocated Consolidated Equity		32%	(1,819,054)	11,819	Allocated Equity Adjustment		(1,807,235)
62	2320.	ACCOUNTS PAYABLE - FUEL	RB, WC	(2,886,302)	DIRECT		100%	(2,886,302)	-		-	(2,886,302)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	RB, WC	(2,844,665)	Adj. Gross Profit		31%	(881,846)	-		-	(881,846)
64	2320.	ACCOUNTS PAYABLE - OTHER	RB, WC	(777,876)	Adjusted Gross Profit / Payroll	31% / 25%		(216,064)	-		-	(216,064)
65	2350.1	CUSTOMER DEPOSITS	CS	(2,637,519)	DIRECT		100%	(2,637,519)	-		-	(2,637,519)
66	2360.1	TAXES ACCRUED - AD VALOREM	RB, WC	(190,570)	DIRECT		100%	(190,570)	-		-	(190,570)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	RB, WC	(279,420)	REG GROSS PROFIT		38%	(106,180)	-		-	(106,180)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	RB, WC	(133,580)	Adj. Gross Profit		31%	(41,410)	-		-	(41,410)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	RB, WC	(12,243)	Payroll		25%	(3,061)	-		-	(3,061)
70	2360	TAXES ACCRUED - INCOME TAX	RB, WC	(1,859,671)	Adj. Gross Profit		31%	(576,498)	-		-	(576,498)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	RB, WC	(66,161)	DIRECT		100%	(66,161)	-		-	(66,161)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	RB, WC	(1,015,317)	Plant		31%	(314,748)	-		-	(314,748)
73	2380	DIVIDENDS DECLARED - PREFERRED	RB, WC	(1,096)	Adj. Gross Profit		31%	(340)	-		-	(340)
74	2410	WITHHOLDING TAXES PAYABLE	RB, WC	(1,315)	Payroll		25%	(329)	-		-	(329)
75	2410	TAX COLLECTIONS PAYABLE	RB, WC	(293,989)	DIRECT		100%	(293,989)	-		-	(293,989)
76	2420	EMPLOYEE FUND	RB, WC	(877)	DIRECT		100%	(877)	-		-	(877)
77	2420	ACCRUED VACATION	RB, WC	(1,158,955)	Payroll		25%	(289,739)	-		-	(289,739)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	RB, WC	(167,056)	Adj. Gross Profit		31%	(51,787)	-		-	(51,787)
79									-			-
80		DEFERRED CREDITS.							-			-
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	RB	(849,105)	DIRECT		100%	(849,105)	-		-	(849,105)
82	2530.1	OTHER DF CR-CASHIER	RB, WC	62	DIRECT		100%	62	-		-	62
83	2530.21	OVER RECOVERY-FUEL	RB, WC	-	DIRECT		100%	-	-		-	-
84	2530.61	OVER RECOVERY-CONSERVATION	RB, WC	(25,573)	DIRECT		100%	(25,573)	-		-	(25,573)
85	2550.1	INVEST TAX CREDIT	CS	(110,190)	DIRECT		100%	(110,190)	-		-	(110,190)
86												
87		ACCUMULATED DEFERRED INCOME TAXES.										
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	CS	(6,586,953)	DIRECT		100%	(6,586,953)	-		-	(6,586,953)
89												
90		TOTAL LIABILITIES AND OTHER CREDITS		(53,315,986)				(53,064,497)	44,095			(53,020,402)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS =

Supporting Schedules: B-8 (2007), B-10 (2007) Recap Schedules: B-1 (2007), B-2 (2007), B-4 (2007)

Schedule B-3 (2008) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS |

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(1) Dec 2007	(2) Jan 2008	(3) Feb 2008	(4) Mar 2008	(5) Apr 2008	(6) May 2008	(7) Jun 2008	(8) Jul 2008	(9) Aug 2008	(10) Sep 2008	(11) Oct 2008	(12) Nov 2008	(13) Dec 2008	(14) 13 MONTH AVERAGE
1		ASSETS AND OTHER DEBITS														
2		UTILITY PLANT:														
3	1010	PLANT IN SERVICE	77,617,672	77,912,775	78,233,878	78,437,981	78,877,584	79,365,387	79,843,490	80,117,593	80,376,296	80,556,497	80,832,698	81,394,899	81,773,800	79,641,581
4	1070	CWIP	-	30,000	110,000	280,000	290,000	190,000	-	50,000	-	25,000	-	-	-	75,000
5	1080	PLANT RESERVE	(34,386,151)	(34,596,347)	(34,808,043)	(35,021,593)	(35,235,812)	(35,451,589)	(35,650,360)	(35,868,741)	(36,088,539)	(36,309,124)	(36,530,160)	(36,751,938)	(36,975,949)	(35,667,257)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	1,752,693	1,774,393	1,793,888	1,808,223	1,834,633	1,842,413	1,867,348	1,874,878	1,892,128	1,895,003	1,918,178	1,918,738	1,921,638	1,853,396
7	1190	ALLOCATED COMMON PLANT RESERVE	(595,724)	(606,048)	(616,419)	(626,954)	(637,620)	(648,506)	(659,466)	(670,512)	(681,626)	(692,898)	(704,196)	(715,713)	(727,233)	(660,224)
8	1070	ALLOCATED COMMON CWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9																
10		OTHER PROPERTY AND INVESTMENTS														
11	1280.1	OTHER SPECIAL FUNDS	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
12																
13		CURRENT AND ACCRUED ASSETS.														
14	1310	CASH	82,493	74,863	54,531	77,975	74,595	45,237	94,370	91,442	59,928	71,149	74,659	60,505	57,063	70,678
15	1340	SPECIAL DEPOSITS-ELECT	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836
16	1350.1	WORKING FUNDS- PETTY	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
17	1350.10	WORKING FUNDS- PETTY	125	125	125	125	125	125	125	125	125	125	125	125	125	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	3,561.058	5.165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,042,458
19	1440	ALLOW. FOR UNCOLL.AC	(35,502)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,745)
20	1540.1	MATERIALS & SUPPLIES	908,227	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	940,015
21	1630.3	STORES EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	230,589	208,416	186,383	170,613	149,510	114,706	80,800	45,927	303,552	268,646	282,357	259,459	236,562	195,194
23	1650.4	PREPAID EXP - OTHER	62,251	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,910
24	1650.41	PREPAID EXP.- MAINTENANCE	15,420	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,062
25	1730.1	UNBILLED REVENUES	445,703	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	548,394
26	1820.2	REG ASSET-RET PLANS	532,635	532,635	532,635	491,143	491,143	491,143	449,650	449,650	449,650	408,157	408,157	408,157	207,264	450,155
27	1840.7	CLEARING ACCOUNT--REFUNDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1850.1	TEMPORARY SERVICES	27,150	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,961
29																
30		DEFERRED DEBITS.														
31	1860.1	DEFERRED DEBITS - OTHER	50.071	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	50,954
32	1860.1	DEFERRED DEBITS - RATE CASE	541,346	588,379	635,412	682,445	667,278	652,111	636,944	621,777	606,610	591,443	576,276	561,109	545,942	608,236
33	1860.3	MISC DEF'D DR-UNDIST	15,770	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,066
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	529,769	544,812	541,507	548,653	551,106	544,894	538,085	535,714	536,757	539,972	547,869	556,020	545,102	543,097
36	1900	ACCUMULATED DEFERRED TAXES	1,167,843	1.144,089	1,256,804	1,256,991	1,256,722	1,256,484	1,256,270	1,256,401	1,253,370	1,252,493	1,251,737	1,249,486	1,253,227	1,239,378
37																
38		TOTAL ASSETS AND OTHER DEBITS.	53,995,751	55,882,224	56.194,833	56,379,734	56,593,396	56,676,537	56,731,388	56.778,386	56,982,383	56,880,595	56,931,832	57,214,979	57,111,673	56,488,747
39																

Schedule B-3 (2008) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
1		ASSETS AND OTHER DEBITS								
2		UTILITY PLANT:								
3	1010	PLANT IN SERVICE	RB	79.641,581	DIRECT	100%	79,641,581	(57,464)	Allocated Non-Req. Plant	79,584,117
4	1070	CWIP	RB	75,000	Direct	100%	75,000	-	Allocated Non-Req.	75,000
5	1080	PLANT RESERVE	RB	(35,667,257)	Direct	100%	(35,667,257)	· 25,443	Allocated Non-Req.	(35,641,814)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	RB	6,507,169	Plant / Customers	28% / 29%	1,853,396	-	-	1,853,396
7	1190	ALLOCATED COMMON PLANT RESERVE	RB	(2,298,092)	Plant / Customers	28% / 29%	(660,224)	-	-	(660,224)
8	1070	ALLOCATED COMMON CWIP	RB	-	Plant / Customers	28% / 29%	-	-	-	-
9										
10		OTHER PROPERTY AND INVESTMENTS								
11	1280.1	OTHER SPECIAL FUNDS	RB, WC	10,000	Adjusted. Gross Profit	31%	3,100	-		3,100
12										
13		CURRENT AND ACCRUED ASSETS.								
14	1310	CASH	RB, WC	227,993	Adjusted. Gross Profit	31%	70,678	-	-	70,678
15	1340	SPECIAL DEPOSITS-ELECT	RB, WC	317,836	Direct	100%	317,836	-	-	317,836
16	1350.1	WORKING FUNDS- PETTY	RB, WC	8,000	Direct	100%	8,000	-	-	8,000
17	1350.10	WORKING FUNDS- PETTY	RB, WC	500	Payroll	25%	125	-	-	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	RB, WC	5,042,458	Direct	100%	5,042,458	-	-	5,042,458
19	1440	ALLOW. FOR UNCOLL.AC	RB, WC	(36,745)	Direct	100%	(36,745)	-	-	(36,745)
20	1540.1	MATERIALS & SUPPLIES	RB, WC	940,015	Direct	100%	940,015	-	-	940,015
21	1630.3	STORES EXPENSE	RB, WC	-	Direct	100%	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	RB, WC	629,658	Adjusted. Gross Profit	31%	195,194	-	-	195,194
23	1650.4	PREPAID EXP - OTHER	RB, WC	202,937	Adjusted. Gross Profit	31%	62,910	-	-	62,910
24	1650.41	PREPAID EXP.- MAINTENANCE	RB, WC	55,038	Adjusted. Gross Profit	31%	17,062	-	-	17,062
25	1730.1	UNBILLED REVENUES	RB, WC	548,394	Direct	100%	548,394	-	-	548,394
26	1820.2	REG ASSET-RET PLANS	RB, WC	1,323,986	Payroll	34%	450,155	-	-	450,155
27	1840.7	CLEARING ACCOUNT-- REFUNDS	RB, WC	-	Adjusted. Gross Profit	31%	-	-	-	-
28	1850.1	TEMPORARY SERVICES	RB, WC	26,961	Direct	100%	26,961	-	-	26,961
29										
30		DEFERRED DEBITS.								
31	1860.1	DEFERRED DEBITS - OTHER	RB, WC	50,954	Direct	100%	50,954	-	-	50,954
32	1860.1	DEFERRED DEBITS - RATE CASE	RB, WC	608,236	Direct	100%	608,236	-	-	608,236
33	1860.3	MISC DEF'D DR-UNDIST	RB, WC	15,066	Direct	100%	15,066	-	-	15,066
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	RB, WC	1,143,377	Direct	100%	1,143,377	-	-	1,143,377
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	CS	1,855,551	Allocated Consolidated Equity	29%	543,097	6,126	Allocated Equity Adjustment	549,223
36	1900	ACCUMULATED DEFERRED TAXES	CS	1,239,378	Direct	100%	1,239,378	-	-	1,239,378
37										
38		TOTAL ASSETS AND OTHER DEBITS.					56,488,747	(25,895)		56,462,852
39										

Schedule B-3 (2008) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS |

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account No.	Account Name	(1) Dec 2007	(2) Jan 2008	(3) Feb 2008	(4) Mar 2008	(5) Apr 2008	(6) May 2008	(7) Jun 2008	(8) Jul 2008	(9) Aug 2008	(10) Sep 2008	(11) Oct 2008	(12) Nov 2008	(13) Dec 2008	(14) 13 MONTH AVERAGE
40		LIABILITIES AND OTHER CREDITS														
41		PROPRIETARY CAPITAL														
42	2010.1	COMMON STOCK ISSUED	(2,979,952)	(3,064,567)	(3,045,975)	(3,086,171)	(3,099,972)	(3,065,029)	(3,026,726)	(3,013,389)	(3,019,256)	(3,037,342)	(3,081,761)	(3,127,610)	(3,066,200)	(3,054,919)
43	2040.1	PREFERRED STOCK ISSUED-$1	(165,553)	(170,254)	(169,221)	(171,454)	(172,221)	(170,279)	(168,151)	(167,410)	(167,736)	(168,741)	(171,209)	(173,756)	(170,344)	(169,718)
44	2070.1	PREM ON CAPITAL STOCK	(3,575,942)	(3,677,480)	(3,655,170)	(3,703,405)	(3,719,966)	(3,678,035)	(3,632,071)	(3,616,066)	(3,623,107)	(3,644,811)	(3,698,113)	(3,753,133)	(3,679.440)	(3,665,903)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	(198,663)	(204,304)	(203,065)	(205,745)	(206,665)	(204,335)	(201,782)	(200,893)	(201,284)	(202,489)	(205,451)	(208,507)	(204,413)	(203,661)
46	2140.1	CAPITAL STOCK EXPENSE	264,885	272,406	270,753	274,326	275,553	272,447	269,042	267,857	268,378	269,986	273,934	278,010	272,551	271,548
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	(10.760,937)	(11,066,491)	(10,999,354)	(11,144,505)	(11,194,342)	(11,068,162)	(10,929,843)	(10,881,682)	(10,902,868)	(10,968,181)	(11,128,582)	(11,294,149)	(11,072,388)	(11,031,653)
48	2170.1	COMMON STOCK REACQUIRED	562,880	578,863	575,351	582,943	585,550	578,950	571,715	569,196	570,304	573,720	582,110	590,771	579,171	577,040
49																
50		LONG TERM DEBT														
51	2210.1	BONDS	(14.932,871)	(15,356,884)	(15,263,718)	(15,465,142)	(15,534,301)	(15,359,205)	(15,167,259)	(15,100,427)	(15,129,827)	(15,220,460)	(15,443,047)	(15,672,804)	(15,365,066)	(15,308,539)
52																
53		OTHER NON-CURRENT LIABILITIES.														
54	2280.11	ELECTRIC STORM RESERVE	(1,707,737)	(1,724,727)	(1,741,717)	(1,758,707)	(1,775,697)	(1,792,687)	(1,809,677)	(1,826,667)	(1,843,657)	(1,860,647)	(1,877,637)	(1,894,627)	(1,911,617)	(1,809,677)
55	2280.31	PENSIONS RESERVE	(1,482,905)	(1,521,652)	(1,560,399)	(1,554,179)	(1,592,926)	(1,631,673)	(1,625,453)	(1,664,200)	(1,702,947)	(1,696,727)	(1,735,474)	(1,774,221)	(1,650,795)	(1,630,273)
56	2280.32	MEDICAL POST-RETIREMENT	(596,554)	(598,069)	(599,584)	(601.098)	(602,613)	(604,128)	(605,642)	(607,157)	(608,672)	(610,186)	(611,701)	(613,216)	(620,880)	(606,115)
57	2280.34	401(K) ACCRUAL COMPANY SH	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	(48,540)	(50,968)	(53,397)	(55,825)	(58,253)	(60,682)	(63,110)	(65,538)	(67,967)	(70,395)	(72,823)	(75,252)	(77,680)	(63,110)
59																

Schedule B-3 (2008) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

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Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
40		LIABILITIES AND OTHER CREDITS								
41		PROPRIETARY CAPITAL								
42	2010.1	COMMON STOCK ISSUED	CS	(10,293,196)	Allocated Consolidated Equity	29%	(3,054,919)	8,245	Allocated Equity Adjustment	(3,046,674)
43	2040.1	PREFERRED STOCK ISSUED-$1	CS	(600,000)	Allocated Consolidated Equity	28%	(169,718)	(7,875)	Allocated Equity Adjustment	(177,593)
44	2070.1	PREM ON CAPITAL STOCK	CS	(12,420,226)	Allocated Consolidated Equity	29%	(3,665,903)	(10,349)	Allocated Equity Adjustment	(3,676,252)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	CS	(702,087)	Allocated Consolidated Equity	29%	(203,661)	(4,149)	Allocated Equity Adjustment	(207,810)
46	2140.1	CAPITAL STOCK EXPENSE	CS	913,056	Allocated Consolidated Equity	29%	271,548	(1,293)	Allocated Equity Adjustment	270,255
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	CS	(37,207,432)	Allocated Consolidated Equity	29%	(11,031,653)	18,658	Allocated Equity Adjustment	(11,012,995)
48	2170.1	COMMON STOCK REACQUIRED	CS	1,954,005	Allocated Consolidated Equity	29%	577,040	1,324	Allocated Equity Adjustment	578,364
49										
50		LONG TERM DEBT								
51	2210.1	BONDS	CS	(51,632,923)	Allocated Consolidated Equity	29%	(15,308,539)	25,755	Allocated Equity Adjustment	(15,282,784)
52										
53		OTHER NON-CURRENT LIABILITIES.								
54	2280.11	ELECTRIC STORM RESERVE	RB, WC	(1,809,677)	DIRECT	100%	(1,809,677)	-	-	(1,809,677)
55	2280.31	PENSIONS RESERVE	RB, WC	(6,521,093)	Payroll	25%	(1,630,273)	-	-	(1,630,273)
56	2280.32	MEDICAL POST-RETIREMENT	RB, WC	(1,955,211)	Adj. Gross Profit	31%	(606,115)	-	-	(606,115)
57	2280.34	401(K) ACCRUAL COMPANY SH	RB, WC	-	Payroll	25%	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	RB, WC	(203,580)	Adj. Gross Profit	31%	(63,110)	-	-	(63,110)
59										

Schedule B-3 (2008)
FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account No.	Account Name	(1) Dec 2007	(2) Jan 2008	(3) Feb 2008	(4) Mar 2008	(5) Apr 2008	(6) May 2008	(7) Jun 2008	(8) Jul 2008	(9) Aug 2008	(10) Sep 2008	(11) Oct 2008	(12) Nov 2008	(13) Dec 2008	(14) 13 MONTH AVERAGE
60		CURRENT AND ACCRUED LIABILITIES														
61	2310.1	NOTES PAYABLE	(1,854,192)	(1,906,841)	(1,895,273)	(1,920,284)	(1,928,871)	(1,907,129)	(1,883,296)	(1,874,997)	(1,878,648)	(1,889,902)	(1,917,540)	(1,946,069)	(1,907,858)	(1,900,838)
62	2320.	ACCOUNTS PAYABLE - FUEL	(2,881,858)	(3,863,799)	(3,449,781)	(3,165,243)	(3,151,127)	(3,568,606)	(4,002,274)	(4,099,526)	(4,164,913)	(3,735,864)	(3,217,788)	(2,918,936)	(3,598,165)	(3,524,452)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	(879,119)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(912,711)
64	2320.	ACCOUNTS PAYABLE - OTHER	(210,123)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,064)
65	2350.1	CUSTOMER DEPOSITS	(2,821,422)	(2,842,081)	(2,862,890)	(2,883,853)	(2,904,968)	(2,926,239)	(2,947,665)	(2,969,248)	(2,990,989)	(3,012,889)	(3,034,949)	(3,057,172)	(3,079,556)	(2,948,763)
66	2360.1	TAXES ACCRUED - AD VALOREM	(206,451)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(197,240)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	(105,413)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(109,896)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	(40,637)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(42,859)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	(3,264)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,168)
70	2360	TAXES ACCRUED - INCOME TAX	(584,393)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(596,675)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	(63,422)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(66,955)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	(329,732)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,764)
73	2380	DIVIDENDS DECLARED - PREFERRED	(178)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(340)
74	2410	WITHHOLDING TAXES PAYABLE	(356)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(340)
75	2410	TAX COLLECTIONS PAYABLE	(296,095)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,279)
76	2420	EMPLOYEE FUND	(855)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(908)
77	2420	ACCRUED VACATION	(286,925)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(309,441)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	(52,631)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,600)
79																
80		DEFERRED CREDITS.														
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	(844,796)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(878,824)
82	2530.1	OTHER DF CR-CASHIER	62	62	62	62	63	63	63	63	67	67	68	68	68	64
83	2530.21	OVER RECOVERY-FUEL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	(1,257)	(1,152)	(1,047)	(942)	(837)	(732)	(627)	(522)	(417)	(312)	(207)	(102)	-	(627)
85	2550.1	INVEST TAX CREDIT	(95,417)	(93,175)	(90,933)	(88,691)	(86,449)	(84,207)	(81,965)	(79,723)	(77,481)	(75,239)	(72,997)	(70,755)	(68,513)	(81,965)
86	.															
87		ACCUMULATED DEFERRED INCOME TAXES.														
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	(6,815,388)	(6,562,491)	(7,420,855)	(7,403,201)	(7,396,734)	(7,378,249)	(7,398,047)	(7,419,437)	(7,412,743)	(7,501,563)	(7,490,045)	(7,474,899)	(7,461,928)	(7,318,122)
89																
90		TOTAL LIABILITIES AND OTHER CREDITS	(53,995,751)	(55,882,224)	(56,194,833)	(56,379,734)	(56,593,396)	(56,676,537)	(56,731,388)	(56,778,386)	(56,982,383)	(56,880,595)	(56,931,832)	(57,214,979)	(57,111,673)	(56,488,747)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
60		CURRENT AND ACCRUED LIABILITIES								
61	2310.1	NOTES PAYABLE	CS	(6,436,923)	Allocated Consolidated Equity	29%	(1,900,838)	(4,421)	Allocated Equity Adjustment	(1,905,259)
62	2320.	ACCOUNTS PAYABLE - FUEL	RB, WC	(3,524,452)	DIRECT	100%	(3,524,452)	-	-	(3,524,452)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	RB, WC	(2,944,228)	Adj. Gross Profit	31%	(912,711)	-	-	(912,711)
64	2320.	ACCOUNTS PAYABLE - OTHER	RB, WC	(805,102)	Adjusted Gross Profit / Payroll	31% / 25%	(216,064)	-	-	(216,064)
65	2350.1	CUSTOMER DEPOSITS	CS	(2,948,763)	DIRECT	100%	(2,948,763)	-	-	(2,948,763)
66	2360.1	TAXES ACCRUED - AD VALOREM	RB, WC	(197,240)	DIRECT	100%	(197,240)	-	-	(197,240)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	RB, WC	(289,200)	REG GROSS PROFIT	38%	(109,896)	-	-	(109,896)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	RB, WC	(138,255)	Adj. Gross Profit	31%	(42,859)	-	-	(42,859)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	RB, WC	(12,672)	Payroll	25%	(3,168)	-	-	(3,168)
70	2360	TAXES ACCRUED - INCOME TAX	RB, WC	(1,924,759)	Adj. Gross Profit	31%	(596,675)	-	-	(596,675)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	RB, WC	(66,955)	DIRECT	100%	(66,955)	-	-	(66,955)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	RB, WC	(1,050,853)	Plant	31%	(325,764)	-	-	(325,764)
73	2380	DIVIDENDS DECLARED - PREFERRED	RB, WC	(1,096)	Adj. Gross Profit	31%	(340)	-	-	(340)
74	2410	WITHHOLDING TAXES PAYABLE	RB, WC	(1,361)	Payroll	25%	(340)	-	-	(340)
75	2410	TAX COLLECTIONS PAYABLE	RB, WC	(304,279)	DIRECT	100%	(304,279)	-	-	(304,279)
76	2420	EMPLOYEE FUND	RB, WC	(908)	DIRECT	100%	(908)	-	-	(908)
77	2420	ACCRUED VACATION	RB, WC	(1,237,764)	Payroll	25%	(309,441)	-	-	(309,441)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	RB, WC	(172,903)	Adj. Gross Profit	31%	(53,600)	-	-	(53,600)
79										
80		DEFERRED CREDITS.								
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	RB	(878,824)	DIRECT	100%	(878,824)	-	-	(878,824)
82	2530.1	OTHER DF CR-CASHIER	RB, WC	64	DIRECT	100%	64	-	-	64
83	2530.21	OVER RECOVERY-FUEL	RB, WC	-	DIRECT	100%	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	RB, WC	(627)	DIRECT	100%	(627)	-	-	(627)
85	2550.1	INVEST TAX CREDIT	CS	(81,965)	DIRECT	100%	(81,965)	-	-	(81,965)
86	.									
87		ACCUMULATED DEFERRED INCOME TAXES.								
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	CS	(7,318,122)	DIRECT	100%	(7,318,122)	-	-	(7,318,122)
89										
90		TOTAL LIABILITIES AND OTHER CREDITS		(56,747,040)			(56,488,747)	25,895		(56,462,852)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the data listed below regarding all changes in rate base primary accounts that exceed 1/20th of one percent (.0005) of total rate base and ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Witness: Jim Mesite, Cheryl Martin

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
					Increase / (Decrease)		
Line No.	Account Number	Account Name	Test Year Ended 12/31/2008	Prior Year Ended 12/31/2007	Amount (3)-(4) (000)	Percent (5)/(4) (%)	Reason(s) for Change
1	1070	Electric CWIP	74,093	514,230	(440,137)	-86%	Projected construction interval.
2	1070	Allocated Common CWIP	-	62,160	(62,160)	-100%	No significant long-term projects anticipated in 2008.
3	1180	Allocated Common Plant	1,853,396	1,592,836	260,560	16%	Significant retirements not anticipated.
4	1190	Allocated Common Reserve	(684,914)	(560,372)	(124,542)	22%	Significant retirements not anticipated
5	1310	Cash and Deposits	70,678	210,108	(139,430)	-66%	Projected interactions between Cash and Line of Credit.
6	1730	Unbilled Revenues	548,394	444,044	104,350	23%	Proposed Increase in Base Rate & Customer Growth
7	1820	Reg Asset-Ret Plans	450,155	103,267	346,888	336%	Actuarial Estimates and accounting changes due to FAS 158
8	1860	Deferred Debits - Rate Case	608,236	282,293	325,943	115%	Costs of 2007 Electric Rate Case
9	2280	Electric Storm Reserve	(2,018,351)	(1,681,542)	(336,809)	20%	Proposed Increase in Storm Reserve Allowance
10	2280	Pensions Reserve	(1,630,273)	(922,359)	(707,914)	77%	Actuarial Estimates and accounting changes due to FAS 158
11	2280	Accrued Liability Ins	(63,110)	(40,839)	(22,271)	55%	Historical averages including large claim during 2007.
12	2320	Accounts Payable - Fuel	(3,524,452)	(2,886,302)	(638,150)	22%	Significant increases in fuel costs
13	2530	Over Recovery-Conservation	(627)	(25,573)	24,946	-98%	Projected Zero Over/Under Recovery at 12/31/08
14	1420, 1430	Accounts Receivable	5,042,458	4,270,514	771,944	18%	Increases in Base Rates and Fuel Costs

Supporting Schedules: B-3 (2007), B-3 (2008) | Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Electric Plant in Service:				
2	Intangible				
3	Production:				
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	74,148	74,148	74,148	100%
10	Structure and Improvements	22,007	22,007	22,007	100%
11	Station Equipment	2,432,632	2,432,632	2,432,632	100%
12	Towers & Fixtures	224,665	224,665	224,665	100%
13	Poles & Fixtures	2,362,223	2,362,223	2,362,223	100%
14	O.H. Conductor and Devices	1,876,726	1,876,726	1,876,726	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	6,788	6,788	6,788	100%
17	Total Transmission	6,999,189	6,999,189	6,999,189	100%
18	Distribution:				
19	Land and Land Rights	37,891	37,891	37,891	100%
20	Structure and Improvements	96,042	96,042	96,042	100%
21	Station Equipment	6,147,277	6,147,277	6,147,277	100%
22	Poles and Fixtures	9,179,729	9,179,729	9,179,729	100%
23	O.H. Conductors	9,808,726	9,808,726	9,808,726	100%
24	U.G. Conduits	2,819,862	2,819,862	2,819,862	100%
25	U.G. Conductors	5,133,083	5,133,083	5,133,083	100%
26	Line Transformers	13,296,741	13,296,741	13,296,741	100%
27	Services	8,357,591	8,357,591	8,357,591	100%
28	Meters	3,405,846	3,405,846	3,405,846	100%
29	Installed on Customer Premises	2,115,755	2,115,755	2,115,755	100%
30	Street Lighting	1,214,923	1,214,923	1,214,923	100%
31	Total Distribution	61,613,466	61,613,466	61,613,466	100%
32	General Plant	6,172,495	6,172,495	6,172,495	100%
33	Total Electric Gross Plant	74,785,150	74,785,150	74,785,150	100%
34	Allocated Common Plant	1,592,837	1,592,837	1,592,837	100%
35	Adjustments	(55,497)	(55,497)	(55,497)	100%
36	Total Gross Plant	76,322,490	76,322,490	76,322,490	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Accumulated Depreciation:				
2	Intangible				
3	Production:	-	-	-	
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	(33,788)	(33,788)	(33,788)	100%
10	Structure and Improvements	(10,480)	(10,480)	(10,480)	100%
11	Station Equipment	(637,270)	(637,270)	(637,270)	100%
12	Towers & Fixtures	(169,917)	(169,917)	(169,917)	100%
13	Poles & Fixtures	(879,958)	(879,958)	(879,958)	100%
14	O.H. Conductor and Devices	(604,967)	(604,967)	(604,967)	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	(4,049)	(4,049)	(4,049)	100%
17	Total Transmission	(2,340,429)	(2,340,429)	(2,340,429)	100%
18	Distribution:				
19	Land and Land Rights	(5,152)	(5,152)	(5,152)	100%
20	Structure and Improvements	(31,675)	(31,675)	(31,675)	100%
21	Station Equipment	(1,313,662)	(1,313,662)	(1,313,662)	100%
22	Poles and Fixtures	(4,181,054)	(4,181,054)	(4,181,054)	100%
23	O.H. Conductors	(5,148,475)	(5,148,475)	(5,148,475)	100%
24	U.G. Conduits	(571,817)	(571,817)	(571,817)	100%
25	U.G. Conductors	(1,628,043)	(1,628,043)	(1,628,043)	100%
26	Line Transformers	(7,635,472)	(7,635,472)	(7,635,472)	100%
27	Services	(3,916,840)	(3,916,840)	(3,916,840)	100%
28	Meters	(1,774,515)	(1,774,515)	(1,774,515)	100%
29	Installed on Customer Premises	(709,876)	(709,876)	(709,876)	100%
30	Street Lighting	(483,041)	(483,041)	(483,041)	100%
31	Total Distribution	(27,399,622)	(27,399,622)	(27,399,622)	100%
32	General Plant	(3,368,772)	(3,368,772)	(3,368,772)	100%
33	Total Electric Accumulated Depreciation	(33,108,823)	(33,108,823)	(33,108,823)	100%
34	Allocated Common Reserve	(549,214)	(549,214)	(549,214)	100%
35	Customer Advances for Construction	(849,105)	(849,105)	(849,105)	100%
36	Adjustments	23,723	23,723	23,723	100%
37	Total Accumulated Reserve	(34,483,419)	(34,483,419)	(34,483,419)	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	NET PLANT IN SERVICE	41,839,071	41,839,071	41,839,071	100%
2	CWIP:				
3	Production	-	-	-	
4	Transmission	4,511	4,511	4,511	100%
5	Distribution	418,230	418,230	418,230	100%
6	Customer Accounts	-	-	-	
7	General	92,396	92,396	92,396	100%
8	Customer Services	-	-	-	
9	Allocated Common	62,160	62,160	62,160	100%
10	Adjustments	(907)	(907)	(907)	100%
11	Total CWIP	576,390	576,390	576,390	100%
12	CWIP - NOT BEARING INTEREST				
13	Production				
14	Transmission				
15	Distribution				
16	Total CWIP Not Bearing Interest				
17	PLANT HELD FOR FUTURE USE				
18	UNAMORTIZED NUCLEAR SITE				
19	WORKING CAPITAL				
20	Net of Current Assets and Current Liabilities	335,867	335,867	335,867	100%
21	Preliminary Survey and Investigation Charges	-	-	-	
22	Prepayments	269,901	269,901	269,901	100%
23	Clearing Accounts	-	-	-	
24	Unamortized Deferred O & M	-	-	-	
25	Injuries and Damages Reserve	(1,722,381)	(1,722,381)	(1,722,381)	100%
26	Property Insurance Reserves				
27	Other Deferred Credits & Debits	(57,569)	(57,569)	(57,569)	100%
28	Adjustments	-	-	-	100%
29	Total Working Capital	(1,174,182)	(1,174,182)	(1,174,182)	100%
30					
31	Total Adjusted Rate Base	41,241,279	41,241,279	41,241,279	100%

Supporting Schedules: B-3 (2007), B-8(2007), B-10(2007) Recap Schedules: B-1 (2007), B-2(2007)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Electric Plant in Service:				
2	Intangible				
3	Production:				
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	74,148	74,148	74,148	100%
10	Structure and Improvements	25,238	25,238	25,238	100%
11	Station Equipment	2,441,032	2,441,032	2,441,032	100%
12	Towers & Fixtures	224,665	224,665	224,665	100%
13	Poles & Fixtures	2,352,531	2,352,531	2,352,531	100%
14	O.H. Conductor and Devices	1,998,264	1,998,264	1,998,264	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	6,788	6,788	6,788	100%
17	Total Transmission	7,122,666	7,122,666	7,122,666	100%
18	Distribution:				
19	Land and Land Rights	37,891	37,891	37,891	100%
20	Structure and Improvements	96,042	96,042	96,042	100%
21	Station Equipment	7,069,889	7,069,889	7,069,889	100%
22	Poles and Fixtures	9,770,047	9,770,047	9,770,047	100%
23	O.H. Conductors	10,205,467	10,205,467	10,205,467	100%
24	U.G. Conduits	3,251,454	3,251,454	3,251,454	100%
25	U.G. Conductors	5,745,536	5,745,536	5,745,536	100%
26	Line Transformers	13,794,769	13,794,769	13,794,769	100%
27	Services	8,717,248	8,717,248	8,717,248	100%
28	Meters	3,539,542	3,539,542	3,539,542	100%
29	Installed on Customer Premises	2,195,517	2,195,517	2,195,517	100%
30	Street Lighting	1,239,801	1,239,801	1,239,801	100%
31	Total Distribution	65,663,203	65,663,203	65,663,203	100%
32	General Plant	6,855,712	6,855,712	6,855,712	100%
33	Total Electric Gross Plant	79,641,581	79,641,581	79,641,581	100%
34	Allocated Common Plant	1,853,396	1,853,396	1,853,396	100%
35	Adjustments	(57,464)	(57,464)	(57,464)	100%
36	Total Gross Plant	81,437,513	81,437,513	81,437,513	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Accumulated Depreciation:				
2	Intangible				
3	Production:	-	-	-	
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	(33,788)	(33,788)	(33,788)	100%
10	Structure and Improvements	(10,941)	(10,941)	(10,941)	100%
11	Station Equipment	(693,374)	(693,374)	(693,374)	100%
12	Towers & Fixtures	(174,861)	(174,861)	(174,861)	100%
13	Poles & Fixtures	(959,816)	(959,816)	(959,816)	100%
14	O.H. Conductor and Devices	(666,118)	(666,118)	(666,118)	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	(4,313)	(4,313)	(4,313)	100%
17	Total Transmission	(2,543,211)	(2,543,211)	(2,543,211)	100%
18	Distribution:				
19	Land and Land Rights	(5,560)	(5,560)	(5,560)	100%
20	Structure and Improvements	(33,787)	(33,787)	(33,787)	100%
21	Station Equipment	(1,352,910)	(1,352,910)	(1,352,910)	100%
22	Poles and Fixtures	(4,469,772)	(4,469,772)	(4,469,772)	100%
23	O.H. Conductors	(5,479,223)	(5,479,223)	(5,479,223)	100%
24	U.G. Conduits	(631,303)	(631,303)	(631,303)	100%
25	U.G. Conductors	(1,761,876)	(1,761,876)	(1,761,876)	100%
26	Line Transformers	(8,112,025)	(8,112,025)	(8,112,025)	100%
27	Services	(4,219,948)	(4,219,948)	(4,219,948)	100%
28	Meters	(1,820,390)	(1,820,390)	(1,820,390)	100%
29	Installed on Customer Premises	(795,803)	(795,803)	(795,803)	100%
30	Street Lighting	(536,580)	(536,580)	(536,580)	100%
31	Total Distribution	(29,219,177)	(29,219,177)	(29,219,177)	100%
32	General Plant	(3,904,869)	(3,904,869)	(3,904,869)	100%
33	Total Electric Accumulated Depreciation	(35,667,257)	(35,667,257)	(35,667,257)	100%
34	Allocated Common Reserve	(660,224)	(660,224)	(660,224)	100%
35	Customer Advances for Construction	(878,824)	(878,824)	(878,824)	100%
36	Adjustments	25,443	25,443	25,443	100%
37	Total Accumulated Reserve	(37,180,862)	(37,180,862)	(37,180,862)	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	NET PLANT IN SERVICE	44,256,651	44,256,651	44,256,651	100%
2	CWIP:				
3	Production	-	-	-	
4	Transmission	17,692	17,692	17,692	100%
5	Distribution	57,308	57,308	57,308	100%
6	Customer Accounts	-	-	-	
7	General	-	-	-	100%
8	Customer Services	-	-	-	
9	Allocated Common	-	-	-	100%
10	Adjustments	-	-	-	100%
11	Total CWIP	75,000	75,000	75,000	100%
12	CWIP - NOT BEARING INTEREST				
13	Production				
14	Transmission				
15	Distribution				
16	Total CWIP Not Bearing Interest				
17	PLANT HELD FOR FUTURE USE				
18	UNAMORTIZED NUCLEAR SITE				
19	WORKING CAPITAL				
20	Net of Current Assets and Current Liabilities	706,285	706,285	706,285	100%
21	Preliminary Survey and Investigation Charges	-	-	-	
22	Prepayments	275,166	275,166	275,166	100%
23	Clearing Accounts	-	-	-	
24	Unamortized Deferred O & M	-	-	-	
25	Injuries and Damages Reserve	(1,872,787)	(1,872,787)	(1,872,787)	100%
26	Property Insurance Reserves	-	-	-	
27	Other Deferred Credits & Debits	(419,318)	(419,318)	(419,318)	100%
28	Adjustments	-	-	-	100%
29	Total Working Capital	(1,310,654)	(1,310,654)	(1,310,654)	100%
30					
31	Total Adjusted Rate Base	43,020,997	43,020,997	43,020,997	100%

Supporting Schedules: B-3 (2008), B-8(2008), B-10(2008)　　Recap Schedules: B-1 (2008), B-2 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
		Transmission Plant							
1	352	STRUCTURES AND IMPROVEMENTS	2.0%	-	-	-	-	-	22,007
2	353	STATION EQUIPMENT	2.3%	-	26,400	-	-	26,400	2,432,632
3	354	TOWERS AND FIXTURES	2.2%	22,006	-	-	-	22,006	224,665
4	355	POLES AND FIXTURES	3.8%	2,414,632	-	-	-	2,414,632	2,362,223
5	356	OVERHEAD CONDUCTORS AND DEVICES	3.2%	224,665	-	-	-	224,665	1,876,726
6	359	ROADS AND TRAILS	3.9%	2,362,224	-	-	-	2,362,224	6,788
7									
8		Total Transmission Plant		6,907,041	26,400	-	-	5,049,927	6,925,041
9									
10									
11		Distribution Plant							
12									
13	361	STRUCTURES & IMPROVEMENTS	2.2%	96,042	-	-	-	96,042	96,042
14	362	STATION EQUIPMENT	3.0%	5,809,935	1,327,090	(105,616)	-	7,031,409	6,147,277
15	364	POLES, TOWERS, & FIXTURES	4.2%	8,929,466	633,967	(44,918)	-	9,518,515	9,179,729
16	365	OVERHEAD CONDUCTORS & DEVICES	3.8%	9,644,105	393,146	(21,437)	-	10,015,814	9,808,726
17	370	METERS	3.6%	3,334,588	197,721	(67,506)	-	3,464,803	3,405,846
18	3601	LAND RIGHTS	1.9%	21,388	-	-	-	21,388	21,388
19	3662	UNDERGROUND CONDUIT - BURIED	2.0%	2,575,294	507,552	(760)	-	3,082,086	2,819,862
20	3672	UNDERGROUND COND & DEVICES - BURIED	2.9%	4,855,464	611,348	(19,217)	-	5,447,595	5,133,083
21	3681	LINE TRANSFORMERS - OVERHEAD	4.2%	7,083,258	210,559	(41,576)	-	7,252,241	7,164,456
22	3683	LINE TRANSFORMERS - BURIED	4.2%	5,942,323	320,800	(28,512)	-	6,234,611	6,132,285
23	3691	OVERHEAD SERVICES	3.8%	4,119,162	135,200	(6,422)	-	4,247,940	4,179,050
24	3693	UNDERGROUND SERVICES - BURIED	3.8%	4,089,770	165,600	(5,560)	-	4,249,810	4,178,541
25	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	6.1%	1,317,448	75,262	(28,157)	-	1,364,553	1,343,076
26	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	6.1%	760,348	45,008	(19,380)	-	785,976	772,679
27	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	5.6%	635,932	27,600	(7,962)	-	655,570	647,303
28	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	5.6%	564,297	10,800	(4,748)	-	570,349	567,620
29									
30		Total Distribution Plant		59,778,820	4,661,653	(401,771)	-	64,038,702	61,596,962

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
31		General Plant							
32									
33	390	STRUCTURES AND IMPROVEMENTS	2.0%	1,441,206	2,100	(136)	-	1,443,170	1,442,573
34	396	POWER OPERATED EQUIPMENT	6.3%	194,335	-	(1,088)	-	193,247	193,958
35	397	COMMUNICATION EQUIPMENT	20.0%	144,030	-	(3,720)	-	140,310	142,742
36	398	MISCELLANEOUS EQUIPMENT	14.3%	16,987	-	(1,064)	-	15,923	16,619
37	399	MISCELLANEOUS TANGIBLE	20.0%	10,000	35,000	-	-	45,000	15,385
38	3911	OFFICE FURNITURE	14.3%	7,369	-	-	-	7,369	7,369
39	3912	OFFICE MACHINES	20.0%	25,835	29,000	(1,984)	-	52,851	28,456
40	3913	COMPUTER EQUIPMENT	20.0%	220,624	64,025	(17,785)	-	266,864	242,910
41	391305	SOFTWARE	20.0%	682,414	234,034	-	-	916,448	777,807
42	3931	STORES EQUIPMENT-FIXED	14.3%	106,918	56,000	(20,488)	-	142,430	123,543
43	3932	STORES EQUIPMENT-PORTABLE	14.3%	761	-	-	-	761	761
44	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	14.3%	35,928	-	(304)	-	35,624	35,823
45	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	14.3%	101,982	-	(2,525)	-	99,457	101,109
46	3951	LABORATORY EQUIPMENT-FIXED	14.3%	63,666	-	(96)	-	63,570	63,633
47	3952	LABORATORY EQUIPMENT-PORTABLE	14.3%	32,089	-	(1,288)	-	30,801	31,643
48	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-
49									
50		Total General Plant		3,084,144	420,159	(50,478)	-	3,453,825	3,224,330
51									
52									
53		Transportation Equipment							
54									
55	3921	PASSENGER CARS	9.2%	96,020	20,000	-	-	116,020	103,712
56	3922	LIGHT TRUCKS & VANS	11.3%	559,864	40,500	(25,212)	-	575,152	570,035
57	3923	HEAVY TRUCKS	9.5%	2,047,143	320,637	(141,372)	-	2,226,408	2,090,944
58	3924	TRAILERS	4.0%	111,011	-	-	-	111,011	111,011
59									
60		Total Transportation Equipment		2,814,038	381,137	(166,584)	-	3,028,591	2,875,703
61									
62		TOTAL DEPRECIABLE PLANT IN SERVICE		72,584,043	5,489,349	(618,833)	-	75,571,045	74,622,036
63									
64									
65		NON-DEPRECIABLE PLANT							
66									
67	350	LAND	0.0%	17,629	-	-	-	17,629	17,629
68	3501	LAND RIGHTS	0.0%	56,519	-	-	-	56,519	56,519
69	360	DISTRIBUTION PLANT - LAND	0.0%	16,503	-	-	-	16,503	16,503
70	389	GENERAL PLANT-LAND	0.0%	72,462	-	-	-	72,462	72,462
71									
72		TOTAL NON-DEPRECIABLE PLANT		163,113	-	-	-	163,113	163,113
73									
74		TOTAL ELECTRIC PLANT IN SERVICE		72,747,156	5,489,349	(618,833)	-	75,734,158	74,785,149

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
75		Total Common Plant							
76									
77	303	MISC INTANGIBLE PLANT	0.0%	1,833	-	-	-	1,833	1,833
78	389	LAND	0.0%	341,926	-	-	-	341,926	341,926
79	390	STRUCTURES & IMPROVEMENTS	2.5%	2,114,103	249,375	(30,000)	-	2,333,478	2,209,192
80	3911	OFFICE FURNITURE	4.8%	37,920	7,800	-	-	45,720	40,674
81	3912	OFFICE EQUIPMENT	7.5%	142,340	5,193	-	-	147,533	144,350
82	3913	COMPUTER SORTWARE & EQUIPMENT	11.1%	492,102	453,959	(13,604)	(100,000)	832,457	673,258
83	391305	SOFTWARE	11.1%	1,717,058	370,684	-	-	2,087,742	1,830,266
84	3921	TRANSPORTATION - AUTOMOBILES	11.3%	84,127	-	-	-	84,127	84,127
85	3922	TRANSPORTATION - PICKUPS & VANS	8.2%	124,669	35,050	-	(30,912)	128,807	126,579
86	397	COMMUNICATION EQUIPMENT	7.8%	116,955	-	-	-	116,955	116,955
87	398	MISCELLANEOUS EQUIPM	6.0%	6,776	-	-	-	6,776	6,776
88	399	MISC-TANGIBLE ASSETS	20.0%	22,969	5,000	-	-	27,969	23,354
89									
90		Common Plant		5,202,778	1,127,061	(43,604)	(130,912)	6,155,323	5,599,289
91									
92			Allocation						
93		AS ALLOCATED (Electric Division)	Percent						
94									
95	303	MISC INTANGIBLE PLANT	28%	513	-	-	-	513	513
96	389	LAND	28%	95,739	-	-	-	95,739	95,739
97	390	STRUCTURES & IMPROVEMENTS	28%	591,949	69,825	(8,400)	-	653,374	618,574
98	3911	OFFICE FURNITURE	28%	10,618	2,184	-	-	12,802	11,389
99	3912	OFFICE EQUIPMENT	28%	39,855	1,454	-	-	41,309	40,418
100	3913	COMPUTER SORTWARE & EQUIPMENT	29%	142,710	131,648	(3,945)	(29,000)	241,413	195,245
101	391305	SOFTWARE	29%	497,947	107,498	-	-	605,445	530,777
102	3921	TRANSPORTATION - AUTOMOBILES	28%	23,556	-	-	-	23,556	23,556
103	3922	TRANSPORTATION - PICKUPS & VANS	28%	34,907	9,814	-	(8,655)	36,066	35,442
104	397	COMMUNICATION EQUIPMENT	28%	32,747	-	-	-	32,747	32,747
105	398	MISCELLANEOUS EQUIPM	28%	1,897	-	-	-	1,897	1,897
106	399	MISC-TANGIBLE ASSETS	28%	6.431	1,400	-	-	7,831	6,539
107									
108		Total Allocated Common Plant		1,478,869	323,824	(12,345)	(37,655)	1,752,692	1,592,836
109									
110									
111		TOTAL PLANT BALANCE		74,226,025	5,813,173	(631,178)	(37,655)	77,486,850	76,377,985

Note:
Electric Depreciation rates per Docket No. 020853-EI, Order NO. PSC-03-1473-PAA-EI. Amortization per Rule 25 6.0142,List of Retirement Units (Electrical Plant).
Common Depreciation rates per Docket No. 040352-GU, Order NO. PSC-04-1045-PAA-GU."
* Indicate Order No. and Docket No. for currently prescribed depreciation rates. If composite depreciation rates are being used, supportive documentation is required to be submitted showing the derivation of the compositing. If a change in depreciation rates or dismantlement accrual is being proposed, supportive documentation is required to be submitted pursuant to Rule 25-6.0436 (5) and (7)(c), Florida Administrative Code.
** If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

Supporting Schedules: B-3 (2007), B-8 (2007) Recap Schedules: B-1 (2007), B-3 (2007),

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
		Transmission Plant							
1	352	STRUCTURES AND IMPROVEMENTS	2.0%	-	6,000	-	-	6,000	25,238
2	353	STATION EQUIPMENT	2.3%	26,400	-	-	-	26,400	2,441,032
3	354	TOWERS AND FIXTURES	2.2%	22,006	-	-	-	22,006	224,665
4	355	POLES AND FIXTURES	3.8%	2,414,632	-	(18,000)	-	2,396,632	2,352,531
5	356	OVERHEAD CONDUCTORS AND DEVICES	3.2%	224,665	220,000	-	-	444,665	1,998,264
6	359	ROADS AND TRAILS	3.9%	2,362,224	-	-	-	2,362,224	6,788
7									
8		Total Transmission Plant		6,933,441	226,000	(18,000)	-	5,257,927	7,048,518
9									
10									
11		Distribution Plant							
12									
13	361	STRUCTURES & IMPROVEMENTS	2.2%	96,042	-	-	-	96,042	96,042
14	362	STATION EQUIPMENT	3.0%	7,031,409	210,000	(158,424)	-	7,082,985	7,069,889
15	364	POLES, TOWERS, & FIXTURES	4.2%	9,518,515	529,000	(54,012)	-	9,993,503	9,770,047
16	365	OVERHEAD CONDUCTORS & DEVICES	3.8%	10,015,814	411,000	(25,776)	-	10,401,038	10,205,464
17	370	METERS	3.6%	3,464,803	235,400	(74,611)	-	3,625,592	3,539,542
18	3601	LAND RIGHTS	1.9%	21,388	-	-	-	21,388	21,388
20	3662	UNDERGROUND CONDUIT - BURIED	2.0%	3,082,086	466,800	(1,140)	-	3,547,746	3,251,454
21	3672	UNDERGROUND COND & DEVICES - BURIED	2.9%	5,447,595	813,600	(21,564)	-	6,239,631	5,745,536
22	3681	LINE TRANSFORMERS - OVERHEAD	4.2%	7,252,241	219,100	(42,768)	-	7,428,573	7,351,188
23	3683	LINE TRANSFORMERS - BURIED	4.2%	6,234,611	368,400	(42,768)	-	6,560,243	6,443,581
24	3691	OVERHEAD SERVICES	3.8%	4,247,940	171,600	(8,340)	-	4,411,200	4,329,570
25	3693	UNDERGROUND SERVICES - BURIED	3.8%	4,249,810	270,500	(8,340)	-	4,511,970	4,387,678
26	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	6.1%	1,364,553	110,400	(21,612)	-	1,453,341	1,408,947
27	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	6.1%	785,976	22,800	(21,612)	-	787,164	786,570
28	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	5.6%	655,570	31,200	(7,120)	-	679,650	667,611
29	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	5.6%	570,349	10,800	(7,120)	-	574,029	572,190
30									
31		Total Distribution Plant		64,038,702	3,870,600	(495,207)	-	67,414,095	65,646,700

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
32		General Plant							
33									
34	390	STRUCTURES AND IMPROVEMENTS	2.0%	1,443,170	6,000	(204)	-	1,448,966	1,445,837
35	396	POWER OPERATED EQUIPMENT	6.3%	193,247	-	(1,632)	-	191,615	192,431
36	397	COMMUNICATION EQUIPMENT	20.0%	140,310	40,000	(5,580)	-	174,730	149,828
37	398	MISCELLANEOUS EQUIPMENT	14.3%	15,923	-	(1,596)	-	14,327	15,125
38	399	MISCELLANEOUS TANGIBLE	20.0%	45,000	-	-	-	45,000	45,000
39	3911	OFFICE FURNITURE	14.3%	7,369	2,000	-	-	9,369	8,446
40	3912	OFFICE MACHINES	20.0%	52,851	1,200	(2,976)	-	51,075	52,101
41	3913	COMPUTER EQUIPMENT	20.0%	266,864	3,000	(21,660)	-	248,204	257,534
42	391305	SOFTWARE	20.0%	916,448	-	-	-	916,448	916,448
43	3931	STORES EQUIPMENT-FIXED	14.3%	142,430	-	-	-	142,430	142,430
44	3932	STORES EQUIPMENT-PORTABLE	14.3%	761	-	-	-	761	761
45	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	14.3%	35,624	-	(456)	-	35,168	35,396
46	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	14.3%	99,457	53,000	(3,785)	-	148,672	115,335
47	3951	LABORATORY EQUIPMENT-FIXED	14.3%	63,570	-	(144)	-	63,426	63,498
48	3952	LABORATORY EQUIPMENT-PORTABLE	14.3%	30,801	-	(1,932)	-	28,869	29,835
49	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-
50				-					
51		Total General Plant		3,453,825	105,200	(39,965)	-	3,519,060	3,470,005
52									
53									
54		Transportation Equipment							
55									
56	3921	PASSENGER CARS	9.2%	116,020	-	-	-	116,020	116,020
57	3922	LIGHT TRUCKS & VANS	11.3%	575,152	282,500	-	-	857,652	782,883
58	3923	HEAVY TRUCKS	9.5%	2,226,408	225,000	-	-	2,451,408	2,303,331
59	3924	TRAILERS	4.0%	111,011	-	-	-	111,011	111,011
60									
61		Total Transportation Equipment		3,028,591	507,500	-	-	3,536,091	3,313,245
62									
63		TOTAL DEPRECIABLE PLANT IN SERVICE		75,571,045	4,709,300	(553,172)	-	79,727,173	79,478,468
64									
65									
66		NON-DEPRECIABLE PLANT							
67									
68	350	LAND	0.0%	17,629	-	-	-	17,629	17,629
69	3501	LAND RIGHTS	0.0%	56,519	-	-	-	56,519	56,519
70	360	DISTRIBUTION PLANT - LAND	0.0%	16,503	-	-	-	16,503	16,503
71	389	GENERAL PLANT-LAND	0.0%	72,462	-	-	-	72,462	72,462
72									
73		TOTAL NON-DEPRECIABLE PLANT		163,113	-	-	-	163,113	163,113
74									
75		TOTAL ELECTRIC PLANT IN SERVICE		75,734,158	4,709,300	(553,172)	-	79,890,286	79,641,581

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
76		Total Common Plant							
77									
78	303	MISC INTANGIBLE PLANT	0.0%	1,833	-	-	-	1,833	1,833
79	389	LAND	0.0%	341,926	-	-	-	341,926	341,926
80	390	STRUCTURES & IMPROVEMENTS	2.5%	2,333,478	167,500	-	-	2,500,978	2,457,170
81	3911	OFFICE FURNITURE	4.8%	45,720	5,500	-	-	51,220	49,105
82	3912	OFFICE EQUIPMENT	7.5%	147,533	8,500	-	-	156,033	151,533
83	3913	COMPUTER SORTWARE & EQUIPMENT	11.1%	832,457	222,000	-	(54,500)	999,957	934,573
84	391305	SOFTWARE	11.1%	2,087,742	235,000	-	-	2,322,742	2,204,280
85	3921	TRANSPORTATION - AUTOMOBILES	11.3%	84,127	-	-	-	84,127	84,127
86	3922	TRANSPORTATION - PICKUPS & VANS	8.2%	128,807	-	-	-	128,807	128,807
87	397	COMMUNICATION EQUIPMENT	7.8%	116,955	-	-	-	116,955	116,955
88	398	MISCELLANEOUS EQUIPM	6.0%	6,776	-	-	-	6,776	6,776
89	399	MISC-TANGIBLE ASSETS	20.0%	27,969	5,000	-	-	32,969	30,084
90									
91		Common Plant		6,155,323	643,500	-	(54,500)	6,744,323	6,507,169
92									
93			Allocation						
94		AS ALLOCATED (Electric Division)	Percent						
95									
96	303	MISC INTANGIBLE PLANT	28%	513	-	-	-	513	513
97	389	LAND	28%	95,739	-	-	-	95,739	95,739
98	390	STRUCTURES & IMPROVEMENTS	28%	653,374	46,900	-	-	700,274	688,008
99	3911	OFFICE FURNITURE	28%	12,802	1,540	-	-	14,342	13,749
100	3912	OFFICE EQUIPMENT	28%	41,309	2,380	-	-	43,689	42,429
101	3913	COMPUTER SORTWARE & EQUIPMENT	29%	241,413	64,380	-	(15,805)	289,988	271,026
102	391305	SOFTWARE	29%	605,445	68,150	-	-	673,595	639,241
103	3921	TRANSPORTATION - AUTOMOBILES	28%	23,556	-	-	-	23,556	23,556
104	3922	TRANSPORTATION - PICKUPS & VANS	28%	36,066	-	-	-	36,066	36,066
105	397	COMMUNICATION EQUIPMENT	28%	32,747	-	-	-	32,747	32,747
106	398	MISCELLANEOUS EQUIPM	28%	1,897	-	-	-	1,897	1,897
107	399	MISC-TANGIBLE ASSETS	28%	7,831	1,400	-	-	9,231	8,424
108									
109		Total Allocated Common Plant		1,752,692	184,750	-	(15,805)	1,921,638	1,853,396
110									
111									
112		TOTAL PLANT BALANCE		77,486,850	4,894,050	(553,172)	(15,805)	81,811,924	81,494,977

Note:
Electric Depreciation rates per Docket No. 020853-EI, Order NO. PSC-03-1473-PAA-EI. Amortization per Rule 25 6.0142,List of Retirement Units (Electrical Plant). Common Depreciation rates per Docket No. 040352-GU, Order NO. PSC-04-1045-PAA-GU."

* Indicate Order No. and Docket No. for currently prescribed depreciation rates. If composite depreciation rates are being used, supportive documentation is required to be submitted showing the derivation of the compositing. If a change in depreciation rates or dismantlement accrual is being proposed, supportive documentation is required to be submitted pursuant to Rule 25-6.0436 (5) and (7)(c), Florida Administrative Code.

** If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average

Supporting Schedules: B-3 (2008), B-8 (2008)

Recap Schedules: B-1 (2008), B-3 (2008),

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13-Month Average
1		Transmission Plant														
2	352	STRUCTURES AND IMPROVEMENTS	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007
3	353	STATION EQUIPMENT	2,414,632	2,414,632	2,414,632	2,426,032	2,426,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,432,632
4	354	TOWERS AND FIXTURES	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665
5	355	POLES AND FIXTURES	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223
6	356	OVERHEAD CONDUCTORS AND DEVICES	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726
7	359	ROADS AND TRAILS	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788
8		Total Transmission Plant	6,907,041	6,907,041	6,907,041	6,918,441	6,918,441	6,933,441	6,933,441	6,933,441	6,933,441	6,933,441	6,933,441	6,933,441	6,933,441	6,925,041
9																
10		Distribution Plant														
11	361	STRUCTURES & IMPROVEMENTS	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042
12	362	STATION EQUIPMENT	5,809,935	5,809,935	5,809,935	5,809,935	5,809,935	6,254,823	6,281,621	6,268,419	6,255,217	6,251,015	6,267,813	6,254,611	7,031,409	6,147,277
13	364	POLES, TOWERS, & FIXTURES	8,929,466	8,948,698	8,967,740	8,988,760	9,019,562	9,114,741	9,183,165	9,213,495	9,258,825	9,344,155	9,399,485	9,449,866	9,518,515	9,179,729
14	365	OVERHEAD CONDUCTORS & DEVICES	9,644,105	9,658,707	9,669,557	9,687,129	9,707,773	9,776,606	9,824,208	9,845,620	9,867,032	9,913,444	9,939,856	9,963,592	10,015,814	9,808,726
15	370	METERS	3,334,588	3,369,333	3,377,754	3,377,302	3,382,762	3,393,266	3,403,770	3,414,274	3,424,379	3,434,484	3,444,589	3,454,694	3,464,803	3,405,846
16	3601	LAND RIGHTS	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388
17	3662	UNDERGROUND CONDUIT - BURIED	2,575,294	2,643,106	2,650,351	2,662,216	2,667,156	2,732,808	2,751,252	2,843,375	2,852,748	3,055,878	3,067,060	3,074,872	3,082,086	2,819,862
18	3672	UNDERGROUND COND & DEVICES - BURIED	4,855,464	4,907,365	4,937,050	4,949,859	4,965,190	5,018,321	5,057,369	5,171,720	5,173,180	5,403,220	5,416,680	5,427,060	5,447,595	5,133,083
19	3681	LINE TRANSFORMERS - OVERHEAD	7,083,258	7,087,103	7,086,426	7,107,065	7,133,226	7,140,977	7,163,728	7,176,479	7,204,230	7,219,981	7,237,732	7,245,483	7,252,241	7,164,456
20	3683	LINE TRANSFORMERS - BURIED	5,942,323	5,955,434	6,095,982	6,101,728	6,098,550	6,161,808	6,155,066	6,148,324	6,201,582	6,194,840	6,188,098	6,241,356	6,234,611	6,132,285
21	3691	OVERHEAD SERVICES	4,119,162	4,129,492	4,134,529	4,140,665	4,152,722	4,164,675	4,176,628	4,188,581	4,200,534	4,212,387	4,224,240	4,236,093	4,247,940	4,179,050
22	3693	UNDERGROUND SERVICES - BURIED	4,089,770	4,110,578	4,123,570	4,148,569	4,160,331	4,172,131	4,183,198	4,194,482	4,205,549	4,216,616	4,227,683	4,238,750	4,249,810	4,178,541
23	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	1,317,448	1,325,174	1,332,183	1,334,203	1,335,668	1,339,278	1,342,888	1,346,498	1,350,108	1,353,718	1,357,328	1,360,938	1,364,553	1,343,076
24	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	760,348	760,189	762,085	751,326	750,910	761,406	759,798	790,879	793,180	791,379	789,578	787,777	785,976	772,679
25	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	635,932	639,246	642,291	643,744	645,251	646,542	647,833	649,124	650,415	651,705	652,995	654,285	655,570	647,303
26	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	564,297	564,829	565,687	566,024	567,032	567,447	567,862	568,277	568,692	569,106	569,520	569,934	570,349	567,620
27		Total Distribution Plant	59,778,820	60,026,619	60,272,570	60,385,955	60,513,498	61,362,259	61,615,816	61,936,977	62,123,101	62,729,358	62,900,087	63,076,741	64,038,702	61,596,962
28																
29		General Plant														
30	390	STRUCTURES AND IMPROVEMENTS	1,441,206	1,441,133	1,441,133	1,441,133	1,443,241	1,443,232	1,443,223	1,443,214	1,443,205	1,443,196	1,443,187	1,443,178	1,443,170	1,442,573
31	396	POWER OPERATED EQUIPMENT	194,335	194,335	194,335	194,335	194,335	194,199	194,063	193,927	193,791	193,655	193,519	193,383	193,247	193,958
32	397	COMMUNICATION EQUIPMENT	144,030	144,030	144,030	144,030	144,030	143,565	143,100	142,635	142,170	141,705	141,240	140,775	140,310	142,742
33	398	MISCELLANEOUS EQUIPMENT	16,987	16,987	16,987	16,987	16,987	16,854	16,721	16,588	16,455	16,322	16,189	16,056	15,923	16,619
34	399	MISCELLANEOUS TANGIBLE	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	45,000	45,000	15,385
35	3911	OFFICE FURNITURE	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369
36	3912	OFFICE MACHINES	25,835	25,835	25,835	25,835	25,835	25,587	25,339	25,091	24,843	24,595	24,347	38,099	52,851	28,456
37	3913	COMPUTER EQUIPMENT	220,624	220,624	224,480	227,750	227,750	234,787	232,982	231,177	229,372	272,279	285,474	283,669	266,864	242,910
38	391305	SOFTWARE	682,414	682,414	684,664	685,784	685,784	756,160	756,160	756,160	756,160	916,448	916,448	916,448	916,448	777,807
39	3931	STORES EQUIPMENT-FIXED	106,918	106,918	106,918	86,430	86,430	133,430	133,430	133,430	142,430	142,430	142,430	142,430	142,430	123,543
40	3932	STORES EQUIPMENT-PORTABLE	761	761	761	761	761	761	761	761	761	761	761	761	761	761
41	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	35,928	35,928	35,928	35,928	35,928	35,890	35,852	35,814	35,776	35,738	35,700	35,662	35,624	35,823
42	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	101,982	101,982	101,982	101,982	101,982	101,667	101,352	101,037	100,721	100,405	100,089	99,773	99,457	101,109
43	3951	LABORATORY EQUIPMENT-FIXED	63,666	63,666	63,666	63,666	63,666	63,654	63,642	63,630	63,618	63,606	63,594	63,582	63,570	63,633
44	3952	LABORATORY EQUIPMENT-PORTABLE	32,089	32,089	32,089	32,089	32,089	31,928	31,767	31,606	31,445	31,284	31,123	30,962	30,801	31,643
45	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46		Total General Plant	3,084,144	3,084,071	3,090,177	3,074,079	3,076,187	3,199,083	3,195,761	3,192,439	3,198,116	3,399,793	3,411,470	3,457,147	3,453,825	3,224,330
47																
48		Transportation Equipment														
49	3921	PASSENGER CARS	96,020	96,020	96,020	96,020	96,020	96,020	96,020	96,020	116,020	116,020	116,020	116,020	116,020	103,712
50	3922	LIGHT TRUCKS & VANS	559,864	559,864	559,864	559,864	559,864	559,864	600,364	575,152	575,152	575,152	575,152	575,152	575,152	570,035
51	3923	HEAVY TRUCKS	2,047,143	2,047,780	2,047,780	2,047,780	2,047,780	2,047,780	2,047,780	2,056,408	2,056,408	2,056,408	2,226,408	2,226,408	2,226,408	2,090,944
52	3924	TRAILERS	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011
53		Total Transportation Equipment	2,814,038	2,814,675	2,814,675	2,814,675	2,814,675	2,814,675	2,855,175	2,838,591	2,858,591	2,858,591	3,028,591	3,028,591	3,028,591	2,875,703
54		TOTAL DEPRECIABLE PLANT IN SERVICE	72,584,043	72,832,406	73,084,463	73,193,150	73,322,801	74,309,458	74,600,193	74,901,448	75,113,249	75,921,183	76,273,589	76,495,920	77,454,559	74,622,036
55																
56		NON-DEPRECIABLE PLANT														
57	350	LAND	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629
58	3501	LAND RIGHTS	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519
59	360	DISTRIBUTION PLANT-LAND	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503
60	389	GENERAL PLANT-LAND	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462
61		TOTAL NON-DEPRECIABLE PLANT	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113
63		TOTAL ELECTRIC PLANT IN SERVICE	72,747,156	72,995,519	73,247,576	73,356,263	73,485,914	74,472,571	74,763,306	75,064,561	75,276,362	76,084,296	76,436,702	76,659,033	77,617,672	74,785,149

Schedule B-8 (2007) MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13-Month Average
64		COMMON PLANT															
65	303	MISC INTANGIBLE PLANT		1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833
66	389	LAND		341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926
67	390	STRUCTURES & IMPROVEMENTS		2,114,103	2,115,062	2,115,062	2,115,062	2,162,478	2,171,178	2,195,178	2,215,178	2,225,278	2,290,478	2,333,478	2,333,478	2,333,478	2,209,192
68	3911	OFFICE FURNITURE		37,920	37,920	37,920	37,920	37,920	38,920	39,920	40,920	41,920	42,920	43,920	44,920	45,720	40,674
69	3912	OFFICE EQUIPMENT		142,340	142,340	142,340	142,340	142,340	143,090	143,840	144,590	145,340	146,090	146,840	147,533	147,533	144,350
70	3913	COMPUTER SORTWARE & EQUIPMENT		492,102	492,102	492,102	580,956	581,569	714,934	724,934	731,934	738,934	750,934	797,934	821,457	832,457	673,258
71	391305	SOFTWARE		1,717,058	1,717,058	1,717,860	1,752,492	1,752,492	1,752,492	1,770,035	1,777,035	1,842,035	1,860,560	1,969,560	2,077,037	2,087,742	1,830,266
72	3921	TRANSPORTATION - AUTOMOBILES		84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127
73	3922	TRANSPORTATION - PICKUPS & VANS		124,669	124,669	124,669	124,669	124,669	124,669	124,669	128,807	128,807	128,807	128,807	128,807	128,807	126,579
74	397	COMMUNICATION EQUIPMENT		116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955
75	398	MISCELLANEOUS EQUIPM		6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776
76	399	MISC-TANGIBLE ASSETS		22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	27,969	23,354
77																	
78		Total Common Plant		5,202,778	5,203,737	5,204,539	5,328,025	5,376,054	5,519,869	5,573,162	5,613,050	5,696,900	5,794,375	5,995,125	6,127,818	6,155,323	5,599,289
79																	
80			Allocation														
81		AS ALLOCATED (Electric Division)	Rate														
82	303	MISC INTANGIBLE PLANT	28%	513	513	513	513	513	513	513	513	513	513	513	513	513	513
83	389	LAND	28%	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739
84	390	STRUCTURES & IMPROVEMENTS	28%	591,949	592,217	592,217	592,217	605,494	607,930	614,650	620,250	623,078	641,334	653,374	653,374	653,374	618,574
85	3911	OFFICE FURNITURE	28%	10,618	10,618	10,618	10,618	10,618	10,898	11,178	11,458	11,738	12,018	12,298	12,578	12,802	11,389
86	3912	OFFICE EQUIPMENT	28%	39,855	39,855	39,855	39,855	39,855	40,065	40,275	40,485	40,695	40,905	41,115	41,309	41,309	40,418
87	3913	COMPUTER SORTWARE & EQUIPMENT	29%	142,710	142,710	142,710	168,477	168,655	207,331	210,231	212,261	214,291	217,771	231,401	238,223	241,413	195,245
88	391305	SOFTWARE	29%	497,947	497,947	498,179	508,223	508,223	508,223	513,310	515,340	534,190	539,562	571,172	602,341	605,445	530,777
89	3921	TRANSPORTATION - AUTOMOBILES	28%	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556
90	3922	TRANSPORTATION - PICKUPS & VANS	28%	34,907	34,907	34,907	34,907	34,907	34,907	34,907	36,066	36,066	36,066	36,066	36,066	36,066	35,442
91	397	COMMUNICATION EQUIPMENT	28%	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747
92	398	MISCELLANEOUS EQUIPM	28%	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897
93	399	MISC-TANGIBLE ASSETS	28%	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	7,831	6,539
94																	
95		Total Allocated Common Plant		1,478,869	1,479,138	1,479,371	1,515,181	1,528,636	1,570,238	1,585,435	1,596,744	1,620,942	1,648,540	1,706,310	1,744,774	1,752,693	1,592,836

Supporting Schedules: Recap Schedules: B-1 (2007), B-3 (2007)

Schedule B-8 (2008) | MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS |

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13-Month Average
1		Transmission Plant														
2	352	STRUCTURES AND IMPROVEMENTS	22,007	22,007	22,007	22,007	22,007	25,007	25,007	28,007	28,007	28,007	28,007	28,007	28,007	25,238
3	353	STATION EQUIPMENT	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032
4	354	TOWERS AND FIXTURES	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665
5	355	POLES AND FIXTURES	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,344,223	2,344,223	2,344,223	2,344,223	2,344,223	2,344,223	2,344,223	2,352,531
6	356	OVERHEAD CONDUCTORS AND DEVICES	1,876,726	1,876,726	1,876,726	1,876,726	1,996,726	1,996,726	1,996,726	1,996,726	2,096,726	2,096,726	2,096,726	2,096,726	2,096,726	1,998,264
7	359	ROADS AND TRAILS	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788
8		Total Transmission Plant	6,933,441	6,933,441	6,933,441	6,933,441	7,053,441	7,056,441	7,038,441	7,041,441	7,141,441	7,141,441	7,141,441	7,141,441	7,141,441	7,048,518
9																
10		Distribution Plant														
11	361	STRUCTURES & IMPROVEMENTS	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042
12	362	STATION EQUIPMENT	7,031,409	7,068,207	7,055,005	7,041,803	7,028,601	7,105,399	7,092,197	7,078,995	7,065,793	7,052,591	7,109,389	7,096,187	7,082,985	7,069,889
13	364	POLES, TOWERS, & FIXTURES	9,518,515	9,550,014	9,581,513	9,613,012	9,731,511	9,763,010	9,794,509	9,826,008	9,857,507	9,889,006	9,930,505	9,962,004	9,993,503	9,770,047
14	365	OVERHEAD CONDUCTORS & DEVICES	10,015,814	10,037,666	10,059,518	10,081,370	10,103,222	10,125,074	10,234,926	10,256,778	10,303,630	10,325,482	10,347,334	10,379,186	10,401,038	10,205,464
15	370	METERS	3,464,803	3,480,785	3,491,767	3,502,749	3,513,731	3,524,713	3,535,695	3,541,677	3,551,660	3,562,643	3,603,626	3,614,609	3,625,592	3,539,542
16	3601	LAND RIGHTS	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388
17	3662	UNDERGROUND CONDUIT - BURIED	3,082,086	3,083,391	3,084,696	3,086,001	3,087,306	3,288,611	3,289,916	3,291,221	3,292,526	3,293,831	3,295,136	3,546,441	3,547,746	3,251,454
18	3672	UNDERGROUND COND & DEVICES - BURIED	5,447,595	5,476,098	5,504,601	5,533,104	5,561,607	5,590,110	5,818,613	5,847,116	5,875,619	5,904,122	5,932,625	5,961,128	6,239,631	5,745,536
19	3681	LINE TRANSFORMERS - OVERHEAD	7,252,241	7,262,377	7,281,513	7,301,649	7,330,785	7,342,921	7,365,057	7,377,193	7,389,329	7,401,465	7,411,601	7,420,737	7,428,573	7,351,188
20	3683	LINE TRANSFORMERS - BURIED	6,234,611	6,236,747	6,288,883	6,341,019	6,393,155	6,445,291	6,497,427	6,549,563	6,551,699	6,553,835	6,555,971	6,558,107	6,560,243	6,443,581
21	3691	OVERHEAD SERVICES	4,247,940	4,261,545	4,275,150	4,288,755	4,302,360	4,315,965	4,329,570	4,343,175	4,356,780	4,370,385	4,383,990	4,397,595	4,411,200	4,329,570
22	3693	UNDERGROUND SERVICES - BURIED	4,249,810	4,271,615	4,293,420	4,315,225	4,342,030	4,368,835	4,395,640	4,422,445	4,440,350	4,458,255	4,476,160	4,494,065	4,511,970	4,387,678
23	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	1,364,553	1,371,952	1,379,351	1,386,750	1,394,149	1,401,548	1,408,947	1,416,346	1,423,745	1,431,144	1,438,543	1,445,942	1,453,341	1,408,947
24	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	785,976	786,075	786,174	786,273	786,372	786,471	786,570	786,669	786,768	786,867	786,966	787,065	787,164	786,570
25	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	655,570	657,577	659,584	661,591	663,598	665,605	667,612	669,619	671,626	673,632	675,638	677,644	679,650	667,611
26	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	570,349	570,656	570,963	571,270	571,577	571,884	572,191	572,498	572,805	573,111	573,417	573,723	574,029	572,190
27		Total Distribution Plant	64,038,702	64,232,135	64,429,568	64,628,001	64,927,434	65,412,867	65,906,300	66,096,733	66,257,267	66,393,799	66,638,331	67,031,863	67,414,095	65,646,700
28																
29		General Plant														
30	390	STRUCTURES AND IMPROVEMENTS	1,443,170	1,443,153	1,443,136	1,445,119	1,445,102	1,445,085	1,445,068	1,447,051	1,447,034	1,447,017	1,447,000	1,448,983	1,448,966	1,445,837
31	396	POWER OPERATED EQUIPMENT	193,247	193,111	192,975	192,839	192,703	192,567	192,431	192,295	192,159	192,023	191,887	191,751	191,615	192,431
32	397	COMMUNICATION EQUIPMENT	140,310	139,845	139,380	138,915	138,450	137,985	137,520	137,055	136,590	176,125	175,660	175,195	174,730	149,828
33	398	MISCELLANEOUS EQUIPMENT	15,923	15,790	15,657	15,524	15,391	15,258	15,125	14,992	14,859	14,726	14,593	14,460	14,327	15,125
34	399	MISCELLANEOUS TANGIBLE	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
35	3911	OFFICE FURNITURE	7,369	7,369	7,369	8,369	8,369	8,369	8,369	8,369	8,369	9,369	9,369	9,369	9,369	8,446
36	3912	OFFICE MACHINES	52,851	52,603	52,355	52,107	51,859	52,811	52,563	52,315	52,067	51,819	51,571	51,323	51,075	52,101
37	3913	COMPUTER EQUIPMENT	266,864	265,059	263,254	261,449	259,644	259,339	257,534	255,729	255,424	253,619	251,814	250,009	248,204	257,534
38	391305	SOFTWARE	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448
39	3931	STORES EQUIPMENT-FIXED	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430
40	3932	STORES EQUIPMENT-PORTABLE	761	761	761	761	761	761	761	761	761	761	761	761	761	761
41	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	35,624	35,586	35,548	35,510	35,472	35,434	35,396	35,358	35,320	35,282	35,244	35,206	35,168	35,396
42	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	99,457	99,142	98,827	104,512	104,197	103,882	109,567	109,252	108,936	114,620	149,304	148,988	148,672	115,335
43	3951	LABORATORY EQUIPMENT-FIXED	63,570	63,558	63,546	63,534	63,522	63,510	63,498	63,486	63,474	63,462	63,450	63,438	63,426	63,498
44	3952	LABORATORY EQUIPMENT-PORTABLE	30,801	30,640	30,479	30,318	30,157	29,996	29,835	29,674	29,513	29,352	29,191	29,030	28,869	29,835
45	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46		Total General Plant	3,453,825	3,450,495	3,447,165	3,452,835	3,449,505	3,448,875	3,451,545	3,450,215	3,448,384	3,492,053	3,523,722	3,522,391	3,519,060	3,470,005
47																
48		Transportation Equipment														
49	3921	PASSENGER CARS	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020
50	3922	LIGHT TRUCKS & VANS	575,152	625,152	752,152	752,152	775,652	775,652	775,652	857,652	857,652	857,652	857,652	857,652	857,652	782,883
51	3923	HEAVY TRUCKS	2,226,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,451,408	2,451,408	2,303,331
52	3924	TRAILERS	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011
53		Total Transportation Equipment	3,028,591	3,133,591	3,260,591	3,260,591	3,284,091	3,284,091	3,284,091	3,366,091	3,366,091	3,366,091	3,366,091	3,536,091	3,536,091	3,313,245
54		TOTAL DEPRECIABLE PLANT IN SERVICE	77,454,559	77,749,662	78,070,765	78,274,868	78,714,471	79,202,274	79,680,377	79,954,480	80,213,183	80,393,384	80,669,585	81,231,786	81,610,687	79,478,468
55																
56		NON-DEPRECIABLE PLANT														
57	350	LAND	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629
58	3501	LAND RIGHTS	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519
59	360	DISTRIBUTION PLANT-LAND	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503
60	389	GENERAL PLANT-LAND	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462
61		TOTAL NON-DEPRECIABLE PLANT	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113
63		TOTAL ELECTRIC PLANT IN SERVICE	77,617,672	77,912,775	78,233,878	78,437,981	78,877,584	79,365,387	79,843,490	80,117,593	80,376,296	80,556,497	80,832,698	81,394,899	81,773,800	79,641,581

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13-Month Average
64		COMMON PLANT															
65	303	MISC INTANGIBLE PLANT		1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833
66	389	LAND		341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926
67	390	STRUCTURES & IMPROVEMENTS		2,333,478	2,410,978	2,416,978	2,416,978	2,428,978	2,428,978	2,500,978	2,500,978	2,500,978	2,500,978	2,500,978	2,500,978	2,500,978	2,457,170
68	3911	OFFICE FURNITURE		45,720	45,720	47,720	48,220	48,720	49,220	49,220	49,720	50,220	50,720	50,720	51,220	51,220	49,105
69	3912	OFFICE EQUIPMENT		147,533	147,533	147,533	149,033	149,033	151,033	152,033	152,533	152,533	154,533	154,533	156,033	156,033	151,533
70	3913	COMPUTER SORTWARE & EQUIPMENT		832,457	832,457	891,957	899,457	945,957	967,957	913,457	913,457	972,457	979,957	999,957	999,957	999,957	934,573
71	391305	SOFTWARE		2,087,742	2,087,742	2,087,742	2,127,742	2,160,242	2,160,242	2,230,242	2,255,242	2,255,242	2,255,242	2,312,742	2,312,742	2,322,742	2,204,280
72	3921	TRANSPORTATION - AUTOMOBILES		84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127
73	3922	TRANSPORTATION - PICKUPS & VANS		128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807
74	397	COMMUNICATION EQUIPMENT		116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955
75	398	MISCELLANEOUS EQUIPM		6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776
76	399	MISC-TANGIBLE ASSETS		27,969	27,969	27,969	27,969	27,969	30,469	30,469	30,469	30,469	30,469	32,969	32,969	32,969	30,084
77																	
78		Total Common Plant		6,155,323	6,232,823	6,300,323	6,349,823	6,441,323	6,468,323	6,556,823	6,582,823	6,642,323	6,652,323	6,732,323	6,734,323	6,744,323	6,507,169
79																	
80			Allocation														
81		AS ALLOCATED (Electric Division)	Rate														
82	303	MISC INTANGIBLE PLANT	28%	513	513	513	513	513	513	513	513	513	513	513	513	513	513
83	389	LAND	28%	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739
84	390	STRUCTURES & IMPROVEMENTS	28%	653,374	675,074	676,754	676,754	680,114	680,114	700,274	700,274	700,274	700,274	700,274	700,274	700,274	688,008
85	3911	OFFICE FURNITURE	28%	12,802	12,802	13,362	13,502	13,642	13,782	13,782	13,922	14,062	14,202	14,202	14,342	14,342	13,749
86	3912	OFFICE EQUIPMENT	28%	41,309	41,309	41,309	41,729	41,729	42,289	42,569	42,709	42,709	43,269	43,269	43,689	43,689	42,429
87	3913	COMPUTER SORTWARE & EQUIPMENT	29%	241,413	241,413	258,668	260,843	274,328	280,708	264,903	264,903	282,013	284,188	289,988	289,988	289,988	271,026
88	391305	SOFTWARE	29%	605,445	605,445	605,445	617,045	626,470	626,470	646,770	654,020	654,020	654,020	670,695	670,695	673,595	639,241
89	3921	TRANSPORTATION - AUTOMOBILES	28%	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556
90	3922	TRANSPORTATION - PICKUPS & VANS	28%	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066
91	397	COMMUNICATION EQUIPMENT	28%	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747
92	398	MISCELLANEOUS EQUIPM	28%	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897
93	399	MISC-TANGIBLE ASSETS	28%	7,831	7,831	7,831	7,831	7,831	8,531	8,531	8,531	8,531	8,531	9,231	9,231	9,231	8,424
94																	
95		Total Allocated Common Plant		1,752,693	1,774,393	1,793,888	1,808,223	1,834,633	1,842,413	1,867,348	1,874,878	1,892,128	1,895,003	1,918,178	1,918,738	1,921,638	1,853,396

Supporting Schedules:

Recap Schedules: B-1 (2008), B-3 (2008), B-7 (2008)

DEPRECIATION RESERVE BALANCES BY ACCOUNT AND SUB-ACCOUNT

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
Prior Year 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		Transmission Plant							
2	3501	LAND RIGHTS	(33,788)	-	-	-	-	(33,788)	(33,788)
3	352	STRUCTURES AND IMPROVEMENTS	(10,258)	(444)	-	-	-	(10,702)	(10,480)
4	353	STATION EQUIPMENT	(609,363)	(55,937)	-	-	-	(665,300)	(637,270)
5	354	TOWERS AND FIXTURES	(167,445)	(4,944)	-	-	-	(172,389)	(169,917)
6	355	POLES AND FIXTURES	(835,078)	(89,760)	-	-	-	(924,838)	(879,958)
7	356	OVERHEAD CONDUCTORS AND DEVICES	(574,937)	(60,060)	-	-	-	(634,997)	(604,967)
8	359	ROADS AND TRAILS	(3,917)	(264)	-	-	-	(4,181)	(4,049)
9		Total Transmission Plant	(2,234,786)	(211,409)	-	-	-	(2,446,195)	(2,340,429)
10									
11		Distribution Plant							
12	361	STRUCTURES & IMPROVEMENTS	(30,619)	(2,112)	-	-	-	(32,731)	(31,675)
13	362	STATION EQUIPMENT	(1,263,343)	(182,210)	105,616	7,840	-	(1,332,097)	(1,313,662)
14	364	POLES, TOWERS, & FIXTURES	(4,029,815)	(384,363)	44,918	47,244	-	(4,322,016)	(4,181,054)
15	365	OVERHEAD CONDUCTORS & DEVICES	(4,980,855)	(372,076)	21,437	19,810	-	(5,311,684)	(5,148,475)
16	370	METERS	(1,745,249)	(122,433)	67,506	3,636	-	(1,796,540)	(1,774,515)
17	3601	LAND RIGHTS	(4,948)	(408)	-	-	-	(5,356)	(5,152)
18	3662	UNDERGROUND CONDUIT - BURIED	(544,956)	(55,960)	760	(56)	-	(600,212)	(571,817)
19	3672	UNDERGROUND COND & DEVICES - BURIED	(1,564,861)	(148,098)	19,217	1,519	-	(1,692,223)	(1,628,043)
20	3681	LINE TRANSFORMERS - OVERHEAD	(4,477,897)	(300,599)	41,576	4,106	-	(4,732,814)	(4,605,689)
21	3682	LINE TRANSFORMERS-DU	-					-	-
22	3683	LINE TRANSFORMERS - BURIED	(2,912,933)	(257,198)	28,512	2,816	-	(3,138,803)	(3,029,783)
23	3691	OVERHEAD SERVICES	(2,114,922)	(158,586)	6,422	1,812	-	(2,265,274)	(2,190,577)
24	3693	UNDERGROUND SERVICES - BURIED	(1,649,906)	(158,561)	5,560	1,568	-	(1,801,339)	(1,726,263)
25	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(448,858)	(81,818)	28,157	158	-	(502,361)	(474,219)
26	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(221,169)	(47,065)	19,380	108	-	(248,746)	(235,657)
27	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(280,008)	(36,208)	7,962	575	-	(307,679)	(293,653)
28	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(175,290)	(31,774)	4,748	344	-	(201,972)	(189,388)
29		Total Distribution Plant	(26,445,629)	(2,339,469)	401,771	91,480	-	(28,291,847)	(27,399,623)
30									
31		General Plant							
32	389	GENERAL PLANT-LAND	(6,704)	-	-	-	-	(6,704)	(6,704)
33	390	STRUCTURES AND IMPROVEMENTS	(463,884)	(28,848)	136	-	-	(492,596)	(478,257)
34	396	POWER OPERATED EQUIPMENT	(177,237)	(12,222)	1,088	-	-	(188,371)	(182,977)
35	397	COMMUNICATION EQUIPMENT	(122,010)	(7,078)	3,720	(24)	-	(125,392)	(124,269)
36	3973	COMMUNICATION EQUIPMENT	-					-	-
37	398	MISCELLANEOUS EQUIPMENT	(11,940)	(1,715)	1,064	(32)	-	(12,623)	(12,440)
38	3911	OFFICE FURNITURE	(7,036)	(333)	-	-	-	(7,369)	(7,203)
39	3912	OFFICE MACHINES	(23,737)	(1,149)	1,984	-	-	(22,902)	(23,625)
40	3913	COMPUTER EQUIPMENT	(146,359)	(22,466)	17,785	-	-	(151,040)	(150,021)
41	391305	SOFTWARE	(350,228)	(79,429)	-	-	-	(429,657)	(389,943)
42	3931	STORES EQUIPMENT-FIXED	(103,488)	(3,430)	20,488	-	-	(86,430)	(89,443)
43	3932	STORES EQUIPMENT-PORTABLE	(761)	-	-	-	-	(761)	(761)
44	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(35,794)	(67)	304	-	-	(35,557)	(35,722)
45	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(73,381)	(6,387)	2,525	(8)	-	(77,251)	(75,704)
46	3951	LABORATORY EQUIPMENT-FIXED	(53,369)	(3,432)	96	-	-	(56,705)	(55,052)
47	3952	LABORATORY EQUIPMENT-PORTABLE	(27,781)	(1,257)	1,288	-	-	(27,750)	(27,963)
48	399	MISCELLANEOUS TANGIBLE	(6,000)	(2,000)	-	-	-	(8,000)	(7,000)
49		Total General Plant	(1,609,709)	(169,813)	50,478	(64)	-	(1,729,109)	(1,667,084)

Schedule B-9 (2007)	DEPRECIATION RESERVE BALANCES BY ACCOUNT AND SUB-ACCOUNT	Page 2 of 2
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)	Type of Data Shown: Prior Year 12/31/2007
COMPANY:FLORIDA PUBLIC UTILITIES Consolidated Electric Division		Witness: Jim Mesite
DOCKET NO.: 070304-EI		

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
50		Transportation Equipment							
51	3921	PASSENGER CARS	(80,374)	(9,444)	-	-	-	(89,818)	(84,908)
52	3922	LIGHT TRUCKS & VANS	(365,860)	(64,365)	25,212	(9,183)	-	(414,196)	(390,436)
53	3923	HEAVY TRUCKS	(1,166,218)	(197,571)	141,372	-	-	(1,222,417)	(1,198,626)
54	3924	TRAILERS	(25,498)	(4,440)	-	-	-	(29,938)	(27,718)
55		Total Transportation Equipment	(1,637,950)	(275,820)	166,584	(9,183)	-	(1,756,369)	(1,701,688)
56		TOTAL ACCUM. PROVISION FOR DEPR.	(31,928,074)	(2,996,511)	618,833	82,233	-	(34,223,520)	(33,108,823)
57									
58		COMMON PLANT							
59	303	MISC INTANGIBLE PLANT	-	-	-	-	-	-	-
60	389	GENERAL PLANT-LAND	-	-	-	-	-	-	-
61	390	STRUCTURES AND IMPROVEMENTS	(429,446)	(54,968)	30,000	-	-	(454,414)	(447,268)
62	3911	OFFICE FURNITURE	(10,739)	(1,936)	-	-	-	(12,675)	(11,677)
63	3912	OFFICE MACHINES	(34,578)	(10,808)	-	-	-	(45,386)	(39,947)
64	3913	COMPUTER EQUIPMENT	(146,783)	(73,259)	13,604	-	13,000	(193,438)	(162,655)
65	391305	SOFTWARE	(1,112,156)	(200,780)	-	-	-	(1,312,936)	(1,209,782)
66	3921	PASSENGER CARS	(31,562)	(9,504)	-	-	-	(41,066)	(36,314)
67	3922	LIGHT TRUCKS & VANS	(24,374)	(10,364)	-	-	6,000	(28,738)	(26,749)
68	397	COMMUNICATION EQUIPMENT	32,969	(9,120)	-	-	-	23,849	28,409
69	398	MISCELLANEOUS EQUIPMENT	(231)	(408)	-	-	-	(639)	(435)
70	399	MISCELLANEOUS TANGIBLE	(3,745)	(4,596)	-	-	-	(8,341)	(6,043)
71		Total Common Plant	(1,760,645)	(375,743)	43,604	-	19,000	(2,073,784)	(1,912,461)
72									
73		AS ALLOCATED (Electric Division)							
74	303	MISC INTANGIBLE PLANT	-	-	-	-	-	-	-
75	389	GENERAL PLANT-LAND	-	-	-	-	-	-	-
76	390	STRUCTURES AND IMPROVEMENTS	(120,245)	(15,391)	8,400	-	-	(127,236)	(125,235)
77	3911	OFFICE FURNITURE	(3,007)	(542)	-	-	-	(3,549)	(3,270)
78	3912	OFFICE MACHINES	(9,682)	(3,026)	-	-	-	(12,708)	(11,185)
79	3913	COMPUTER EQUIPMENT	(42,567)	(21,245)	3,945	-	3,770	(56,097)	(47,170)
80	391305	SOFTWARE	(322,525)	(58,226)	-	-	-	(380,751)	(350,837)
81	3921	PASSENGER CARS	(8,837)	(2,661)	-	-	-	(11,498)	(10,168)
82	3922	LIGHT TRUCKS & VANS	(6,825)	(2,902)	-	-	1,680	(8,047)	(7,490)
83	397	COMMUNICATION EQUIPMENT	9,231	(2,554)	-	-	-	6,678	7,955
84	398	MISCELLANEOUS EQUIPMENT	(65)	(114)	-	-	-	(179)	(122)
85	399	MISCELLANEOUS TANGIBLE	(1,049)	(1,287)	-	-	-	(2,335)	(1,692)
86		Total Allocated Common Plant	(505,570)	(107,948)	12,345	-	5,450	(595,723)	(549,213)
88									
88		TOTAL DEPRECIABLE RESERVE BALANCE	(32,433,644)	(3,104,459)	631,178	82,233	5,450	(34,819,243)	(33,658,036)
89		NUCLEAR DECOMMISSIONING							
90		FOSSIL DISMANTLEMENT							
91		MISCELLANEOUS INTANGIBLES							
92		TOTAL RESERVE BALANCE	(32,433,644)	(3,104,459)	631,178	82,233	5,450	(34,819,243)	(33,658,036)

Note:
* If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

Supporting Schedules: B-6 (2007), B-9 (2007), B-10 (2007) Recap Schedules: B-1 (2007)

Schedule B-9 (2008) DEPRECIATION RESERVE BALANCES BY ACCOUNT AND SUB-ACCOUNT

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
Projected Test Year 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		Transmission Plant							
2	3501	LAND RIGHTS	(33,788)	-	-	-	-	(33,788)	(33,788)
3	352	STRUCTURES AND IMPROVEMENTS	(10,702)	(504)	-	-	-	(11,206)	(10,941)
4	353	STATION EQUIPMENT	(665,300)	(56,148)	-	-	-	(721,448)	(693,374)
5	354	TOWERS AND FIXTURES	(172,389)	(4,944)	-	-	-	(177,333)	(174,861)
6	355	POLES AND FIXTURES	(924,838)	(89,418)	18,000	219	-	(996,037)	(959,816)
7	356	OVERHEAD CONDUCTORS AND DEVICES	(634,997)	(63,684)	-	-	-	(698,681)	(666,118)
8	359	ROADS AND TRAILS	(4,181)	(264)	-	-	-	(4,445)	(4,313)
9		Total Transmission Plant	(2,446,195)	(214,962)	18,000	219	-	(2,642,938)	(2,543,210)
10									
11		Distribution Plant							
12	361	STRUCTURES & IMPROVEMENTS	(32,731)	(2,112)	-	-	-	(34,843)	(33,787)
13	362	STATION EQUIPMENT	(1,332,097)	(212,063)	158,424	11,760	-	(1,373,976)	(1,352,910)
14	364	POLES, TOWERS, & FIXTURES	(4,322,016)	(409,561)	54,012	56,808	-	(4,620,757)	(4,469,772)
15	365	OVERHEAD CONDUCTORS & DEVICES	(5,311,684)	(387,189)	25,776	23,820	-	(5,649,277)	(5,479,223)
16	370	METERS	(1,796,540)	(127,164)	74,611	4,020	-	(1,845,073)	(1,820,390)
17	3601	LAND RIGHTS	(5,356)	(408)	-	-	-	(5,764)	(5,560)
18	3662	UNDERGROUND CONDUIT - BURIED	(600,212)	(64,536)	1,140	(84)	-	(663,692)	(631,303)
19	3672	UNDERGROUND COND & DEVICES - BURIED	(1,692,223)	(165,427)	21,564	1,704	-	(1,834,382)	(1,761,876)
20	3681	LINE TRANSFORMERS - OVERHEAD	(4,732,814)	(308,480)	42,768	4,224	-	(4,994,302)	(4,862,934)
21	3682	LINE TRANSFORMERS-DU	(1)					-	(0)
22	3683	LINE TRANSFORMERS - BURIED	(3,138,803)	(270,222)	42,768	4,224	-	(3,362,033)	(3,249,091)
23	3691	OVERHEAD SERVICES	(2,265,274)	(164,265)	8,340	2,352	-	(2,418,847)	(2,341,586)
24	3693	UNDERGROUND SERVICES - BURIED	(1,801,339)	(166,340)	8,340	2,352	-	(1,956,987)	(1,878,362)
25	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(502,361)	(85,720)	21,612	120	-	(566,349)	(533,941)
26	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(248,746)	(47,976)	21,612	120	-	(274,990)	(261,862)
27	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(307,679)	(37,330)	7,120	516	-	(337,373)	(322,424)
28	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(201,972)	(32,034)	7,120	516	-	(226,370)	(214,156)
29		Total Distribution Plant	(28,291,851)	(2,480,827)	495,207	112,452	-	(30,165,015)	(29,219,179)
30									
31		General Plant							
32	389	GENERAL PLANT-LAND	(6,704)	-	-	-	-	(6,704)	(6,704)
33	390	STRUCTURES AND IMPROVEMENTS	(492,596)	(28,912)	204	-	-	(521,304)	(506,941)
34	396	POWER OPERATED EQUIPMENT	(188,371)	(12,128)	1,632	-	-	(198,867)	(193,627)
35	397	COMMUNICATION EQUIPMENT	(146,906)	(7,500)	5,580	(36)	-	(148,862)	(147,884)
36	3973	COMMUNICATION EQUIPMENT	(1)					-	(0)
37	398	MISCELLANEOUS EQUIPMENT	(13,291)	(276)	1,596	(48)	-	(12,019)	(12,655)
38	3911	OFFICE FURNITURE	(8,092)	-	-	-	-	(8,092)	(8,092)
39	3912	OFFICE MACHINES	(27,039)	(6,948)	2,976	-	-	(31,011)	(29,025)
40	3913	COMPUTER EQUIPMENT	(176,007)	(25,896)	21,660	-	-	(180,243)	(178,125)
41	391305	SOFTWARE	(503,481)	(126,240)	-	-	-	(629,721)	(566,601)
42	3931	STORES EQUIPMENT-FIXED	(100,440)	(11,196)	-	-	-	(111,636)	(106,038)
43	3932	STORES EQUIPMENT-PORTABLE	(869)	-	-	-	-	(869)	(869)
44	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(40,614)	(72)	456	-	-	(40,230)	(40,422)
45	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(85,341)	(6,384)	3,785	(12)	-	(87,952)	(86,648)
46	3951	LABORATORY EQUIPMENT-FIXED	(62,375)	(3,432)	144	-	-	(65,663)	(64,019)
47	3952	LABORATORY EQUIPMENT-PORTABLE	(31,027)	(1,260)	1,932	-	-	(30,355)	(30,691)
48	399	MISCELLANEOUS TANGIBLE	(8,587)	(9,000)	-	-	-	(17,587)	(13,087)
49		Total General Plant	(1,891,741)	(239,244)	39,965	(96)	-	(2,091,115)	(1,991,427)

Schedule B-9 (2008)
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

DEPRECIATION RESERVE BALANCES BY ACCOUNT AND SUB-ACCOUNT

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
Projected Test Year 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
50		Transportation Equipment							
51	3921	PASSENGER CARS	(89,818)	(10,668)	-	-	-	(100,486)	(95,152)
52	3922	LIGHT TRUCKS & VANS	(414,196)	(87,761)	-	-	-	(501,957)	(455,646)
53	3923	HEAVY TRUCKS	(1,222,417)	(217,643)	-	-	-	(1,440,060)	(1,330,485)
54	3924	TRAILERS	(29,938)	(4,440)	-	-	-	(34,378)	(32,158)
55		Total Transportation Equipment	(1,756,369)	(320,512)	-	-	-	(2,076,881)	(1,913,441)
56		TOTAL ACCUM. PROVISION FOR DEPR.	(34,386,156)	(3,255,545)	553,172	112,575	-	(36,975,949)	(35,667,258)
57									
58		COMMON PLANT							
59	303	MISC INTANGIBLE PLANT	-	-	-	-	-	-	-
60	389	GENERAL PLANT-LAND	-	-	-	-	-	-	-
61	390	STRUCTURES AND IMPROVEMENTS	(454,414)	(61,334)	-	-	-	(515,748)	(484,764.8)
62	3911	OFFICE FURNITURE	(12,675)	(2,350)	-	-	-	(15,025)	(13,828.5)
63	3912	OFFICE MACHINES	(45,386)	(11,335)	-	-	-	(56,721)	(50,997.0)
64	3913	COMPUTER EQUIPMENT	(193,438)	(103,133)	-	-	-	(296,571)	(243,517.7)
65	391305	SOFTWARE	(1,312,936)	(243,581)	-	-	-	(1,556,517)	(1,432,355.6)
66	3921	PASSENGER CARS	(41,066)	(9,504)	-	-	-	(50,570)	(45,818.0)
67	3922	LIGHT TRUCKS & VANS	(28,738)	(10,560)	-	-	-	(39,298)	(34,018.0)
68	397	COMMUNICATION EQUIPMENT	23,849	(9,120)	-	-	-	14,729	19,289.0
69	398	MISCELLANEOUS EQUIPMENT	(639)	(408)	-	-	-	(1,047)	(843.0)
70	399	MISCELLANEOUS TANGIBLE	(8,341)	(5,968)	-	-	-	(14,309)	(11,236.9)
71		Total Common Plant	(2,073,784)	(457,293)	-	-	-	(2,531,077)	(2,298,091)
72									
73		AS ALLOCATED (Electric Division)							
74	303	MISC INTANGIBLE PLANT	-	-	-	-	-	-	-
75	389	GENERAL PLANT-LAND	-	-	-	-	-	-	-
76	390	STRUCTURES AND IMPROVEMENTS	(127,236)	(17,174)	-	-	-	(144,409)	(135,734.1)
77	3911	OFFICE FURNITURE	(3,549)	(658)	-	-	-	(4,207)	(3,872.0)
78	3912	OFFICE MACHINES	(12,708)	(3,174)	-	-	-	(15,882)	(14,279.2)
79	3913	COMPUTER EQUIPMENT	(56,097)	(29,909)	-	-	-	(86,006)	(70,620.1)
80	391305	SOFTWARE	(380,751)	(70,638)	-	-	-	(451,390)	(415,383.1)
81	3921	PASSENGER CARS	(11,498)	(2,661)	-	-	-	(14,160)	(12,829.0)
82	3922	LIGHT TRUCKS & VANS	(8,047)	(2,957)	-	-	-	(11,003)	(9,525.0)
83	397	COMMUNICATION EQUIPMENT	6,678	(2,554)	-	-	-	4,124	5,400.9
84	398	MISCELLANEOUS EQUIPMENT	(179)	(114)	-	-	-	(293)	(236.0)
85	399	MISCELLANEOUS TANGIBLE	(2,335)	(1,671)	-	-	-	(4,007)	(3,146.3)
86		Total Allocated Common Plant	(595,723)	(131,509)	-	-	-	(727,233)	(660,224)
88									
88		TOTAL DEPRECIABLE RESERVE BALANCE	(34,981,879)	(3,387,054)	553,172	112,575	-	(37,703,182)	(36,327,482)
89		NUCLEAR DECOMMISSIONING							
90		FOSSIL DISMANTLEMENT							
91		MISCELLANEOUS INTANGIBLES							
92		TOTAL RESERVE BALANCE	(34,981,879)	(3,387,054)	553,172	112,575	-	(37,703,182)	(36,327,482)

Note:
* If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

Supporting Schedules: B-6 (2008), B-9 (2008), B-10 (2008)

Recap Schedules: B-1 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13-Month Average
1		Transmission Plant														
2																
3	3501	LAND RIGHTS	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)
4	352	STRUCTURES AND IMPROVEMENTS	(10,258)	(10,295)	(10,332)	(10,369)	(10,406)	(10,443)	(10,480)	(10,517)	(10,554)	(10,591)	(10,628)	(10,665)	(10,702)	(10,480)
5	353	STATION EQUIPMENT	(609,363)	(613,991)	(618,619)	(623,247)	(627,897)	(632,547)	(637,226)	(641,905)	(646,584)	(651,263)	(655,942)	(660,621)	(665,300)	(637,270)
6	354	TOWERS AND FIXTURES	(167,445)	(167,857)	(168,269)	(168,681)	(169,093)	(169,505)	(169,917)	(170,329)	(170,741)	(171,153)	(171,565)	(171,977)	(172,389)	(169,917)
7	355	POLES AND FIXTURES	(835,078)	(842,558)	(850,038)	(857,518)	(864,998)	(872,478)	(879,958)	(887,438)	(894,918)	(902,398)	(909,878)	(917,358)	(924,838)	(879,958)
8	356	OVERHEAD CONDUCTORS AND DEVICES	(574,937)	(579,942)	(584,947)	(589,952)	(594,957)	(599,962)	(604,967)	(609,972)	(614,977)	(619,982)	(624,987)	(629,992)	(634,997)	(604,967)
9	359	ROADS AND TRAILS	(3,917)	(3,939)	(3,961)	(3,983)	(4,005)	(4,027)	(4,049)	(4,071)	(4,093)	(4,115)	(4,137)	(4,159)	(4,181)	(4,049)
10																
11		Total Transmission Plant	(2,234,786)	(2,252,370)	(2,269,954)	(2,287,538)	(2,305,144)	(2,322,750)	(2,340,385)	(2,358,020)	(2,375,655)	(2,393,290)	(2,410,925)	(2,428,560)	(2,446,195)	(2,340,429)
12																
13		Distribution Plant														
14																
15	361	STRUCTURES & IMPROVEMENTS	(30,619)	(30,795)	(30,971)	(31,147)	(31,323)	(31,499)	(31,675)	(31,851)	(32,027)	(32,203)	(32,379)	(32,555)	(32,731)	(31,675)
16	362	STATION EQUIPMENT	(1,263,343)	(1,277,868)	(1,292,393)	(1,306,918)	(1,321,443)	(1,321,786)	(1,323,241)	(1,324,763)	(1,326,252)	(1,327,708)	(1,329,154)	(1,330,642)	(1,332,097)	(1,313,662)
17	364	POLES, TOWERS, & FIXTURES	(4,029,815)	(4,061,068)	(4,092,388)	(4,113,760)	(4,136,954)	(4,159,287)	(4,181,954)	(4,204,860)	(4,227,872)	(4,251,043)	(4,274,513)	(4,298,176)	(4,322,016)	(4,181,054)
18	365	OVERHEAD CONDUCTORS & DEVICES	(4,980,855)	(5,011,395)	(5,041,981)	(5,070,029)	(5,095,094)	(5,121,702)	(5,148,528)	(5,175,505)	(5,202,550)	(5,229,663)	(5,256,923)	(5,284,266)	(5,311,684)	(5,148,475)
19	370	METERS	(1,745,249)	(1,755,253)	(1,765,361)	(1,768,639)	(1,766,903)	(1,770,498)	(1,774,125)	(1,777,783)	(1,781,474)	(1,785,195)	(1,788,946)	(1,792,728)	(1,796,540)	(1,774,515)
20	3601	LAND RIGHTS	(4,948)	(4,982)	(5,016)	(5,050)	(5,084)	(5,118)	(5,152)	(5,186)	(5,220)	(5,254)	(5,288)	(5,322)	(5,356)	(5,152)
21	3662	UNDERGROUND CONDUIT - BURIED	(544,956)	(549,248)	(553,653)	(558,070)	(562,507)	(566,864)	(571,331)	(575,828)	(580,479)	(585,146)	(590,151)	(595,175)	(600,212)	(571,817)
22	3672	UNDERGROUND COND & DEVICES - BURIED	(1,564,861)	(1,576,595)	(1,588,454)	(1,595,161)	(1,607,123)	(1,617,183)	(1,627,372)	(1,637,655)	(1,648,214)	(1,658,777)	(1,669,896)	(1,681,047)	(1,692,223)	(1,628,043)
23	3681	LINE TRANSFORMERS - OVERHEAD	(4,477,897)	(4,502,688)	(4,527,493)	(4,538,110)	(4,562,816)	(4,583,866)	(4,604,943)	(4,626,100)	(4,647,302)	(4,668,601)	(4,689,955)	(4,711,371)	(4,732,814)	(4,605,689)
24	3683	LINE TRANSFORMERS - BURIED	(2,912,933)	(2,933,731)	(2,954,575)	(2,975,911)	(2,997,267)	(3,014,696)	(3,032,346)	(3,049,973)	(3,067,576)	(3,085,366)	(3,103,132)	(3,120,874)	(3,138,803)	(3,029,783)
25	3691	OVERHEAD SERVICES	(2,114,922)	(2,127,966)	(2,141,043)	(2,153,788)	(2,166,142)	(2,178,401)	(2,190,698)	(2,203,033)	(2,215,406)	(2,227,817)	(2,240,265)	(2,252,751)	(2,265,274)	(2,190,577)
26	3693	UNDERGROUND SERVICES - BURIED	(1,649,906)	(1,662,857)	(1,675,874)	(1,688,932)	(1,702,069)	(1,714,352)	(1,726,673)	(1,739,029)	(1,751,421)	(1,763,848)	(1,776,310)	(1,788,807)	(1,801,339)	(1,726,263)
27	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(448,858)	(455,555)	(462,291)	(459,204)	(462,018)	(466,997)	(471,994)	(477,009)	(482,043)	(487,095)	(492,165)	(497,254)	(502,361)	(474,219)
28	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(221,169)	(225,034)	(228,898)	(228,190)	(231,591)	(233,597)	(235,656)	(237,707)	(239,916)	(242,137)	(244,349)	(246,552)	(248,746)	(235,657)
29	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(280,008)	(282,976)	(285,959)	(285,915)	(288,515)	(290,890)	(293,271)	(295,658)	(298,051)	(300,449)	(302,853)	(305,263)	(307,679)	(293,653)
30	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(175,290)	(177,923)	(180,559)	(183,199)	(185,840)	(187,850)	(189,862)	(191,876)	(193,892)	(195,909)	(197,928)	(199,949)	(201,972)	(189,388)
31																
32		Total Distribution Plant	(26,445,629)	(26,635,934)	(26,826,909)	(26,962,023)	(27,122,689)	(27,264,586)	(27,408,821)	(27,553,816)	(27,699,695)	(27,846,211)	(27,994,207)	(28,142,732)	(28,291,847)	(27,399,623)
33																
34		General Plant														
35																
36	389	GENERAL PLANT-LAND	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)
37	390	STRUCTURES AND IMPROVEMENTS	(463,884)	(466,286)	(468,688)	(471,090)	(473,492)	(475,880)	(478,268)	(480,656)	(483,044)	(485,432)	(487,820)	(490,208)	(492,596)	(478,257)
38	396	POWER OPERATED EQUIPMENT	(177,237)	(178,257)	(179,277)	(180,297)	(181,317)	(182,201)	(183,085)	(183,968)	(184,850)	(185,731)	(186,612)	(187,492)	(188,371)	(182,977)
39	397	COMMUNICATION EQUIPMENT	(122,010)	(122,600)	(123,190)	(123,779)	(124,369)	(124,497)	(124,625)	(124,753)	(124,880)	(125,008)	(125,136)	(125,264)	(125,392)	(124,269)
40	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	398	MISCELLANEOUS EQUIPMENT	(11,940)	(12,083)	(12,226)	(12,369)	(12,512)	(12,526)	(12,540)	(12,554)	(12,568)	(12,582)	(12,596)	(12,609)	(12,623)	(12,440)
42	3911	OFFICE FURNITURE	(7,036)	(7,064)	(7,092)	(7,119)	(7,147)	(7,175)	(7,203)	(7,230)	(7,258)	(7,286)	(7,314)	(7,342)	(7,369)	(7,203)
43	3912	OFFICE MACHINES	(23,737)	(23,833)	(23,928)	(24,024)	(24,120)	(23,968)	(23,815)	(23,663)	(23,511)	(23,359)	(23,206)	(23,054)	(22,902)	(23,625)
44	3913	COMPUTER EQUIPMENT	(146,359)	(148,231)	(150,103)	(148,631)	(150,503)	(150,570)	(150,637)	(150,704)	(150,772)	(150,839)	(150,906)	(150,973)	(151,040)	(150,021)
45	391305	SOFTWARE	(350,228)	(356,847)	(363,466)	(370,085)	(376,704)	(383,324)	(389,943)	(396,562)	(403,181)	(409,800)	(416,419)	(423,038)	(429,657)	(389,943)
46	3931	STORES EQUIPMENT-FIXED	(103,488)	(103,774)	(104,060)	(83,857)	(84,143)	(84,429)	(84,715)	(85,001)	(85,286)	(85,572)	(85,858)	(86,144)	(86,430)	(89,443)
47	3932	STORES EQUIPMENT-PORTABLE	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)
48	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(35,794)	(35,800)	(35,805)	(35,811)	(35,816)	(35,784)	(35,752)	(35,719)	(35,687)	(35,654)	(35,622)	(35,590)	(35,557)	(35,722)
49	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(73,381)	(73,913)	(74,446)	(74,978)	(75,510)	(75,728)	(75,947)	(76,165)	(76,382)	(76,600)	(76,817)	(77,034)	(77,251)	(75,704)
50	3951	LABORATORY EQUIPMENT-FIXED	(53,369)	(53,655)	(53,941)	(54,227)	(54,513)	(54,787)	(55,061)	(55,335)	(55,609)	(55,883)	(56,157)	(56,431)	(56,705)	(55,052)
51	3952	LABORATORY EQUIPMENT-PORTABLE	(27,781)	(27,886)	(27,990)	(28,095)	(28,200)	(28,144)	(28,087)	(28,031)	(27,975)	(27,918)	(27,862)	(27,806)	(27,750)	(27,963)
52	399	MISCELLANEOUS TANGIBLE	(6,000)	(6,167)	(6,333)	(6,500)	(6,667)	(6,833)	(7,000)	(7,167)	(7,333)	(7,500)	(7,667)	(7,833)	(8,000)	(7,000)
53																
54		Total General Plant	(1,609,709)	(1,623,860)	(1,638,010)	(1,628,328)	(1,642,479)	(1,653,310)	(1,664,142)	(1,674,973)	(1,685,801)	(1,696,629)	(1,707,457)	(1,718,283)	(1,729,109)	(1,667,084)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13-Month Average
55		Transportation Equipment															
56																	
57	3921	PASSENGER CARS		(80,374)	(81,110)	(81,846)	(82,582)	(83,318)	(84,054)	(84,790)	(85,526)	(86,262)	(87,151)	(88,040)	(88,929)	(89,818)	(84,908)
58	3922	LIGHT TRUCKS & VANS		(365,860)	(371,132)	(376,404)	(381,676)	(386,948)	(392,220)	(397,492)	(387,116)	(392,532)	(397,948)	(403,364)	(408,780)	(414,196)	(390,436)
59	3923	HEAVY TRUCKS		(1,166,218)	(1,182,425)	(1,198,637)	(1,214,849)	(1,231,061)	(1,247,273)	(1,263,485)	(1,138,325)	(1,154,605)	(1,170,885)	(1,187,165)	(1,204,791)	(1,222,417)	(1,198,626)
60	3924	TRAILERS		(25,498)	(25,868)	(26,238)	(26,608)	(26,978)	(27,348)	(27,718)	(28,088)	(28,458)	(28,828)	(29,198)	(29,568)	(29,938)	(27,718)
61																	
62		Total Transportation Equipment		(1,637,950)	(1,660,535)	(1,683,125)	(1,705,715)	(1,728,305)	(1,750,895)	(1,773,485)	(1,639,055)	(1,661,857)	(1,684,812)	(1,707,767)	(1,732,068)	(1,756,369)	(1,701,688)
63																	
64		TOTAL ACCUM. PROVISION FOR DEPR.		(31,928,074)	(32,172,699)	(32,417,998)	(32,583,604)	(32,798,617)	(32,991,541)	(33,186,833)	(33,225,864)	(33,423,008)	(33,620,942)	(33,820,356)	(34,021,643)	(34,223,520)	(33,108,823)
65																	
66		COMMON PLANT															
67																	
68	303	MISC INTANGIBLE PLANT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	389	GENERAL PLANT-LAND		-	-	-	-	-	-	-	-	-	-	-	-	-	-
70	390	STRUCTURES AND IMPROVEMENTS		(429,446)	(433,850)	(438,256)	(442,662)	(447,068)	(451,573)	(456,096)	(453,669)	(458,284)	(454,920)	(444,692)	(449,553)	(454,414)	(447,268)
71	3911	OFFICE FURNITURE		(10,739)	(10,891)	(11,043)	(11,195)	(11,347)	(11,499)	(11,655)	(11,815)	(11,979)	(12,147)	(12,319)	(12,495)	(12,675)	(11,677)
72	3912	OFFICE MACHINES		(34,578)	(35,468)	(36,358)	(37,248)	(38,138)	(39,028)	(39,922)	(40,821)	(41,725)	(42,633)	(43,546)	(44,464)	(45,386)	(39,947)
73	3913	COMPUTER EQUIPMENT		(146,783)	(151,335)	(155,887)	(147,670)	(152,209)	(157,589)	(151,202)	(157,908)	(164,678)	(171,513)	(178,459)	(185,840)	(193,438)	(162,655)
74	391305	SOFTWARE		(1,112,156)	(1,128,039)	(1,143,922)	(1,159,812)	(1,176,023)	(1,192,234)	(1,208,445)	(1,224,818)	(1,241,256)	(1,258,295)	(1,275,505)	(1,293,723)	(1,312,936)	(1,209,782)
75	3921	PASSENGER CARS		(31,562)	(32,354)	(33,146)	(33,938)	(34,730)	(35,522)	(36,314)	(37,106)	(37,898)	(38,690)	(39,482)	(40,274)	(41,066)	(36,314)
76	3922	LIGHT TRUCKS & VANS		(24,374)	(25,226)	(26,078)	(26,930)	(27,782)	(28,634)	(29,486)	(24,338)	(25,218)	(26,098)	(26,978)	(27,858)	(28,738)	(26,749)
77	397	COMMUNICATION EQUIPMENT		32,969	32,209	31,449	30,689	29,929	29,169	28,409	27,649	26,889	26,129	25,369	24,609	23,849	28,409
78	398	MISCELLANEOUS EQUIPMENT		(231)	(265)	(299)	(333)	(367)	(401)	(435)	(469)	(503)	(537)	(571)	(605)	(639)	(435)
79	399	MISCELLANEOUS TANGIBLE		(3,745)	(4,128)	(4,511)	(4,894)	(5,277)	(5,660)	(6,043)	(6,426)	(6,809)	(7,192)	(7,575)	(7,958)	(8,341)	(6,043)
80																	
81																	
82		Total Common Plant		(1,760,645)	(1,789,347)	(1,818,051)	(1,833,993)	(1,863,012)	(1,892,971)	(1,911,189)	(1,929,721)	(1,961,461)	(1,985,896)	(2,003,758)	(2,038,161)	(2,073,784)	(1,912,461)
83			Allocation														
84		AS ALLOCATED (Electric Division)	Rate														
85																	
86	303	MISC INTANGIBLE PLANT	28%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
87	389	GENERAL PLANT-LAND	28%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
88	390	STRUCTURES AND IMPROVEMENTS	28%	(120,245)	(121,478)	(122,712)	(123,945)	(125,179)	(126,440)	(127,707)	(127,027)	(128,320)	(127,378)	(124,514)	(125,875)	(127,236)	(125,235)
89	3911	OFFICE FURNITURE	28%	(3,007)	(3,049)	(3,092)	(3,135)	(3,177)	(3,220)	(3,263)	(3,308)	(3,354)	(3,401)	(3,449)	(3,499)	(3,549)	(3,270)
90	3912	OFFICE MACHINES	28%	(9,682)	(9,931)	(10,180)	(10,429)	(10,679)	(10,928)	(11,178)	(11,430)	(11,683)	(11,937)	(12,193)	(12,450)	(12,708)	(11,185)
91	3913	COMPUTER EQUIPMENT	29%	(42,567)	(43,887)	(45,207)	(42,824)	(44,141)	(45,701)	(43,849)	(45,793)	(47,757)	(49,739)	(51,753)	(53,894)	(56,097)	(47,170)
92	391305	SOFTWARE	29%	(322,525)	(327,131)	(331,737)	(336,345)	(341,047)	(345,748)	(350,449)	(355,197)	(359,964)	(364,906)	(369,896)	(375,180)	(380,751)	(350,837)
93	3921	PASSENGER CARS	28%	(8,837)	(9,059)	(9,281)	(9,503)	(9,724)	(9,946)	(10,168)	(10,390)	(10,611)	(10,833)	(11,055)	(11,277)	(11,498)	(10,168)
94	3922	LIGHT TRUCKS & VANS	28%	(6,825)	(7,063)	(7,302)	(7,540)	(7,779)	(8,018)	(8,256)	(6,815)	(7,061)	(7,307)	(7,554)	(7,800)	(8,047)	(7,490)
95	397	COMMUNICATION EQUIPMENT	28%	9,231	9,019	8,806	8,593	8,380	8,167	7,955	7,742	7,529	7,316	7,103	6,891	6,678	7,955
96	398	MISCELLANEOUS EQUIPMENT	28%	(65)	(74)	(84)	(93)	(103)	(112)	(122)	(131)	(141)	(150)	(160)	(169)	(179)	(122)
97	399	MISCELLANEOUS TANGIBLE	28%	(1,049)	(1,156)	(1,263)	(1,370)	(1,478)	(1,585)	(1,692)	(1,799)	(1,907)	(2,014)	(2,121)	(2,228)	(2,335)	(1,692)
98																	
99																	
100																	
101		Total Allocated Common Plant		(505,570)	(513,811)	(522,052)	(526,593)	(534,926)	(543,530)	(548,729)	(554,149)	(563,269)	(570,349)	(575,592)	(585,481)	(595,723)	(549,213)

Supporting Schedules: B-9 (2007)

Recap Schedules: B-1 (2007), B-9 (2007)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13-Month Average
1		Transmission Plant														
2																
3	3501	LAND RIGHTS	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)
4	352	STRUCTURES AND IMPROVEMENTS	(10,702)	(10,739)	(10,776)	(10,813)	(10,850)	(10,887)	(10,929)	(10,971)	(11,018)	(11,065)	(11,112)	(11,159)	(11,206)	(10,941)
5	353	STATION EQUIPMENT	(665,300)	(669,979)	(674,658)	(679,337)	(684,016)	(688,695)	(693,374)	(698,053)	(702,732)	(707,411)	(712,090)	(716,769)	(721,448)	(693,374)
6	354	TOWERS AND FIXTURES	(172,389)	(172,801)	(173,213)	(173,625)	(174,037)	(174,449)	(174,861)	(175,273)	(175,685)	(176,097)	(176,509)	(176,921)	(177,333)	(174,861)
7	355	POLES AND FIXTURES	(924,838)	(932,318)	(939,798)	(947,278)	(954,758)	(962,238)	(951,499)	(958,922)	(966,345)	(973,768)	(981,191)	(988,614)	(996,037)	(959,816)
8	356	OVERHEAD CONDUCTORS AND DEVICES	(634,997)	(640,002)	(645,007)	(650,012)	(655,017)	(660,342)	(665,667)	(670,992)	(676,317)	(681,908)	(687,499)	(693,090)	(698,681)	(666,118)
9	359	ROADS AND TRAILS	(4,181)	(4,203)	(4,225)	(4,247)	(4,269)	(4,291)	(4,313)	(4,335)	(4,357)	(4,379)	(4,401)	(4,423)	(4,445)	(4,313)
10																
11		Total Transmission Plant	(2,446,195)	(2,463,830)	(2,481,465)	(2,499,100)	(2,516,735)	(2,534,690)	(2,534,431)	(2,552,334)	(2,570,242)	(2,588,416)	(2,606,590)	(2,624,764)	(2,642,938)	(2,543,210)
12																
13		Distribution Plant														
14																
15	361	STRUCTURES & IMPROVEMENTS	(32,731)	(32,907)	(33,083)	(33,259)	(33,435)	(33,611)	(33,787)	(33,963)	(34,139)	(34,315)	(34,491)	(34,667)	(34,843)	(33,787)
16	362	STATION EQUIPMENT	(1,332,097)	(1,335,494)	(1,338,983)	(1,342,439)	(1,345,862)	(1,349,252)	(1,352,833)	(1,356,381)	(1,359,896)	(1,363,378)	(1,366,827)	(1,370,418)	(1,373,976)	(1,352,910)
17	364	POLES, TOWERS, & FIXTURES	(4,322,016)	(4,346,096)	(4,370,286)	(4,394,586)	(4,418,997)	(4,443,822)	(4,468,758)	(4,493,804)	(4,518,960)	(4,544,226)	(4,569,603)	(4,595,125)	(4,620,757)	(4,469,772)
18	365	OVERHEAD CONDUCTORS & DEVICES	(5,311,684)	(5,339,268)	(5,366,921)	(5,394,643)	(5,422,434)	(5,450,295)	(5,478,225)	(5,506,503)	(5,534,850)	(5,563,345)	(5,591,909)	(5,620,543)	(5,649,277)	(5,479,223)
19	370	METERS	(1,796,540)	(1,800,381)	(1,804,270)	(1,808,192)	(1,812,147)	(1,816,135)	(1,820,156)	(1,824,210)	(1,828,283)	(1,832,386)	(1,836,522)	(1,840,781)	(1,845,073)	(1,820,390)
20	3601	LAND RIGHTS	(5,356)	(5,390)	(5,424)	(5,458)	(5,492)	(5,526)	(5,560)	(5,594)	(5,628)	(5,662)	(5,696)	(5,730)	(5,764)	(5,560)
21	3662	UNDERGROUND CONDUIT - BURIED	(600,212)	(605,261)	(610,312)	(615,365)	(620,420)	(625,478)	(630,871)	(636,266)	(641,663)	(647,063)	(652,465)	(657,869)	(663,692)	(631,303)
23	3672	UNDERGROUND COND & DEVICES - BURIED	(1,692,223)	(1,703,449)	(1,714,744)	(1,726,108)	(1,737,541)	(1,749,043)	(1,760,613)	(1,772,736)	(1,784,928)	(1,797,188)	(1,809,517)	(1,821,915)	(1,834,382)	(1,761,876)
23	3681	LINE TRANSFORMERS - OVERHEAD	(4,732,814)	(4,754,281)	(4,775,783)	(4,797,352)	(4,818,992)	(4,840,734)	(4,862,518)	(4,884,380)	(4,906,284)	(4,928,231)	(4,950,220)	(4,972,245)	(4,994,302)	(4,862,934)
24	3683	LINE TRANSFORMERS - BURIED	(3,138,803)	(3,156,708)	(3,174,621)	(3,192,716)	(3,210,994)	(3,229,454)	(3,248,097)	(3,266,922)	(3,285,929)	(3,304,944)	(3,323,966)	(3,342,996)	(3,362,033)	(3,249,091)
25	3691	OVERHEAD SERVICES	(2,265,274)	(2,277,835)	(2,290,439)	(2,303,086)	(2,315,776)	(2,328,509)	(2,341,285)	(2,354,104)	(2,366,966)	(2,379,871)	(2,392,820)	(2,405,812)	(2,418,847)	(2,341,586)
26	3693	UNDERGROUND SERVICES - BURIED	(1,801,339)	(1,813,906)	(1,826,542)	(1,839,247)	(1,852,021)	(1,864,880)	(1,877,824)	(1,890,853)	(1,903,966)	(1,917,136)	(1,930,363)	(1,943,647)	(1,956,987)	(1,878,362)
27	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(502,361)	(507,486)	(512,649)	(517,850)	(523,088)	(528,364)	(533,678)	(539,029)	(544,418)	(549,844)	(555,308)	(560,810)	(566,349)	(533,941)
28	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(248,746)	(250,930)	(253,115)	(255,300)	(257,486)	(259,672)	(261,859)	(264,046)	(266,234)	(268,422)	(270,611)	(272,800)	(274,990)	(261,862)
29	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(307,679)	(310,102)	(312,535)	(314,977)	(317,428)	(319,889)	(322,359)	(324,839)	(327,328)	(329,825)	(332,332)	(334,848)	(337,373)	(322,424)
30	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(201,972)	(203,998)	(206,025)	(208,053)	(210,083)	(212,114)	(214,147)	(216,181)	(218,217)	(220,253)	(222,291)	(224,330)	(226,370)	(214,156)
31																
32		Total Distribution Plant	(28,291,851)	(28,443,492)	(28,595,732)	(28,748,631)	(28,902,196)	(29,056,778)	(29,212,570)	(29,369,811)	(29,527,689)	(29,686,089)	(29,844,941)	(30,004,536)	(30,165,015)	(29,219,179)
33																
34		General Plant														
35																
36	389	GENERAL PLANT-LAND	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)
37	390	STRUCTURES AND IMPROVEMENTS	(492,596)	(494,984)	(497,372)	(499,760)	(502,152)	(504,544)	(506,935)	(509,326)	(511,721)	(514,116)	(516,511)	(518,906)	(521,304)	(506,941)
38	396	POWER OPERATED EQUIPMENT	(188,371)	(189,250)	(190,128)	(191,005)	(191,881)	(192,757)	(193,632)	(194,506)	(195,380)	(196,253)	(197,125)	(197,996)	(198,867)	(193,627)
39	397	COMMUNICATION EQUIPMENT	(146,906)	(147,069)	(147,232)	(147,395)	(147,558)	(147,721)	(147,884)	(148,047)	(148,210)	(148,373)	(148,536)	(148,699)	(148,862)	(147,884)
40	3973	COMMUNICATION EQUIPMENT	(1)	-	-	-	-	-	-	-	-	-	-	-	-	(0)
41	398	MISCELLANEOUS EQUIPMENT	(13,291)	(13,185)	(13,079)	(12,973)	(12,867)	(12,761)	(12,655)	(12,549)	(12,443)	(12,337)	(12,231)	(12,125)	(12,019)	(12,655)
42	3911	OFFICE FURNITURE	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)
43	3912	OFFICE MACHINES	(27,039)	(27,370)	(27,701)	(28,032)	(28,363)	(28,694)	(29,025)	(29,356)	(29,687)	(30,018)	(30,349)	(30,680)	(31,011)	(29,025)
44	3913	COMPUTER EQUIPMENT	(176,007)	(176,360)	(176,713)	(177,066)	(177,419)	(177,772)	(178,125)	(178,478)	(178,831)	(179,184)	(179,537)	(179,890)	(180,243)	(178,125)
45	391305	SOFTWARE	(503,481)	(514,001)	(524,521)	(535,041)	(545,561)	(556,081)	(566,601)	(577,121)	(587,641)	(598,161)	(608,681)	(619,201)	(629,721)	(566,601)
46	3931	STORES EQUIPMENT-FIXED	(100,440)	(101,373)	(102,306)	(103,239)	(104,172)	(105,105)	(106,038)	(106,971)	(107,904)	(108,837)	(109,770)	(110,703)	(111,636)	(106,038)
47	3932	STORES EQUIPMENT-PORTABLE	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)
48	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(40,614)	(40,582)	(40,550)	(40,518)	(40,486)	(40,454)	(40,422)	(40,390)	(40,358)	(40,326)	(40,294)	(40,262)	(40,230)	(40,422)
49	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(85,341)	(85,559)	(85,777)	(85,995)	(86,213)	(86,431)	(86,649)	(86,867)	(87,084)	(87,301)	(87,518)	(87,735)	(87,952)	(86,648)
50	3951	LABORATORY EQUIPMENT-FIXED	(62,375)	(62,649)	(62,923)	(63,197)	(63,471)	(63,745)	(64,019)	(64,293)	(64,567)	(64,841)	(65,115)	(65,389)	(65,663)	(64,019)
51	3952	LABORATORY EQUIPMENT-PORTABLE	(31,027)	(30,971)	(30,915)	(30,859)	(30,803)	(30,747)	(30,691)	(30,635)	(30,579)	(30,523)	(30,467)	(30,411)	(30,355)	(30,691)
52	399	MISCELLANEOUS TANGIBLE	(8,587)	(9,337)	(10,087)	(10,837)	(11,587)	(12,337)	(13,087)	(13,837)	(14,587)	(15,337)	(16,087)	(16,837)	(17,587)	(13,087)
53																
54		Total General Plant	(1,891,741)	(1,908,355)	(1,924,969)	(1,941,582)	(1,958,198)	(1,974,814)	(1,991,428)	(2,008,041)	(2,024,657)	(2,041,272)	(2,057,886)	(2,074,499)	(2,091,115)	(1,991,427)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13-Month Average
55		Transportation Equipment															
56																	
57	3921	PASSENGER CARS		(89,818)	(90,707)	(91,596)	(92,485)	(93,374)	(94,263)	(95,152)	(96,041)	(96,930)	(97,819)	(98,708)	(99,597)	(100,486)	(95,152)
58	3922	LIGHT TRUCKS & VANS		(414,196)	(419,612)	(425,499)	(432,582)	(439,665)	(446,969)	(454,273)	(461,577)	(469,653)	(477,729)	(485,805)	(493,881)	(501,957)	(455,646)
59	3923	HEAVY TRUCKS		(1,222,417)	(1,240,043)	(1,258,104)	(1,276,165)	(1,294,226)	(1,312,287)	(1,330,348)	(1,348,409)	(1,366,470)	(1,384,531)	(1,402,592)	(1,420,653)	(1,440,060)	(1,330,485)
60	3924	TRAILERS		(29,938)	(30,308)	(30,678)	(31,048)	(31,418)	(31,788)	(32,158)	(32,528)	(32,898)	(33,268)	(33,638)	(34,008)	(34,378)	(32,158)
61																	
62		Total Transportation Equipment		(1,756,369)	(1,780,670)	(1,805,877)	(1,832,280)	(1,858,683)	(1,885,307)	(1,911,931)	(1,938,555)	(1,965,951)	(1,993,347)	(2,020,743)	(2,048,139)	(2,076,881)	(1,913,441)
63																	
64		TOTAL ACCUM. PROVISION FOR DEPR.		(34,386,156)	(34,596,347)	(34,808,043)	(35,021,593)	(35,235,812)	(35,451,589)	(35,650,360)	(35,868,741)	(36,088,539)	(36,309,124)	(36,530,160)	(36,751,938)	(36,975,949)	(35,667,258)
65																	
66		COMMON PLANT															
67																	
68	303	MISC INTANGIBLE PLANT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	389	GENERAL PLANT-LAND		-	-	-	-	-	-	-	-	-	-	-	-	-	-
70	390	STRUCTURES AND IMPROVEMENTS		(454,414)	(459,275)	(464,298)	(469,333)	(474,368)	(479,428)	(484,488)	(489,698)	(494,908)	(500,118)	(505,328)	(510,538)	(515,748)	(484,765)
71	3911	OFFICE FURNITURE		(12,675)	(12,858)	(13,041)	(13,232)	(13,425)	(13,620)	(13,817)	(14,014)	(14,213)	(14,414)	(14,617)	(14,820)	(15,025)	(13,829)
72	3912	OFFICE MACHINES		(45,386)	(46,308)	(47,230)	(48,152)	(49,083)	(50,014)	(50,958)	(51,908)	(52,861)	(53,814)	(54,780)	(55,746)	(56,721)	(50,997)
73	3913	COMPUTER EQUIPMENT		(193,438)	(201,138)	(208,838)	(217,089)	(225,409)	(234,159)	(243,113)	(251,562)	(260,011)	(269,006)	(278,071)	(287,321)	(296,571)	(243,518)
74	391305	SOFTWARE		(1,312,936)	(1,332,248)	(1,351,560)	(1,370,872)	(1,390,554)	(1,410,536)	(1,430,518)	(1,451,148)	(1,472,009)	(1,492,870)	(1,513,731)	(1,535,124)	(1,556,517)	(1,432,356)
75	3921	PASSENGER CARS		(41,066)	(41,858)	(42,650)	(43,442)	(44,234)	(45,026)	(45,818)	(46,610)	(47,402)	(48,194)	(48,986)	(49,778)	(50,570)	(45,818)
76	3922	LIGHT TRUCKS & VANS		(28,738)	(29,618)	(30,498)	(31,378)	(32,258)	(33,138)	(34,018)	(34,898)	(35,778)	(36,658)	(37,538)	(38,418)	(39,298)	(34,018)
77	397	COMMUNICATION EQUIPMENT		23,849	23,089	22,329	21,569	20,809	20,049	19,289	18,529	17,769	17,009	16,249	15,489	14,729	19,289
78	398	MISCELLANEOUS EQUIPMENT		(639)	(673)	(707)	(741)	(775)	(809)	(843)	(877)	(911)	(945)	(979)	(1,013)	(1,047)	(843)
79	399	MISCELLANEOUS TANGIBLE		(8,341)	(8,807)	(9,273)	(9,739)	(10,205)	(10,671)	(11,179)	(11,687)	(12,195)	(12,703)	(13,211)	(13,760)	(14,309)	(11,237)
80																	
81																	
82		Total Common Plant		(2,073,784)	(2,109,694)	(2,145,766)	(2,182,409)	(2,219,502)	(2,257,352)	(2,295,463)	(2,333,873)	(2,372,519)	(2,411,713)	(2,450,992)	(2,491,029)	(2,531,077)	(2,298,091)
83			Allocation														
84		AS ALLOCATED (Electric Division)	Rate														
85																	
86	303	MISC INTANGIBLE PLANT	28%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
87	389	GENERAL PLANT-LAND	28%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
88	390	STRUCTURES AND IMPROVEMENTS	28%	(127,236)	(128,597)	(130,003)	(131,413)	(132,823)	(134,240)	(135,657)	(137,115)	(138,574)	(140,033)	(141,492)	(142,951)	(144,409)	(135,734)
89	3911	OFFICE FURNITURE	28%	(3,549)	(3,600)	(3,651)	(3,705)	(3,759)	(3,814)	(3,869)	(3,924)	(3,980)	(4,036)	(4,093)	(4,150)	(4,207)	(3,872)
90	3912	OFFICE MACHINES	28%	(12,708)	(12,966)	(13,224)	(13,483)	(13,743)	(14,004)	(14,268)	(14,534)	(14,801)	(15,068)	(15,338)	(15,609)	(15,882)	(14,279)
91	3913	COMPUTER EQUIPMENT	29%	(56,097)	(58,330)	(60,563)	(62,956)	(65,369)	(67,906)	(70,503)	(72,953)	(75,403)	(78,012)	(80,641)	(83,323)	(86,006)	(70,620)
92	391305	SOFTWARE	29%	(380,751)	(386,352)	(391,952)	(397,553)	(403,261)	(409,055)	(414,850)	(420,833)	(426,883)	(432,932)	(438,982)	(445,186)	(451,390)	(415,383)
93	3921	PASSENGER CARS	28%	(11,498)	(11,720)	(11,942)	(12,164)	(12,386)	(12,607)	(12,829)	(13,051)	(13,273)	(13,494)	(13,716)	(13,938)	(14,160)	(12,829)
94	3922	LIGHT TRUCKS & VANS	28%	(8,047)	(8,293)	(8,539)	(8,786)	(9,032)	(9,279)	(9,525)	(9,771)	(10,018)	(10,264)	(10,511)	(10,757)	(11,003)	(9,525)
95	397	COMMUNICATION EQUIPMENT	28%	6,678	6,465	6,252	6,039	5,827	5,614	5,401	5,188	4,975	4,763	4,550	4,337	4,124	5,401
96	398	MISCELLANEOUS EQUIPMENT	28%	(179)	(188)	(198)	(207)	(217)	(227)	(236)	(246)	(255)	(265)	(274)	(284)	(293)	(236)
97	399	MISCELLANEOUS TANGIBLE	28%	(2,335)	(2,466)	(2,596)	(2,727)	(2,857)	(2,988)	(3,130)	(3,272)	(3,415)	(3,557)	(3,699)	(3,853)	(4,007)	(3,146)
98																	
99																	
100																	
101		Total Allocated Common Plant		(595,723)	(606,048)	(616,419)	(626,954)	(637,620)	(648,506)	(659,466)	(670,512)	(681,626)	(692,898)	(704,196)	(715,713)	(727,233)	(660,224)

Supporting Schedules: B-9 (2008)

Recap Schedules: B-1 (2008), B-9 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Itemize major capital additions to and retirements from electric plant in service in excess of 0.5% of the sum of the total balance of Account 101-Electric Plant in Service, and Account 106, Completed construction not Classified for the most recent calendar year, the test year minus one, the test year, and the test year plus one.*

Type of Data Shown*:
Projected Year Ended 12/31/2009
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Jim Mesite, Mark Cutshaw

Line No.	Description of Additions or (Retirements)	Most Recent Calendar Year 12/31/2006	Projected Test Year Minus One 12/31/2007	Projected Test Year 12/31/2008	Test Year Plus One Year 12/31/2009
	ADDITIONS:				
1	Replace transformer at Amelia Island Plantation Sub-station	625,922			
2	Replace Amelia Island Plantation Transformer (40 MVA)		790,000		
3	Construct Feeder #312 - Phase 1			500,000	See
4					Note
5	Addition of items with values less than .5%	3,915,988	4,699,349	4,209,300	Below
6	Common Additions - Allocated to Electric	115,985	323,824	184,750	
7	TOTAL ADDITIONS	4,657,895	5,813,173	4,894,050	5,121,706
8					
9	RETIREMENTS:				
10	Retirement of items with individual values less than .5%	(710,705)	(618,833)	(553,172)	
11	Common Retirements - Allocated to Electric	(14,638)	(12,345)	-	
12	TOTAL RETIREMENTS	(725,343)	(631,178)	(553,172)	(636,564)
13					
14					
15					
16	TOTAL NET ADDITIONS	3,932,552	5,181,995	4,340,878	4,485,142
17					
18					
19					
20	Note: Specific Plant Additions and Retirements are not feasible at this time. We do not develop budgets that far in advance.				

Note:
* If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: For each major construction project whose cost of completion exceeds 0.2 percent (.002) of gross plant, and for smaller projects within each category shown taken as a group, provide the requested data concerning projects for the test year.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Project Description	(1) Year End CWIP Balance	(2) Estimated Additional Project Costs	(3) Total Cost of Completion	(4) Initial Project Budget Per Construction Bid	(5) Date Construction Started	(6) Expected Completion Date	(7) Percent Complete (1) / (3)	(8) Amount of AFUDC Charged	(9) 13 Month Average Balance	(10) Jurisdictional Factor	(11) Jurisdictional Amount
1	STEAM PRODUCTION			-				NA			100%	-
2												
3	Subtotal	-		-				NA			100%	-
4												
5	NUCLEAR PRODUCTION			-				NA			100%	-
6												
7	Subtotal	-		-				NA			100%	-
8												
9	HYDRAULIC PRODUCTION			-				NA			100%	-
10												
11	Subtotal	-		-				NA			100%	-
12												
13	OTHER PRODUCTION			-				NA			100%	-
14												
15	Subtotal	-		-				NA			100%	-
16												
17	TRANSMISSION PLANT											
18	Various Smaller Projects	-	-	226,000	226,000	Various	Various	100%	-	17,692	100%	17,692
19	Subtotal	-	-	226,000	226,000				-	17,692		17,692
20												
21	DISTRIBUTION PLANT											
22	Construct Feeder #312 - Phase 1	-	-	500,000	500,000	11/1/2008	12/31/2008	100%	-	-	100%	-
23	Replace Cable at AIP	-	-	400,000	400,000	2/1/2008	6/30/2008	100%	-	46,154	100%	46,154
24	Various Smaller Projects	-	-	2,970,600	2,970,600	Various	Various	100%	-	11,154	100%	11,154
25	Subtotal	-	-	3,870,600	3,870,600				-	57,308		57,308
26												
27	GENERAL PLANT											
28	Replace Service Trk Veh #41943	-	-	170,000	170,000	11/1/2008	11/30/2008	100%	-	-	100%	-
29	Various Smaller Projects	-	-	442,700	442,700	Various	Various	100%	-	-	100%	-
30	Subtotal	-	-	612,700	612,700				-	-		-
31												
32	COMMON PLANT TO BE ALLOCATED											
33	GENERAL PLANT											
34	Various Smaller Projects											
35	All - Except Computer	-	-	186,500	186,500	Various	Various	100%	-	-	100%	-
36	Computer	-	-	457,000	457,000	Various	Various	100%	-	-	100%	-
37	Total	-	-	643,500	643,500				-	-		-
38												
39	COMMON PLANT - ALLOCATED											
40	GENERAL PLANT											
41	Various Smaller Projects											
42	All - Except Computer @ 28%	-	-	52,220	52,220	Various	Various	100%	-	-	100%	-
43	Computer @ 29%	-	-	132,530	132,530	Various	Various	100%	-	-	100%	-
44	Subtotal	-	-	184,750	184,750				-	-		-
45												
46												
47	TOTAL AFUDC TREATMENT											
48												
49	TOTAL RATE BASE TREATMENT	-	-	4,894,050	4,894,050				-	75,000	100%	75,000
50												
51	TOTAL CWIP									75,000	100%	75,000

Supporting Schedules: B-3 (2008)

Recap Schedules: B-1 (2008), B-6 (2008)

WORKING CAPITAL - 13 MONTH AVERAGE

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule showing the adjusted 13 month average working capital allowance for the test year and the prior year if the test year is projected. All adjustments are to be provided by account number. Use a balance sheet method and any other methodology the company proposes to use.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account No.	Component	(1) Prior Year 2007 Company Total (Schedule B-3)	(2) Test Year 2008 Company Total (Schedule B-3)	(3) Test Year Jurisdictional Factor	(4) Test Year Jurisdictional Amount (2) x (3)
1		Current and Accrued Assets	8,004,436	9,463,776	100%	9,463,776
2						
3		Adjustments to Current and				
4		Accrued Assets (Specify)				
5		NONE	-	-	100%	-
6						
7		Adjusted Current and Accrued Assets	8,004,436	9,463,776	100%	9,463,776
8						
9						
10		Current and Accrued Liabilities	(9,178,618)	(10,774,430)	100%	(10,774,430)
11						
12						
13		Adjustments to Current and				
14		Accrued Liabilities				
15		(Specify)				
16						
17		None				
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33		Adjusted Current and	(9,178,618)	(10,774,430)	100%	(10,774,430)
34		Accrued Liabilities				
35						
36		Working Capital Allowance	(1,174,182)	(1,310,654)	100%	(1,310,654)
37						
38		Unbilled Revenue				
39		Adjustments (Specify)	-	-	100%	-
40						
41		Adjusted Working Capital				
42		Allowance	(1,174,182)	(1,310,654)	100%	(1,310,654)

Supporting Schedules: B-3 (2007), B-3 (2008)

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule showing the following information for miscellaneous deferred debits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Cheryl Martin

Line No.	Description	Balance at Beginning of Year	Debits	Credits Account	Credits Amount	Balance at End of Year
1	1860.21- O/U RECOVERY-FUEL	862,214	1,143,377	4010.5551	(862,214)	1,143,377
2	1860.3 - MISC DEFERRED P/R	-	15,770	2320.8	-	15,770
3	1860.1 - MISC DIRECT DEFERRED	48,400	1,671	4010.928	-	50,071
4	1860.1 - MISC DIRECT DEFERRED-RATE CASE	190,702	385,959	4010.928	(35,315)	541,346
5						
6						
7						
8	Totals	1,101,316	1,546,777		(897,529)	1,750,564

Supporting Schedules: Recap Schedules: B-3 (2007)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule showing the following information for miscellaneous deferred debits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Cheryl Martin

Line No.	Description	Balance at Beginning of Year	Debits	Credits Account	Credits Amount	Balance at End of Year
1	1860.21- O/U RECOVERY-FUEL	1,143,377	1,143,377	4010.5551	(1,143,377)	1,143,377
2	1860.3 - MISC DEFERRED P/R	15,770	-	2320.8	(763)	15,007
3	1860.1 - MISC DIRECT DEFERRED	50,071	957	4010.928	-	51,028
4	1860.1 - MISC DIRECT DEFERRED-RATE CASE	541,346	141,099	4010.928	(136,503)	545,942
5						
6						
7						
8	Totals	1,750,564	1,285,433		(1,280,643)	1,755,354

Supporting Schedules: Recap Schedules: B-3 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a Schedule showing the following information for other deferred credits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Cheryl Martin

Line No.	Description	Balance at Beginning of Year	Debits		Credits	Balance at End of Year
			Contra Accounts	Amount		
1	2530.61 Over-recovery Conservation	(44,652)	4000.4566	73,936	(30,541)	(1,257)
2						
3						
4						
5						
6	Total	(44,652)		73,936	(30,541)	(1,257)

Supporting Schedules: B-3 (2007)

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a Schedule showing the following information for other deferred credits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Curtis Young

Line No.	Description	Balance at Beginning of Year	Debits: Contra Accounts	Debits: Amount	Credits	Balance at End of Year
1	2530.61 Over-recovery Conservation	(1,257)	4000.4566	1,257	0	0
2						
3						
4						
5						
6	Total	(1,257)		1,257	0	0

Supporting Schedules: B-3 (2008) Recap Schedules:

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Exhibit 2.8
BACHMA
COX
KHOJAS
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g on 'Fp1\Dat
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Name	Size	Type	Date Modified	Location
RE rate case (44).msg	726 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE rate case (45).msg	42 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE rate case (46).msg	768 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE rate case (47).msg	46 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE rate case (48).msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE rate case (49).msg	35 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE rate case (50).msg	31 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE rate case (51).msg	497 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE rate case (52).msg	39 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE rate case (53).msg	35 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Rate case (74).msg	25 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Rate case (77).msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Rate Case Projection (72).msg	28 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Rate Case Projection (73).msg	27 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Rate Case Projection .msg	29 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Rate case schedules (10).msg	523 KB	Outlook Item	10/16/2007 2:23 PM	Files Currently on the CD
RE Rate case schedules (11).msg	506 KB	Outlook Item	10/16/2007 2:23 PM	Files Currently on the CD
RE Rate case schedules (12).msg	678 KB	Outlook Item	10/16/2007 2:23 PM	Files Currently on the CD
RE Rate case schedules (13).msg	2,005 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Rate case schedules (14).msg	1,708 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Rate case schedules (20).msg	523 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
RE Rate case schedules (21).msg	506 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
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RE Rate case schedules.msg	678 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
RE rate case.msg	48 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
RE Ratio Analysis.msg	57 KB	Outlook Item	10/16/2007 2:26 PM	Files Currently on the CD
RE Retail Bond Coupon Rates for Dec 2006.msg	50 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
RE Revised C-11 (16).msg	40 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Revised C-11 (17).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Revised C-11 (18).msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Revised C-11.msg	39 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (23).msg	39 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (24).msg	40 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (25).msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (26).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (27).msg	41 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (29).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (36).msg	39 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD

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Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:40 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: f-9.xls; f-3.xls; f-4.xls; f-5 dgh.xls; f-6 dgh.xls; f-7 dgh.xls; f-8.xls

F schedules. I think there are a few "blanks" to be filled in on F9. I have not sent F1 and F2 – they are just the pdfs of the annual reports and SEC filings.

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Supply a proposed public notice of the company's request for a rate increase suitable for publication.

Type of Data Shown:
Projected Test Year Ended 12/31/08

Witness: Cheryl Martin

IMPORTANT

NOTICE TO CUSTOMERS

On August 20, 2007, Florida Public Utilities Company filed a Petition with the Florida Public Service Commission seeking approval to increase rates and charges to produce an additional $******** in revenues. They are also requesting interim rate relief for an additional $******* in revenues. This increase is needed in order to enable the Company to continue to provide sufficient, adequate and efficient service and to afford the Company an opportunity to earn a fair rate of return. A comparison of current and proposed Customer Facilities Charges, Energy Charges, Demand Charges and Service Charges are shown below and more details are contained in the Minimum Filing Requirements, which also contain detailed financial, accounting, tariff and engineering data supporting the request. These and the synopsis of the case are available for review at the business offices at the following locations during regular work hours.

2825 Pennsylvania Avenue	911 South 8th Street
Marianna, Florida 32448-4004	Fernandina Beach, Florida 32034
850-526-6800	904-261-3663

The Public Service Commission has scheduled hearings on this Petition for ***** **, 2007, in Tallahassee and a final decision is scheduled for ***** **, 2008. In addition, the PSC has scheduled service hearings at the following time and place:

****** **, 2007, **:** p.m.	****** **, 2007, **:** p.m.
Fernandina Beach City Commission Chambers	Jackson County Commission Meeting Room
204 Ash Street	2864 Madison Street
Fernandina Beach, Florida 32034	Marianna, Florida 32446

At the service hearings, customers will be afforded an opportunity to present comments to the Commission regarding the proposal and service of the company.

Customers wishing to address the Commission are urged to appear early as the hearing will be adjourned if no one is in attendance.

Any person requiring some accommodation at the service hearings because of physical impairment should call the Commission's Division of the Commission Clerk and Administrative Services at 850-413-6770 at least five calendar days prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

Any customer comments regarding the Company's service or the proposed rate increase should be addressed to: Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. Such comments should refer to Docket No. 070304-EI, which is the docket number that has been assigned to this proceeding.

For your information, we are also providing the address and telephone number of the Florida Public Service Commission's Consumer Affairs Division: Division of Consumer Affairs, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 1-800-342-3552 (Toll Free Number). Following is a comparison of current and proposed base rates:

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Supply a proposed public notice of the company's request for a rate increase suitable for publication.

Type of Data Shown:
Projected Test Year Ended 12/31/08

Witness: Cheryl Martin

	Current Customer Facilities Charge	Proposed Interim Customer Facilities Charge	Proposed Final Customer Facilities Charge
Residential (RS)	10.00	10.59	10.84
General Service (GS)	14.00	14.82	14.87
General Service Demand (GSD)	44.00	46.58	48.66
General Service Large Demand (GSLD)	75.00	79.39	57.11
General Service Large Demand (GSLD1)	600.00	635.13	378.31

	Current Energy Charge	Proposed Interim Energy Charge	Proposed Final Energy Charge
Residential (RS)	.01373 $/KWH	.01453 $/KWH	.01742 $/KWH
General Service (GS)	.01473 $/KWH	.01559 $/KWH	.01939 $/KWH
General Service Demand (GSD)	.00232 $/KWH	.00246 $/KWH	.00368 $/KWH
General Service Large Demand (GSLD)	.00086 $/KWH	.00091 $/KWH	.00204 $/KWH
General Service Large Demand (GSLD1)	N/A	N/A	N/A

	Current Demand Charge	Proposed Interim Demand Charge	Proposed Final Demand Charge
Residential (RS)	N/A	N/A	N/A
General Service (GS)	N/A	N/A	N/A
General Service Demand (GSD)	2.48 $/KW	2.63 $/KW	2. 48 $/KW
General Service Large Demand (GSLD)	2.89 $/KW	3.06 $/KW	2 89 $/KW
General Service Large Demand (GSLD1)	1.12 $/KW	1.19 $/KW	.91 $/KW

	Current Service Charges	Proposed Interim Service Charges	Proposed Final
Initial Entitlement of Service	44.00	44.00	
Re-establish Service or Make Changes to Existing Account	19.00	19.00	
Temporary Disconnect then Reconnect Service Due to Customer Request	27.00	27.00	
Reconnect After Disconnect for Rule Violation (normal hours)	37.00	37.00	
Reconnect After Disconnect for Rule Violation (after hours)	60.00	60.00	
Temporary Service used in conjunction with the temporary service fee when running a temporary service	44.00	44.00	
Credit Card Fees	0.00	0.00	
Late Fees	Greater of 1.5% or $5.00	Greater of 1.5% or $5.00	15.00

Supporting Schedules: C-7 Recap Schedules:

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:40 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: f-9.xls; f-3.xls; f-4.xls; f-5 dgh.xls; f-6 dgh.xls; f-7 dgh.xls; f-8.xls

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Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: **FLORIDA PUBLIC UTILITIES COMPANY**
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: **070304-EI**

EXPLANATION: Provide a copy of the "Business Contracts with Officers, Directors and Affiliates" schedule included in the company's most recently filed Annual Report as required by Rule 25-6.135, Florida Administrative Code. Provide any subsequent changes affecting the test year.

Type of Data Shown:
Projected Test Year Ended 12/31/0
Projected Prior Year Ended 12/31/0
Historical Test Year Ended 12/31/0
Witness: George Bachman

Line No.	Name of Officer or Director	Name and Address of Affiliated Entity	Relationship With Affiliated Entity	Amount of Contract or Transaction	Description of Product or Service
	NONE				

Supporting Schedules: Recap Schedules:

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:40 PM
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Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
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Subject: Rate case schedules

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Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: **FLORIDA PUBLIC UTILITIES COMPANY** **CONSOLIDATED ELECTRIC DIVISION** DOCKET NO.: **070304-EI**	EXPLANATION: Supply a copy of all NRC safety citations issued against the company within the last two years, a listing of corrective actions and a listing of any outstanding deficiencies. For each citation provide the dollar amount of any fines or penalties assessed against the company and account(s) each are recorded.	Type of Data Shown: Projected Test Year Ended 12/31/08 Projected Prior Year Ended 12/31/07 Historical Test Year Ended 12/31/06 Witness: George Bachman

NOT APPLICABLE

Supporting Schedules: Recap Schedules:

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:40 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: f-9.xls; f-3.xls; f-4.xls; f-5 dgh.xls; f-6 dgh.xls; f-7 dgh.xls; f-8.xls

F schedules. I think there are a few "blanks" to be filled in on F9. I have not sent F1 and F2 – they are just the pdfs of the annual reports and SEC filings.

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

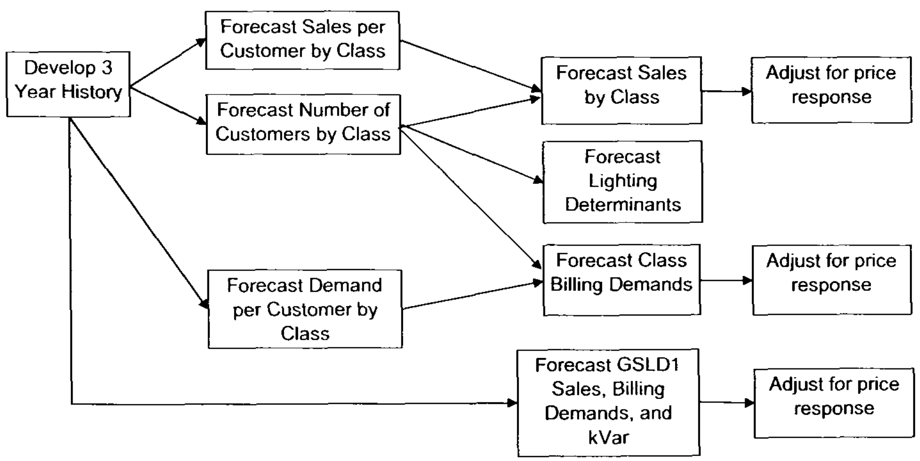
DOCKET NO.: 070304-EI

EXPLANATION: If a projected test year is used, provide a brief description of each method or model used in the forecasting process. Provide a flow chart which shows the position of each model in the forecasting process.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Projected Prior Year Ended 12/31/2007

Witness: Cheryl Martin, Mark Cutshaw

FLORIDA PUBLIC UTILITIES FORECAST PROCESS



Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: If a projected test year is used, provide a brief description of each method or model used in the forecasting process. Provide a flow chart which shows the position of each model in the forecasting process.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Projected Prior Year Ended 12/31/2007

Witness: Cheryl Martin, Mark Cutshaw

FORECASTING METHODOLOGY - CUSTOMERS, ENERGY USAGE, PEAK DEMAND

In preparing the forecast for the 2008 test year, we first developed three years of historical data (4/2004 to 3/2007). The data included the number of customers, sales, and billed peak demands for each rate classification and service territory. The rate classifications are Residential (RS), General Service (GS), General Service Demand (GSD), General Service Large Demand (GSLD), General Service Large Demand Industrial (GSLD1), Outdoor Lighting (OL), and Street Lighting (SL).

Forecasts of sales by service classification were developed by building up from separate forecasts for sales per customer and number of customers. We first examined the historical relationship between sales per customer and cooling degree days (CDD), heating degree days (HDD), and a time trend. Sales per customer for 2007 and 2008 were forecast using 10-year average CDD and HDD, and the time trend. Forecasts of the number of customers in each service classification were developed using a time trend based on 4/2004 to 3/2007 data. Sales by service classification were forecast as the product of the sales per customer forecast and the number of customer forecast for each service classification. We also adjusted projected consumption for the decrease in usage due to the recent large fuel rate increases.

Forecasts of billing demands by service classification were based on the historical relationship of billing demand per customer with CDD, HDD, and a time trend, combined with the forecast of the number of customers by class. This method was only used for the GSD and GSLD classes.

Because the class contains only two customers and these are large industrial customers, the Fernandina Beach GSLD1 class was forecast using a direct forecast for KWH, billed demand, and kVar adjusted for the impact of the recent fuel increases on their demand.

Determinants for outdoor lighting and street lighting classes were forecast using the customer growth from their respective service territories. Recent growth in lighting revenues is not expected to be matched in the future, so the growth rate of the number of customers was used as a proxy for the expected growth of lighting determinants. The determinants for CSL, OL, SL1, and SL2 were frozen at 2006 levels because the rates are closed to new enrollment.

FLORIDA PUBLIC SERVICE COMMISSION

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Type of Data Shown:
Projected Test Year Ended 12/31/2008
Projected Prior Year Ended 12/31/2007

Witness: Cheryl Martin, Mark Cutshaw

CONSTRUCTION BUDGET

Florida Public Utilites' construction budget is based on several different variables, each of which is driven by customer growth and usage. The main goal of the Construction Budget is to ensure prompt service to all new customers while ensuring that the integrity and reliability of the entire distribution system is maintained. Several different factors influencing the Construction Budget are as follows:

1. Customer Growth and Usage

The addition of new customers requires construction based on the customer and the type of usage required. Due to the growth, much of the construction budget is a result of serving the needs of new customers.

2. Five Year Distribution Plan

This plan is updated on a yearly basis in order to ensure that the long range integrity and reliability of the system is maintained. Total substation and feeder loads are analyzed to determine the best way to serve current and future loads. This analysis also takes into consideration voltage levels, power factors, and construction standards.

3. Depreciation

The depreciation, deterioration, and replacement of plant is also considered in determining the total construction budget. This is used to allow replacement of facilities while not adversely affecting total plant.

4. Energy Supply

Work with Gulf Power and JEA is essential. Communication concerning future load additions and reliability is ongoing. This allows both parties to look into the future and make appropriate plans.

Each of these factors is considered when developing the yearly construction budgets. Reviews at the Divisional and Corporate levels also provide adequate oversight into the expenditures in this budget.

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: Florida Public Utilities Company Consolidated Electric Division DOCKET NO.: 070304-EI	EXPLANATION: If a projected test year is used, provide a brief description of each method or model used in the forecasting process. Provide a flow chart which shows the position of each model in the forecasting process.	Type of Data Shown: Projected Test Year Ended 12/31/2008 Projected Prior Year Ended 12/31/2007 Witness: Cheryl Martin, Mark Cutshaw

OPERATION AND MAINTENANCE EXPENSES WITHOUT PURCHASED POWER

FPU's Operation and Maintenance expenses are calculated using projections based on customer growth (see page 2 for details on forecasting this), inflation, payroll increases and special project costs. This provides adequate controls in order for the total O & M Budget amounts to be monitored.

Prior to preparing the O & M Budget, all O & M related special projects are identified. These may include special maintenance projects, small equipment purchases, training, donations, etc. After these projects are identfied and the associated costs are determined, they are compiled with historical values for each account. This combination is then forecast into the test year using projection factors based on customer and payroll growth, and expected inflation.

After preparation, the O & M Budget along with all indentified special and new projects is submitted for Divisional and Corporate approval.

Supporting Schedules: | Recap Schedules:

Clara Leider

From:	Mike Welsh [mpwelsh@CAEnergy.com]
Sent:	Monday, August 13, 2007 3:40 PM
To:	Martin Cheryl
Cc:	Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject:	RE: Rate case schedules
Attachments:	f-9.xls; f-3.xls; f-4.xls; f-5 dgh.xls; f-6 dgh.xls; f-7 dgh.xls; f-8.xls

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: If a projected test year is used, for each sales forecasting model, give a quantified explanation of the impact of changes in the inputs to changes in outputs.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Projected Prior Year Ended 12/31/2007

Witness: Mark Cutshaw

Model____________________

Line No.	Input Variable	Percent Change (Input)	Output Variable Affected	Percent Change (Output)

The variables contained in the forecasting models consist of weather variables and a time trend. Specifically, cooling degree days (CDD) and heating degree days (HDD) are included. We illustrate the effect of a change in the weather-normalized CDD and HDD below. Row 1 of the table below shows the forcast 2008 sales for FPU at expected CDD and HDD, based on 10-year averages. The values in rows 2 through 5 show the forecast sales if the CDD and HDD deviate from the expected value by +/- 10%.

Scenario	Forecast Sales*	% D from Base
Base	772,728	–
+10% CDD	784,523	1.5%
-10% CDD	760,933	-1.5%
+10% HDD	776,796	0.5%
-10% HDD	768,660	-0.5%

* Sales are in MWh; forecast sales excludes lighting, which is not temperature sensitive.

Supporting Schedules: Recap Schedules:

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EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Residential	Year	Month	MWh	Customers	CDD	HDD
Marianna	2004	4	9,222	10,085	5	133
	2004	5	9,333	10,098	66	12
	2004	6	12,727	10,149	277	0
	2004	7	14,313	10,141	357	0
	2004	8	14,046	10,155	367	0
	2004	9	13,182	10,104	342	0
	2004	10	11,306	10,128	170	6.5
	2004	11	9,220	10,105	42	47
	2004	12	11,199	10,130	11	266.5
	2005	1	14,699	10,125	0	350.5
	2005	2	13,242	10,172	0	455
	2005	3	10,726	10,181	1	262
	2005	4	9,273	10,161	4	109.5
	2005	5	9,166	10,190	22	54.5
	2005	6	12,334	10,188	245	0
	2005	7	14,525	10,232	338	0
	2005	8	14,462	10,231	376	0
	2005	9	15,624	10,295	392	0
	2005	10	12,667	10,232	311	0
	2005	11	9,617	10,231	29	77.5
	2005	12	12,680	10,239	0	281
	2006	1	14,530	10,279	0	359
	2006	2	11,639	10,233	0	391.5
	2006	3	10,794	10,308	4	146
	2006	4	10,063	10,296	25	110
	2006	5	10,165	10,334	110	0
	2006	6	13,198	10,288	239	0
	2006	7	15,738	10,325	346	0
	2006	8	15,478	10,340	418	0
	2006	9	15,770	10,308	356	0
	2006	10	11,393	10,337	101	9
	2006	11	9,288	10,334	30	127.5
	2006	12	13,032	10,323	3	324
	2007	1	13,094	10,355	0	185
	2007	2	13,547	10,347	0	465.5
	2007	3	12,178	10,365	0	240.5

Residential	Year	Month	MWh	Customers	CDD	HDD
Fernandina	2004	4	12,437	12,734	0	106
	2004	5	12,484	12,726	63	17.5
	2004	6	18,770	12,805	263	0
	2004	7	20,144	12,826	295	0
	2004	8	19,104	12,803	296	0
	2004	9	19,021	12,777	287	0
	2004	10	15,543	12,786	206	1
	2004	11	13,470	12,791	72	15
	2004	12	12,616	12,862	15	177
	2005	1	17,141	12,758	2	270
	2005	2	17,754	12,787	0	427
	2005	3	13,786	12,812	0	220.5
	2005	4	13,196	12,817	3	102
	2005	5	11,704	12,885	19	49.5
	2005	6	17,466	12,898	225	0
	2005	7	22,543	12,956	339	0
	2005	8	20,704	12,971	404	0
	2005	9	23,272	12,981	386	0
	2005	10	18,162	12,994	262	0
	2005	11	12,043	12,996	35	50
	2005	12	13,872	13,028	0	227.5
	2006	1	16,711	13,037	0	381
	2006	2	15,191	13,019	0	347
	2006	3	14,293	13,088	3	150
	2006	4	12,371	13,089	23	103.5
	2006	5	13,810	13,107	100	0
	2006	6	17,574	13,190	238	0
	2006	7	23,553	13,189	317	0
	2006	8	20,707	13,177	474	0
	2006	9	22,185	13,173	434	0
	2006	10	16,573	13,227	182	1
	2006	11	12,086	13,232	45	54.5
	2006	12	13,787	13,211	10	234
	2007	1	14,248	13,256	2	114
	2007	2	15,502	13,297	0	359
	2007	3	14,539	13,341	1	178

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

General Servic	Year	Month	MWh	Customers	CDD	HDD	General Servic	Year	Month	MWh	Customers	CDD	HDD
Marianna	2004	4	2,147	1,963	84	9	Fernandina	2004	4	2,346	1,399	76	1.5
	2004	5	2,137	1,962	249	0		2004	5	2,115	1,381	251	0
	2004	6	2,681	1,960	525	0		2004	6	2,865	1,394	511	0
	2004	7	2,987	1,970	597	0		2004	7	2,924	1,390	535	0
	2004	8	2,910	1,970	615	0		2004	8	3,002	1,394	544	0
	2004	9	2,748	1,969	590	0		2004	9	2,719	1,389	535	0
	2004	10	2,532	1,972	396	0		2004	10	2,510	1,385	439	0
	2004	11	2,217	1,967	203	0		2004	11	2,369	1,360	255	0
	2004	12	2,195	1,988	75	73.5		2004	12	2,168	1,372	100	32
	2005	1	2,608	1,992	29	127.5		2005	1	2,472	1,380	48	84.5
	2005	2	2,335	1,998	4	164.5		2005	2	2,293	1,373	2	130.5
	2005	3	2,055	1,996	35	57.5		2005	3	2,099	1,372	37	43.5
	2005	4	2,011	1,994	90	8.5		2005	4	2,137	1,366	84	16
	2005	5	2,056	2,000	139	0		2005	5	2,118	1,372	164	0.5
	2005	6	2,547	2,006	492	0		2005	6	2,594	1,379	471	0
	2005	7	2,852	1,996	578	0		2005	7	3,130	1,388	579	0
	2005	8	2,837	2,002	624	0		2005	8	3,009	1,391	652	0
	2005	9	3,136	2,000	640	0		2005	9	3,315	1,402	634	0
	2005	10	2,784	2,006	551	0		2005	10	2,843	1,401	502	0
	2005	11	2,152	2,005	177	2.5		2005	11	2,181	1,399	187	0
	2005	12	2,234	2,000	35	64.5		2005	12	2,183	1,398	34	30.5
	2006	1	2,429	2,004	25	111		2006	1	2,291	1,402	23	133
	2006	2	2,005	1,993	21	129		2006	2	2,097	1,398	21	98.5
	2006	3	2,073	2,004	77	12		2006	3	2,133	1,394	64	12.5
	2006	4	2,112	2,001	120	16		2006	4	2,070	1,404	122	5
	2006	5	2,284	2,006	325	0		2006	5	2,272	1,406	315	0
	2006	6	2,725	2,005	477	0		2006	6	2,634	1,411	483	0
	2006	7	3,081	1,999	586	0		2006	7	3,171	1,403	557	0
	2006	8	3,051	1,994	666	0		2006	8	2,891	1,408	722	0
	2006	9	3,218	2,001	604	0		2006	9	3,131	1,409	682	0
	2006	10	2,622	2,005	295	0		2006	10	2,703	1,414	404	0
	2006	11	2,044	2,005	113	3.5		2006	11	2,173	1,428	161	0
	2006	12	2,261	2,006	37	95.5		2006	12	2,151	1,427	50	43
	2007	1	2,383	2,032	54	39		2007	1	2,212	1,427	92	18
	2007	2	2,286	2,040	0	153.5		2007	2	2,079	1,430	12	96.5
	2007	3	2,291	2,038	25	74.5		2007	3	2,213	1,436	47	40

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

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Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

GSD	Year	Month	MWh	MW	Customers	CDD	HDD	GSD	Year	Month	MWh	MW	Customers	CDD	HDD
Marianna	2004	4	6,406	23.9	385	84	9	Fernandina	2004	4	7,787	21.9	272	76	1.5
	2004	5	6,634	25.1	390	249	0		2004	5	6,814	20.0	274	251	0
	2004	6	8,181	26.3	387	525	0		2004	6	8,129	21.1	276	511	0
	2004	7	8,834	26.7	388	597	0		2004	7	8,262	21.2	277	535	0
	2004	8	8,951	28.8	393	615	0		2004	8	8,258	21.8	280	544	0
	2004	9	8,540	27.6	397	590	0		2004	9	8,387	22.0	288	535	0
	2004	10	8,215	29.3	399	396	0		2004	10	7,608	20.6	289	439	0
	2004	11	7,461	26.8	398	203	0		2004	11	7,167	20.9	288	255	0
	2004	12	7,358	27.4	398	75	73.5		2004	12	6,777	19.8	294	100	32
	2005	1	7,466	29.0	398	29	127.5		2005	1	6,851	21.8	300	48	84.5
	2005	2	7,417	29.5	398	4	164.5		2005	2	6,612	21.2	300	2	130.5
	2005	3	6,727	26.9	404	35	57.5		2005	3	6,110	21.3	292	37	43.5
	2005	4	7,934	29.4	404	90	8.5		2005	4	6,424	20.3	286	84	16
	2005	5	8,148	27.4	407	139	0		2005	5	6,890	20.5	291	164	0.5
	2005	6	8,264	27.2	408	492	0		2005	6	7,261	19.5	283	471	0
	2005	7	9,099	28.5	408	578	0		2005	7	8,738	21.5	288	579	0
	2005	8	9,165	29.5	409	624	0		2005	8	8,094	21.9	293	652	0
	2005	9	10,359	30.6	407	640	0		2005	9	9,226	22.2	287	634	0
	2005	10	9,332	29.4	408	551	0		2005	10	8,314	21.4	285	502	0
	2005	11	7,278	27.6	406	177	2.5		2005	11	6,642	20.3	286	187	0
	2005	12	6,787	25.9	402	35	64.5		2005	12	6,305	19.8	289	34	30.5
	2006	1	7,197	26.7	409	25	111		2006	1	6,220	19.6	288	23	133
	2006	2	6,335	26.5	407	21	129		2006	2	5,909	19.9	289	21	98.5
	2006	3	6,544	26.9	402	77	12		2006	3	6,197	20.0	291	64	12.5
	2006	4	7,029	26.5	405	120	16		2006	4	6,184	19.8	295	122	5
	2006	5	7,457	26.5	404	325	0		2006	5	6,929	19.9	293	315	0
	2006	6	8,425	27.4	406	477	0		2006	6	7,320	20.6	292	483	0
	2006	7	9,197	27.7	406	586	0		2006	7	9,403	21.6	296	557	0
	2006	8	9,180	28.8	410	666	0		2006	8	8,024	22.2	297	722	0
	2006	9	9,726	28.3	411	604	0		2006	9	8,965	22.3	289	682	0
	2006	10	8,198	27.4	413	295	0		2006	10	8,073	21.7	287	404	0
	2006	11	6,440	26.4	413	113	3.5		2006	11	6,556	20.0	289	161	0
	2006	12	6,987	26.9	412	37	95.5		2006	12	6,257	20.6	289	50	43
	2007	1	7,006	27.5	410	54	39		2007	1	6,532	19.8	293	92	18
	2007	2	6,389	27.1	404	0	153.5		2007	2	5,799	20.3	292	12	96.5
	2007	3	6,682	27.3	407	25	74.5		2007	3	6,207	20.3	289	47	40

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Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

GSLD	Year	Month	MWh	MW	Customers	CDD	HDD
Marianna	2004	4	3,293	6.7	10	84	9
	2004	5	3,392	7.6	10	249	0
	2004	6	4,012	8.4	10	525	0
	2004	7	4,367	8.7	10	597	0
	2004	8	4,087	8.9	10	615	0
	2004	9	4,108	8.3	10	590	0
	2004	10	3,185	8.7	9	396	0
	2004	11	3,545	7.6	10	203	0
	2004	12	3,519	7.5	10	75	73.5
	2005	1	3,014	8.5	10	29	127.5
	2005	2	3,322	7.0	10	4	164.5
	2005	3	2,541	6.2	10	35	57.5
	2005	4	3,677	8.2	10	90	8.5
	2005	5	3,438	7.9	10	139	0
	2005	6	6,652	11.3	13	492	0
	2005	7	6,871	12.3	12	578	0
	2005	8	5,614	10.1	11	624	0
	2005	9	6,933	13.0	11	640	0
	2005	10	5,696	11.7	11	551	0
	2005	11	5,274	10.7	11	177	2.5
	2005	12	5,584	11.9	13	35	64.5
	2006	1	4,956	10.9	13	25	111
	2006	2	4,489	10.7	13	21	129
	2006	3	4,559	10.5	13	77	12
	2006	4	5,111	11.0	13	120	16
	2006	5	5,384	10.0	13	325	0
	2006	6	5,801	11.9	13	477	0
	2006	7	6,160	11.9	13	586	0
	2006	8	6,098	12.3	13	666	0
	2006	9	6,462	13.1	13	604	0
	2006	10	5,769	11.5	13	295	0
	2006	11	5,116	11.0	13	113	3.5
	2006	12	5,669	11.5	13	37	95.5
	2007	1	4,958	10.2	13	54	39
	2007	2	4,520	10.7	13	0	153.5
	2007	3	4,697	9.5	13	25	74.5

GSLD	Year	Month	MWh	MW	Customers	CDD	HDD
Fernandina	2004	4	1,055	2.7	3	76	1.5
	2004	5	1,861	3.5	6	251	0
	2004	6	2,251	4.6	6	511	0
	2004	7	1,934	4.0	5	535	0
	2004	8	2,482	4.5	6	544	0
	2004	9	1,953	4.5	6	535	0
	2004	10	2,070	4.5	6	439	0
	2004	11	1,522	3.5	4	255	0
	2004	12	2,409	4.6	6	100	32
	2005	1	2,200	5.4	7	48	84.5
	2005	2	2,269	4.9	6	2	130.5
	2005	3	2,037	4.8	6	37	43.5
	2005	4	1,416	3.3	5	84	16
	2005	5	2,641	4.5	6	164	0.5
	2005	6	1,999	3.4	4	471	0
	2005	7	2,804	4.1	7	579	0
	2005	8	2,136	5.2	7	652	0
	2005	9	2,696	5.5	7	634	0
	2005	10	2,497	5.5	7	502	0
	2005	11	2,305	5.5	7	187	0
	2005	12	2,346	5.5	7	34	30.5
	2006	1	2,306	5.2	7	23	133
	2006	2	2,203	5.1	7	21	98.5
	2006	3	2,261	5.3	7	64	12.5
	2006	4	2,164	5.0	7	122	5
	2006	5	2,114	5.1	7	315	0
	2006	6	2,338	5.3	7	483	0
	2006	7	2,447	5.3	7	557	0
	2006	8	2,411	5.1	7	722	0
	2006	9	2,418	5.3	7	682	0
	2006	10	2,276	5.1	7	404	0
	2006	11	2,002	4.9	7	161	0
	2006	12	2,175	5.1	7	50	43
	2007	1	2,203	5.1	7	92	18
	2007	2	2,252	5.0	7	12	96.5
	2007	3	2,108	4.9	7	47	40

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

GSLD1	Year	Month	MWh	MW	kVar	Customers
Fernandina	2006	1	8,430	38.3	0	2
	2006	2	8,370	42.4	959	2
	2006	3	10,910	38.8	2,160	2
	2006	4	7,740	27.6	0	2
	2006	5	8,150	39.5	400	2
	2006	6	10,970	32.0	0	2
	2006	7	10,960	42.2	0	2
	2006	8	12,490	39.8	0	2
	2006	9	9,660	35.4	1,323	2
	2006	10	11,820	35.0	0	2
	2006	11	10,220	33.5	0	2
	2006	12	7,410	31.7	4,797	2

Supporting Schedules: Recap Schedules:

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Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Normal Weathe	Month	CDD70	CDD62	HDD65	HDD54	Normal Weathei	Month	CDD70	CDD62	HDD65	HDD54
Marianna	1	0	20	425.0	166	Fernandina	1	1	27	351.4	116
	2	0	16	395.8	132		2	0	19	353.6	100
	3	2	41	218.4	49		3	3	46	196.9	38
	4	24	135	100.5	9		4	20	133	85.7	5
	5	81	261	22.7	0		5	74	264	17.0	0
	6	258	502	1.0	0		6	241	484	0.5	0
	7	346	586	0.0	0		7	314	554	0.0	0
	8	377	625	0.0	0		8	362	610	0.0	0
	9	349	597	0.0	0		9	324	572	0.0	0
	10	184	401	9.1	0		10	190	420	2.5	0
	11	30	152	91.0	5		11	39	183	47.4	1
	12	4	47	278.3	79		12	5	67	205.0	41

For residential classes,
HDD is calculated as MAX[65 - (max T + min T)/2, 0], summed over all days of the year.
CDD is calculated as MAX[(max T + min T)/2 - 70, 0], summed over all days of the year.

For non-residential classes,
HDD is calculated as MAX[54 - (max T + min T)/2, 0], summed over all days of the year.
CDD is calculated as MAX[(max T + min T)/2 - 62, 0], summed over all days of the year.

Normal HDD and CDD values were calculated as the 10-year average from April 1997 through March 2007.

Marianna weather is taken from National Climactic Data Center Cooperative Station ID #088758, Tallahassee FL Regional Airport

Fernandina weather is taken from National Climactic Data Center Cooperative Station ID #082944, Fernandina Beach, FL

In the regression model output that follows, "cus_***" is the number of customers in the class; "upc_***" is the use per customer; "dpc_***" is the demand per customer; "trend" is an annual time trend; "hdd65" is heating degree days using a 65 degree threshold; "cdd70" is cooling degree days using a 70 degree threshold; "hdd54" is heating degree days using a 54 degree threshold; "cdd62" is cooling degree days using a 62 degree threshold; and "_cons" is the estimated constant term.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

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Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Marianna Residential

Source	SS	df	MS		
Model	1562631.38	1	1562631.38	Number of obs =	36
Residual	21049.9156	34	619.115164	F(1, 34) =	2523.98
				Prob > F =	0.0000
				R-squared =	0.9867
				Adj R-squared =	0.9863
Total	1583681.29	35	45248.037	Root MSE =	24.882

cus_res	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
trend	96.40271	5.506142	17.508	0.000	85.21288	107.5925
_cons	9287.773	54.12847	171.588	0.000	9177.771	9397.775
rho	.1418337					

Durbin-Watson statistic (original) 1.712817
Durbin-Watson statistic (transformed) 2.071005

Source	SS	df	MS		
Model	2453910.66	3	817970.219	Number of obs =	36
Residual	215340.922	32	6729.40381	F(3, 32) =	121.55
				Prob > F =	0.0000
				R-squared =	0.9193
				Adj R-squared =	0.9118
Total	2669251.58	35	76264.3308	Root MSE =	82.033

upc_res	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
hdd65	1.295507	.114121	11.352	0.000	1.06305	1.527964
cdd70	1.752248	.1057639	16.568	0.000	1.536814	1.967682
trend	31.5901	12.21912	2.585	0.014	6.700569	56.47963
_cons	493.1471	120.1684	4.104	0.000	248.372	737.9222
rho	-.3576822					

Durbin-Watson statistic (original) 2.577049
Durbin-Watson statistic (transformed) 2.305867

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Fernandina Residential

```
  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  1,    34) =21503.09
   Model |  23963871.3     1  23963871.3           Prob > F      =  0.0000
Residual |  37890.9103    34  1114.43854           R-squared     =  0.9984
---------+------------------------------           Adj R-squared =  0.9984
   Total |  24001762.3    35  685764.636           Root MSE      =  33.383

------------------------------------------------------------------------------
 cus_res |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   trend |   205.5215   13.99095     14.690   0.000       177.0885    233.9545
   _cons |   10980.77   137.6174     79.792   0.000       10701.09    11260.44
------------------------------------------------------------------------------
     rho |   .5906294
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    0.804066
Durbin-Watson statistic (transformed) 2.041700
```

```
  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  3,    32) =  196.41
   Model |  4889993.87     3  1629997.96           Prob > F      =  0.0000
Residual |  265562.922    32  8298.84131           R-squared     =  0.9485
---------+------------------------------           Adj R-squared =  0.9437
   Total |  5155556.79    35  147301.623           Root MSE      =  91.098

------------------------------------------------------------------------------
 upc_res |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   hdd65 |   1.207983   .1352872      8.929   0.000       .9324117    1.483554
   cdd70 |     2.1704    .108367     20.028   0.000       1.949664    2.391137
   trend |  -27.28428   12.66462     -2.154   0.039      -53.08126   -1.487295
   _cons |   1103.533    123.099      8.965   0.000       852.7883    1354.277
------------------------------------------------------------------------------
     rho |  -.4539443
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    2.802217
Durbin-Watson statistic (transformed) 2.207162
```

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Marianna GS

```
  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  1,    34) =12471.29
   Model |  620953.465     1  620953.465           Prob > F      =  0.0000
Residual |  1692.88101    34   49.790618           R-squared     =  0.9973
---------+------------------------------           Adj R-squared =  0.9972
   Total |  622646.346    35  17789.8956           Root MSE      =  7.0562

------------------------------------------------------------------------------
  cus_gs |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   trend |   21.35231   4.255282      5.018   0.000       12.70454    30.00009
   _cons |   1787.385    41.8847     42.674   0.000       1702.265    1872.505
------------------------------------------------------------------------------
     rho |   .7445974
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    0.552319
Durbin-Watson statistic (transformed) 2.037745
```

```
  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  3,    32) =   98.37
   Model |  1418714.57     3  472904.856           Prob > F      =  0.0000
Residual |  153842.754    32  4807.58606           R-squared     =  0.9022
---------+------------------------------           Adj R-squared =  0.8930
   Total |  1572557.32    35  44930.2092           Root MSE      =  69.337

------------------------------------------------------------------------------
  upc_gs |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   hdd54 |   1.625505   .2986821      5.442   0.000        1.01711    2.233901
   cdd62 |   .8959886   .0594523     15.071   0.000       .7748883    1.017089
   trend |   15.91585   11.98184      1.328   0.193      -8.490351    40.32205
   _cons |   779.0847   120.5361      6.463   0.000       533.5607    1024.609
------------------------------------------------------------------------------
     rho |    -.15154
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    2.175871
Durbin-Watson statistic (transformed) 1.974273
```

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

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Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Fernandina GS

Source	SS	df	MS
Model	324821.641	1	324821.641
Residual	2165.86255	34	63.7018396
Total	326987.504	35	9342.5001

Number of obs = 36
F(1, 34) = 5099.09
Prob > F = 0.0000
R-squared = 0.9934
Adj R-squared = 0.9932
Root MSE = 7.9813

cus_gs	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
trend	15.39469	4.717682	3.263	0.003	5.807205	24.98217
_cons	1248.787	46.43373	26.894	0.000	1154.423	1343.152
rho	.7374729					

Durbin-Watson statistic (original) 0.481678
Durbin-Watson statistic (transformed) 2.087767

Source	SS	df	MS
Model	4532335.79	3	1510778.60
Residual	321643.302	32	10051.3532
Total	4853979.09	35	138685.117

Number of obs = 36
F(3, 32) = 150.31
Prob > F = 0.0000
R-squared = 0.9337
Adj R-squared = 0.9275
Root MSE = 100.26

upc_gs	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
hdd54	2.288263	.4981558	4.593	0.000	1.273553	3.302973
cdd62	1.268184	.0753197	16.837	0.000	1.114763	1.421605
trend	-28.85897	14.86806	-1.941	0.061	-59.14422	1.426282
_cons	1647.518	149.5245	11.018	0.000	1342.947	1952.09
rho	-.3397669					

Durbin-Watson statistic (original) 2.519203
Durbin-Watson statistic (transformed) 2.045922

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

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Consolidated Electric Division
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Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Marianna GSD

```
  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  1,    34) = 2730.42
   Model |   22720.341     1   22720.341           Prob > F      =  0.0000
Residual |   282.92028    34  8.32118472           R-squared     =  0.9877
---------+------------------------------           Adj R-squared =  0.9873
   Total |  23003.2613    35  657.236037           Root MSE      =  2.8846

 cus_gsd |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   trend |   7.124119   1.810259     3.935   0.000       3.445231    10.80301
    cons |    332.322   17.82027    18.649   0.000       296.1069    368.5372
------------------------------------------------------------------------------
     rho |   .7583495
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    0.469578
Durbin-Watson statistic (transformed) 2.004710
```

```
  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  3,    32) =    9.03
   Model |  176.139653     3  58.7132175           Prob > F      =  0.0002
Residual |  208.170484    32  6.50532764           R-squared     =  0.4583
---------+------------------------------           Adj R-squared =  0.4075
   Total |  384.310137    35  10.9802896           Root MSE      =  2.5506

 dpc_gsd |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   hdd54 |   .0239067   .0118626     2.015   0.052      -.0002566    .0480699
   cdd62 |   .0090076   .0027078     3.326   0.002       .0034919    .0145233
   trend |  -.6256442   .6947421    -0.901   0.375      -2.040787    .7894991
   _cons |   71.05792   6.925389    10.260   0.000       56.95137    85.16448
------------------------------------------------------------------------------
     rho |   .3056707
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    1.379198
Durbin-Watson statistic (transformed) 1.993457
```

```
  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  3,    32) =   38.95
   Model |   146175553     3  48725184.3           Prob > F      =  0.0000
Residual |  40031206.1    32  1250975.19           R-squared     =  0.7850
---------+------------------------------           Adj R-squared =  0.7649
   Total |   186206759    35  5320193.12           Root MSE      =  1118.5

 upc_gsd |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   hdd54 |   7.080829   5.193281     1.363   0.182      -3.497538     17.6592
   cdd62 |   10.65024   1.127138     9.449   0.000       8.354335    12.94615
   trend |  -221.5229   266.1895    -0.832   0.411      -763.7331    320.6872
   _cons |   18322.93   2659.905     6.889   0.000       12904.88    23740.98
------------------------------------------------------------------------------
     rho |   .1906266
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    1.612326
Durbin-Watson statistic (transformed) 1.949468
```

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

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Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Fernandina GSD

```
  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  1,    34) =  715.25
   Model |  11159.4583     1  11159.4583           Prob > F      =  0.0000
Residual |  530.477149    34  15.6022691           R-squared     =  0.9546
---------+------------------------------           Adj R-squared =  0.9533
   Total |  11689.9355    35  333.998156           Root MSE      =    3.95

 cus_gsd |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   trend |    4.36749   2.238186     1.951   0.059      -.1810509     8.91603
   _cons |   244.7506   22.02708    11.111   0.000       199.9862     289.515
------------------------------------------------------------------------------
     rho |   .7219839
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    0.516723
Durbin-Watson statistic (transformed) 1.671104

  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  3,    32) =   24.86
   Model |  495.824911     3   165.27497           Prob > F      =  0.0000
Residual |  212.726987    32  6.64771834           R-squared     =  0.6998
---------+------------------------------           Adj R-squared =  0.6716
   Total |  708.551898    35  20.2443399           Root MSE      =  2.5783

 dpc_gsd |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   hdd54 |   .0019321   .0150166     0.129   0.898      -.0286556    .0325198
   cdd62 |   .0082246   .0025481     3.228   0.003       .0030343    .0134148
   trend |  -1.536886   .6026679    -2.550   0.016       -2.76448   -.3092914
   _cons |    84.8989   6.011622    14.122   0.000       72.65363    97.14417
------------------------------------------------------------------------------
     rho |   .1839726
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    1.345707
Durbin-Watson statistic (transformed) 1.768525
```

```
  Source |       SS       df       MS              Number of obs =      36
---------+------------------------------           F(  3,    32) =   78.48
   Model |   619399426     3   206466475           Prob > F      =  0.0000
Residual |  84188083.7    32  2630877.62           R-squared     =  0.8803
---------+------------------------------           Adj R-squared =  0.8691
   Total |   703587509    35  20102500.3           Root MSE      =  1622.0

 upc_gsd |      Coef.   Std. Err.       t     P>|t|       [95% Conf. Interval]
---------+--------------------------------------------------------------------
   hdd54 |  -2.326576   8.258777    -0.282   0.780      -19.14915      14.496
   cdd62 |    13.0709   1.255228    10.413   0.000       10.51408    15.62772
   trend |  -787.7804   250.2628    -3.148   0.004      -1297.549   -278.0118
   _cons |   29138.06    2515.09    11.585   0.000       24014.99    34261.13
------------------------------------------------------------------------------
     rho |  -.2842387
------------------------------------------------------------------------------
Durbin-Watson statistic (original)    2.287046
Durbin-Watson statistic (transformed) 1.689949
```

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Marianna GSLD

Source	SS	df	MS
Model	5.8446e	3	1.9482e
Residual	5.9807e	32	1.8690e
Total	1.1825e	35	3.3786e

Number of obs	= 36
F(3, 32)	= 10.42
Prob > F	= 0.0001
R-squared	0.4942
Adj R-squared	= 0.4468
Root MSE	= 43232

dpc_gsld	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
hdd54	73.47153	196.96	0.373	0.712	-327.7229	474.6659
cdd62	250.4261	49.5761	5.051	0.000	149.4429	351.4093
trend	29149.22	15056.75	1.936	0.062	-1520.379	59818.82
_cons	51570.57	149501.8	0.345	0.732	-252954.5	356095.7
rho	.4794331					

Durbin-Watson statistic (original) 1.070392
Durbin-Watson statistic (transformed) 2.377253

Source	SS	df	MS
Model	112439.549	3	37479.8498
Residual	202709.894	32	6334.6842
Total	315149.444	35	9004.26982

Number of obs	= 36
F(3, 32)	= 5.92
Prob > F	= 0.0025
R-squared	= 0.3568
Adj R-squared	= 0.2965
Root MSE	= 79.591

dpc_gsld	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
hdd54	.274306	.3704562	0.740	0.464	-.4802885	1.028901
cdd62	.346318	.0823828	4.204	0.000	.1785096	.5141263
trend	38.07882	20.25374	1.880	0.069	-3.176711	79.33434
_cons	377.1679	202.1366	1.866	0.071	-34.57082	788.9066
rho	.2495994					

Durbin-Watson statistic (original) 1.473969
Durbin-Watson statistic (transformed) 2.075758

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Historical Year Ended 12/31/2006
Prior Years 2004-2005

Witness: Mark Cutshaw

Fernandina GSLD

Source	SS	df	MS		
				Number of obs	= 36
				F(3, 32)	= 3.45
Model	1.6927e	3	5.6424e	Prob > F	= 0.0281
Residual	5.2391e	32	1.6372e	R-squared	= 0.2442
				Adj R-squared	= 0.1733
Total	6.9318e	35	1.9805e	Root MSE	= 40463

dpc gsld	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
hdd54	113.7403	234.9711	0.484	0.632	-364.8801	592.3608
cdd62	64.2524	39.44824	1.629	0.113	-16.10104	144.6058
trend	-20141.12	9192.269	-2.191	0.036	-38865.16	-1417.084
_cons	522483.2	91736.5	5.695	0.000	335622.1	709344.3
rho	.15763					

Durbin-Watson statistic (original) 1.683759
Durbin-Watson statistic (transformed) 1.880079

Source	SS	df	MS		
				Number of obs	= 36
				F(3, 32)	= 0.56
Model	5909.27767	3	1969.75922	Prob > F	= 0.6466
Residual	112964.311	32	3530.13472	R-squared	= 0.0497
				Adj R-squared	= -0.0394
Total	118873.589	35	3396.38825	Root MSE	= 59.415

dpc_gsld	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
hdd54	.1579004	.2987246	0.529	0.601	-.4505817	.7663825
cdd62	-.005721	.0452728	-0.126	0.900	-.0979387	.0864967
trend	-18.43003	8.977594	-2.053	0.048	-36.71679	-.1432649
_cons	929.0653	90.25624	10.294	0.000	745.2194	1112.911
rho	-.3132794					

Durbin-Watson statistic (original) 2.478590
Durbin-Watson statistic (transformed) 2.070205

Supporting Schedules: Recap Schedules:

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:40 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: f-9.xls; f-3.xls; f-4.xls; f-5 dgh.xls; f-6 dgh.xls; f-7 dgh.xls; f-8.xls

F schedules. I think there are a few "blanks" to be filled in on F9. I have not sent F1 and F2 – they are just the pdfs of the annual reports and SEC filings.

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: For a projected test year, provide a schedule of assumptions used in developing projected or estimated data. As a minimum, state assumptions used for balance sheet, income statement and sales forecast.

Type of Data Shown:

Projected Year Ended 12/31/2007
Projected Test Year Ended 12/31/2008
Witness: Cheryl Martin, Mark Cutshaw

I. BALANCE SHEET (13-Month Average)

The Consolidated Electric Operations is an operating division of Florida Public Utilities Company (FPU) and as such does not have a complete balance sheet of its own. Many of the balance sheet items are commonly shared with all divisions of FPU including the wholly-owned subsidiary, Flo-Gas Corporation (Flo-Gas). It is therefore, necessary to allocate these amounts based on various allocation bases.

Schedule H(B-3) reflects the 13 month average consolidated balance sheet with separate columns indicating 13-month averages for consolidated amounts, the allocated amount, and the basis and percentage for the allocation. Detail of working capital components, including adjustments and eliminations is contained on Schedule H(B-17). Utility Plant in Service, the associated Reserve, and Construction Work-In-Process are directly charged to the Consolidated Electric Division except for common plant. Common plant, reserve, and CWIP are allocated to the Consolidated Electric Division based upon percentages calculated in our allocation study. The detail of plant data is contained on the various H(B Schedules). Common Equity, Preferred Equity, Long-Term Debt, and Notes Payable were allocated to the Consolidated Electric Division as a pro-rata share of total FPU capitalization as compared to total Electric Division rate base. Projected balance sheet accounts use various direct projection methods, as well as various projection factors including customer growth, inflation and plant. Methods are indicated on the Projection Schedules included in section H (Bs).

II. INCOME STATEMENT

OPERATING REVENUES

Operating revenues are directly charged to the Consolidated Electric Division. Revenues are calculated by multiplying the KWH sales by the rates approved by the Florida Public Service Commission for base rates, fuel, and conservation. Projected revenues are based on the billing determinant forecasts described on Schedules F-5 and F-6. See Schedule H(C-5) for revenues.

OPERATION AND MAINTENANCE EXPENSES

Most of these expenses are directly charged to the Consolidated Electric Division except for Corporate clearing and administrative and general accounts. These accounts were allocated to the Consolidated Electric Division based upon various percentages. These percentages are based on historic payroll, revenues, customers, sales, etc. Projected expenses are based on the either direct forecasts, or projection factors applied to the historic year 12/31/2006. See schedule H(C-7) for the related factors and methodologies.

DEPRECIATION and AMORTIZATION EXPENSES

Depreciation was calculated by using the existing Florida Public Service Commission approved depreciation rates. The projected test year will have to be updated before final rates are approved for new rates in our pending depreciation study filed with the Florida Public Service Commission in June 2007.
Amortization expenses were based on direct projections shown on schedule H(C-19)

TAXES

Income taxes, current and deferred, were computed using an effective tax rate of 37.63%. See Schedule C-22 for details.
Taxes other than income taxes were projected based on various trends using the historical year 2006 as a basis. See Schedule H (C--20) for the factors used.

Supporting Schedules Bs, Cs, and H(Bs) and H (Cs) schedules

Recap Schedules:

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RE Rate case schedules (12).msg	678 KB	Outlook Item	10/16/2007 2:23 PM	Files Currently on the CD
RE Rate case schedules (13).msg	2,005 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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RE Rate case schedules.msg	678 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
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RE Short-term debt (24).msg	40 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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Tuesday, Apr 08, 2008 03:16 PM

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:33 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: G-MFRS--8-13-07-NoLinks.xls

Here are the G's

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the calculation of the requested interim revenue requirements increase.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No	Description	Source	Amount
1.	Jurisdictional Adjusted Rate Base	Schedule G-2	38,057,241
2.	Rate of Return on Rate Base Requested	Schedule G-19a	7.8000%
3.	Jurisdictional Income Requested	Line 1 x Line 2	2,968,465
4.	Jurisdictional Adjusted Net Operating Income	Schedule G-7	2,476,531
5.	Income Deficiency (Excess)	Line 3 - Line 4	491,934
6.	Earned Rate of Return	Line 4/Line 1	6.5074%
7.	Net Operating Income Multiplier	Schedule G-18	1.6075
8.	Revenue Increase (Decrease) Requested	Line 5 x Line 7	790,784

Supporting Schedules: G-2, G-19a, G-7, G-18 Recap Schedules: G-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Provide a schedule of the 13-month average adjusted rate base for the test year and the prior year if the interim test year is projected. Provide the details of all adjustments on Schedule G-3.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.		(1) Plant in Service	(2)* Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books	72,376,983	(32,199,482)	40,177,500	1,461,603	-	-	41,639,104	(1,682,506)	-	39,956,598
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%	100%	100%	100%	
3	Jurisdictional Per Books	72,376,983	(32,199,482)	40,177,500	1,461,603	-	-	41,639,104	(1,682,506)	-	39,956,598
4	Adjustments:										
5	Non-regulated Propane Operations	(67,783)	33,370	(34,413)	(7,343)	-	-	(41,756)		-	(41,756)
6	Eliminate Interest Bearing Cash Per 2003 Rate Case Proceeding								(24,312)		(24,312)
7	Eliminate 1/2 Deferred Rate Case Expense Per 2003 Rate Case								(116,540)		(116,540)
8	Eliminate Fuel Under-Recover Per 2003 Rate Case Proceeding								(1,716,749)		(1,716,749)
9											
10											
11											
12											
13	Total Adjustments	(67,783)	33,370	(34,413)	(7,343)	-	-	(41,756)	(1,857,601)	-	(1,899,357)
14											
15	Adjusted Jurisdictional	72,309,200	(32,166,112)	40,143,087	1,454,260	-	-	41,597,348	(3,540,107)	-	38,057,241
16											
17											
18	* Includes Account 2520 - Customer Advances for Construction										

Supporting Schedules: B-1 (2006), G3 Recap Schedules: G-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

List and explain all proposed adjustments to the 13-month average rate base for the interim test year. List the adjustments made by the Commission in the last case not proposed in the current case and reasons for excluding them.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Adjustment Title		(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1	PLANT				
2	Commission Adjustment:				
3	Allocate Various Items of General	Non-Regulated Propane Operations at			
4	Plant Accounts to Propane; based	Fernandina Beach Location - Per			
5	on Customers and/or Square Footage	2003 Rate Case Proceeding			
6	Measurements	"			
7	(Accounts 3890, 3900, 3911, 3912,	"			
8	3913, and 391305)	"			
9	Plant-in-Service	"	(67,783)	100%	(67,783)
10	Reserve	"	33,370	100%	33,370
11	CWIP	"	(7,343)	100%	(7,343)
12	Total	"	(41,756)		(41,756)
13					
14					
15	Company Adjustment:				
16	None				
17					
18					
19					
20	WORKING CAPITAL				
21	Commission Adjustment:				
22	Eliminate Interest Baring Cash	Per 2003 Rate Case Proceeding	(24,312)	100%	(24,312)
23	Eliminate 1/2 Deferred Rate Case Expense	Per 2003 Rate Case Proceeding	(116,540)	100%	(116,540)
24	Eliminate Fuel Under-Recover	Per 2003 Rate Case Proceeding	(1,716,749)	100%	(1,716,749)
25			(1,857,601)		(1,857,601)
26	Company Adjustment:				
27	None				

Supporting Schedules: B-3 (2006) Recap Schedules: G-2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year, and the prior year if the test year is projected.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Electric Plant in Service:				
2	Intangible				
3	Production:				
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	74,148	74,148	74,148	100%
10	Structure and Improvements	22,007	22,007	22,007	100%
11	Station Equipment	2,414,632	2,414,632	2,414,632	100%
12	Towers & Fixtures	224,665	224,665	224,665	100%
13	Poles & Fixtures	2,346,420	2,346,420	2,346,420	100%
14	O.H. Conductor and Devices	1,858,642	1,858,642	1,858,642	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	6,788	6,788	6,788	100%
17	Total Transmission	6,947,302	6,947,302	6,947,302	100%
18	Distribution:				
19	Land and Land Rights	32,878	32,878	32,878	100%
20	Structure and Improvements	96,042	96,042	96,042	100%
21	Station Equipment	5,673,433	5,673,433	5,673,433	100%
22	Poles and Fixtures	8,717,909	8,717,909	8,717,909	100%
23	O.H. Conductors	9,425,756	9,425,756	9,425,756	100%
24	U.G. Conduits	2,447,327	2,447,327	2,447,327	100%
25	U.G. Conductors	4,639,024	4,639,024	4,639,024	100%
26	Line Transformers	12,830,071	12,830,071	12,830,071	100%
27	Services	8,005,494	8,005,494	8,005,494	100%
28	Meters	3,335,843	3,335,843	3,335,843	100%
29	Installed on Customer Premises	1,936,496	1,936,496	1,936,496	100%
30	Street Lighting	1,177,470	1,177,470	1,177,470	100%
31	Total Distribution	58,317,743	58,317,743	58,317,743	100%
32	General Plant	5,522,761	5,522,761	5,522,761	100%
33	Total Electric Gross Plant	70,787,806	70,787,806	70,787,806	100%
34	Allocated Common Plant	1,589,177	1,589,177	1,589,177	100%
35	Adjustments	(67,783)	(67,783)	(67,783)	100%
36	Total Gross Plant	72,309,200	72,309,200	72,309,200	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year, and the prior year if the test year is projected.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Accumulated Depreciation:				
2	Intangible				
3	Production:				
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	(33,164)	(33,164)	(33,164)	100%
10	Structure and Improvements	(10,036)	(10,036)	(10,036)	100%
11	Station Equipment	(581,595)	(581,595)	(581,595)	100%
12	Towers & Fixtures	(164,973)	(164,973)	(164,973)	100%
13	Poles & Fixtures	(787,408)	(787,408)	(787,408)	100%
14	O.H. Conductor and Devices	(545,184)	(545,184)	(545,184)	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	(3,785)	(3,785)	(3,785)	100%
17	Total Transmission	(2,126,145)	(2,126,145)	(2,126,145)	100%
18	Distribution:				
19	Land and Land Rights	(4,744)	(4,744)	(4,744)	100%
20	Structure and Improvements	(29,563)	(29,563)	(29,563)	100%
21	Station Equipment	(1,184,368)	(1,184,368)	(1,184,368)	100%
22	Poles and Fixtures	(3,895,313)	(3,895,313)	(3,895,313)	100%
23	O.H. Conductors	(4,816,713)	(4,816,713)	(4,816,713)	100%
24	U.G. Conduits	(524,944)	(524,944)	(524,944)	100%
25	U.G. Conductors	(1,517,784)	(1,517,784)	(1,517,784)	100%
26	Line Transformers	(7,172,886)	(7,172,886)	(7,172,886)	100%
27	Services	(3,620,890)	(3,620,890)	(3,620,890)	100%
28	Meters	(1,773,897)	(1,773,897)	(1,773,897)	100%
29	Installed on Customer Premises	(632,764)	(632,764)	(632,764)	100%
30	Street Lighting	(438,848)	(438,848)	(438,848)	100%
31	Total Distribution	(25,612,714)	(25,612,714)	(25,612,714)	100%
32	General Plant	(3,075,994)	(3,075,994)	(3,075,994)	100%
33	Total Electric Accumulated Depreciation	(30,814,853)	(30,814,853)	(30,814,853)	100%
34	Allocated Common Reserve	(563,444)	(563,444)	(563,444)	100%
35	Customer Advances for Construction	(821,185)	(821,185)	(821,185)	100%
36	Adjustments	33,370	33,370	33,370	100%
37	Total Accumulated Reserve	(32,165,112)	(32,165,112)	(32,165,112)	100%
1	NET PLANT IN SERVICE	40,143,088	40,143,088	40,143,088	100%
2	CWIP:				
3	Production	-	-	-	
4	Transmission	12,803	12,803	12,803	100%
5	Distribution	1,067,683	1,067,683	1,067,683	100%
6	Customer Accounts	-	-	-	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year, and the prior year if the test year is projected.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
7	General	296,070	296,070	296,070	100%
8	Customer Services	-	-	-	
9	Allocated Common	85,048	85,048	85,048	100%
10	Adjustments	(7,343)	(7,343)	(7,343)	100%
11	Total CWIP	1,454,261	1,454,261	1,454,261	100%
12	CWIP - NOT BEARING INTEREST				
13	Production				
14	Transmission				
15	Distribution				
16	Total CWIP Not Bearing Interest				
17	PLANT HELD FOR FUTURE USE				
18	UNAMORTIZED NUCLEAR SITE				
19	WORKING CAPITAL				
20	Net of Current Assets and Current Liabil	1,687,010	1,687,010	1,687,010	100%
21	Preliminary Survey and Investigation Ch	-	-	-	
22	Prepayments	270,889	270,889	270,889	100%
23	Clearing Accounts	-	-	-	
24	Unamortized Deferred O & M	-	-	-	
25	Injuries and Damages Reserve	(1,645,062)	(1,645,062)	(1,645,062)	100%
26	Property Insurance Reserves				
27	Other Deferred Credits & Debits	(1,995,343)	(1,995,343)	(1,995,343)	100%
28	Adjustments	(1,857,601)	(1,857,601)	(1,857,601)	100%
29	Total Working Capital	(3,540,107)	(3,540,107)	(3,540,107)	100%
30					
31	Total Adjusted Rate Base	38,057,242	38,057,242	38,057,242	100%

Supporting Schedules: B-6 (2006), G-2, G-19-a, G-7, G-18 Recap Schedules: G2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the 13 month average working capital allowance for the interim test year and the prior year if the test year is projected. All adjustments are to be provided by account number. Use a balance sheet method and any other method the company proposes.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Account No.	Component	(1) Company Total	(2) Non-Electric Utility	(3) Total Electric Utility (1) - (2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3) x (4)
1		Current and Accrued Assets	7,586,502	-	7,586,502	100%	7,586,502
2							
3		Adjustments to Current and					
4		Accrued Assets (Specify)					
5		Commision Adjustments:					
6	1860.1	Eliminate 1/2 Rate Case Deferral	(116,540)		(116,540)	100%	(116,540)
7	1860.21	Eliminate Fuel Under-recover	(1,716,749)		(1,716,749)	100%	(1,716,749)
8	1310.8	Eliminate Interest Bearing Cash	(24,312)		(24,312)	100%	(24,312)
9							
10		Adjusted Current and	5,728,901	-	5,728,901		5,728,901
11		Accrued Assets					
12							
13		Current and Accrued	(9,269,008)	-	(9,269,008)	100%	(9,269,008)
14		Liabilities					
15							
16		Adjustments to Current and					
17		Accrued Liabilities					
18		NONE					
19							
20		Adjusted Current and					
21		Accrued Liabilities	(9,269,008)	-	(9,269,008)		(9,269,008)
22							
23		Working Capital Allowance	(3,540,107)	-	(3,540,107)		(3,540,107)
24							
25		Unbilled Revenue					
26		Adjustments (Specify)	-	-	-	100%	-
27							
28		Adjusted Working Capital					
29		Allowance	(3,540,107)	-	(3,540,107)	100%	(3,540,107)

Supporting Schedules: B-1 (2006), B-3 (2006)

Recap Schedules: G-2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide conventional fuel account balances in dollars and quantities for each fuel type for the test year, and the two preceding years Include Natural Gas even though no inventory is carried. (Give Units in Barrels, Tons, or MCF)

Type of Data Shown:
Historic Year Ended 12/31/2006
Prior Year Ended 12/31/2007
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Plant	Fuel Type	Beginning Balance Units / ($000) / $ / Unit	Receipts Units / ($000) / $ / Unit	Fuel Issued to Generation Units / ($000) / $ / Unit	Fuel Issued (Other) Units / ($000) / $ / Unit	Inventory Adjustments Units / ($000) / $ / Unit	Ending Balance Units / ($000) / $ / Unit	13 Month Average Units / ($000) / $ / Unit (See Note 1)

Not Applicable

System Inventory	Coal	
	Petcoke	
	Residual Oil	
	Distllate Oil	
	Natural Gas	
	Biomass	
	Other ________	

Note 1 - Applicable only to system fuel inventory balances.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule G-8)	(7) Adjusted Jurisdictional Amount (5)+(6)
1.	Operating Revenues:							
2.	Sales of Electricity	47,452,526	-	47,452,526	100%	47,452,526	(30,359,021)	17,093,505
3.	Other Operating Revenues	1,074,705	-	1,074,705	100%	1,074,705	(759,903)	314,802
4.	Total Operating Revenues	48,527,231	-	48,527,231	100%	48,527,231	(31,118,924)	17,408,307
5.	Operating Expenses:							
6.	Operation & Maintenance:							
7.	Fuel	-	-	-	100%	-	-	-
8.	Purchased Power	30,606,436	-	30,606,436	100%	30,606,436	(30,606,436)	-
9.	Other	8,163,711	-	8,163,711	100%	8,163,711	(456,411)	7,707,300
10.	Depreciation & Amortization	2,722,498	-	2,722,498	100%	2,722,498	(11,398)	2,711,100
11.	Decommissioning Expense	-	-	-	100%	-	-	-
12.	Taxes Other Than Income Taxes	3,982,172	-	3,982,172	100%	3,982,172	(22,079)	3,960,093
13.	Income Taxes	772,895	-	772,895	100%	772,895	8,498	781,393
14.	Deferred Income Taxes-Net	(195,788)	-	(195,788)	100%	(195,788)	-	(195,788)
15.	Investment Tax Credit-Net	(32,322)	-	(32,322)	100%	(32,322)	-	(32,322)
16.	(Gain)/Loss on Disposal of Plant	-	-	-	100%	-	-	-
17.	Total Operating Expenses	46,019,602	-	46,019,602	100%	46,019,602	(31,087,826)	14,931,776
18.	Net Operating Income	2,507,629		2,507,629		2,507,629	(31,098)	2,476,531

Supporting Schedules: C-1 (2006), G-8 Recap Schedules: G-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of net operating income adjustments for the interim test year. Provide the details of all adjustments on Schedule G-9.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.		Jurisdictional Amount Schedule G-7 Col. 5	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	Total Adjustments	Adjusted Jurisdictional NOI
1.	Operating Revenues:															
2.	Sales of Electricity	47,452,526	(30,359,021)												(30,359,021)	17,093,505
3.	Other Operating Revenues	1,074,705	(759,903)												(759,903)	314,802
4.	Total Operating Revenues	48,527,231	(31,118,924)												(31,118,924)	17,408,307
5.	Operating Expenses:															
6.	Operation & Maintenance:	-	-												-	-
7.	Fuel (nonrecoverable)	-	-												-	-
8.	Purchased Power	30,606,436	(30,606,436)												(30,606,436)	-
9.	Other	8,163,711	(456,411)												(456,411)	7,707,300
10.	Depreciation & Amortization	2,722,498	(11,398)												(11,398)	2,711,100
11.	Decommissioning Expense	-	-												-	-
12.	Taxes Other Than Income Taxes	3,982,172	(22,079)												(22,079)	3,960,093
13.	Income Taxes	772,895	8,498												8,498	781,393
14.	Deferred Income Taxes-Net	(195,788)	-												-	(195,788)
15.	Investment Tax Credit-Net	(32,322)	-												-	(32,322)
16.	(Gain)/Loss on Disposal of Plant	-	-												-	-
17.	Total Operating Expenses	46,019,602	(31,087,826)												(31,087,826)	14,931,776
18.	Net Operating Income	2,507,629	(31,098)												(31,098)	2,476,531

Supporting Schedules: G-9

Recap Schedules: G-7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: List and explain all proposed adjustments to Net Operating Income for the Interim Test Year. List adjustments included in the last case that are not proposed in the interim test year and the reasons for excluding them.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment
1	Operating Revenue - Company	Eliminate Fuel Revenues	(30,359,021)	100%	(30,359,021)
2					
3	Other Revenue/Fuel & Conservation O/U - Company	Eliminate Conservation and Fuel O/U and Conservation Revenues	(759,903)	100%	(759,903)
4					
5	Operating Expense - Company	Eliminate Fuel Expenses	30,606,436	100%	30,606,436
6					
7	Fuel Expense - Company	Eliminate Conservation Expenses	456,411	100%	456,411
8					
9	Depreciation Expense - Company	Eliminate NonUtility Depreciation Expense	11,398	100%	11,398
10					
11	Taxes Other than Income - Company	Eliminate Taxes other than Income	22,079	100%	22,079
12					
13	Income Taxes - Company	Eliminate Income Taxes	(8,498)	100%	(8,498)
	TOTAL ADJUSTMENTS		(31,098)		(31,098)

Supporting Schedules: Recap Schedules: G-8

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Account No.	Account Title	Total Company	FPSC Jurisdictional	Jurisdictional Separation Factor

All sales of electricity for Florida Public Utilities Company are subject to regulation by the Florida Public Service Commission, therefore the jurisdictional factor is 100%
See G-7

Supporting Schedules:

Recap Schedules: G-7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

Account No.	Account Title	(1) Per Books	(2) Non-Jurisdictional	(3) Jurisdictional (1)-(2)	Adjustments (4) Fuel	(5) Conservation	(6) Franchise Fees	(7) Other Gross Receipts	(8) Other (Specify)	(9) Total (4)thru(8)	(10) Adjusted Total (3)-(9)
	SALES OF ELECTRICITY										
440	Residential Sales	22,556,093	-	22,556,093	13,378,603	160,976	856,904	566,064	-	14,962,547	7,593,546
442	Commercial Sales	18,145,943	-	18,145,943	12,423,831	152,294	809,693	459,718	-	13,845,536	4,300,407
442	Industrial Sales	5,350,079	-	5,350,079	4,301,616	73,499	295,263	133,746	-	4,804,124	545,955
443	Outdoor Lighting	1,085,456	-	1,085,456	169,327	2,428	38,067	22,631	-	232,453	853,003
444	Public Street & Highway Lighting	286,326	-	286,326	58,938	895	11,526	2,224	-	73,583	212,743
445	Other Sales to Public Authorities	-	-	-	-	-	-	-	-	-	-
446	Sales to Railroads & Railways	-	-	-	-	-	-	-	-	-	-
448	Interdepartmental Sales	28,629	-	28,629	26,706	-	1,183	740	-	28,629	-
	Total Sales to Ultimate Consumers	47,452,526	-	47,452,526	30,359,021	390,092	2,012,636	1,185,123	-	33,946,872	13,505,654
447	Sales for Resale	-	-	-	-	-	-	-	-	-	-
	TOTAL SALES OF ELECTRICITY	47,452,526	-	47,452,526	30,359,021	390,092	2,012,636	1,185,123	-	33,946,872	13,505,654
449.1	(Less) Provision for Rate Refunds	-	-	-	-	-	-	-	-	-	-
	TOTAL REVENUE NET OF REFUND PROVISION	47,452,526	-	47,452,526	30,359,021	390,092	2,012,636	1,185,123	-	33,946,872	13,505,654
	OTHER OPERATING REVENUES			-	-	-	-	-	-	-	-
450	Forfeited Discounts	354,696	-	354,696	-	-	-	-	-	-	354,696
451	Miscellaneous Service Revenues	219,900	-	219,900	-	-	-	-	-	-	219,900
453	Sales of Water and Water Power	-	-	-	-	-	-	-	-	-	-
454	Rent from Electric Property	114,078	-	114,078	-	-	-	-	-	-	114,078
455	Interdepartmental Rents	-	-	-	-	-	-	-	-	-	-
456	Other Electric Revenues (In Detail)	-	-	-	-	-	-	-	-	-	-
4561	OVER-RECOVRY:FUEL AD	307,430	-	307,430	307,430	-	-	-	-	307,430	-
4562	MISC.ELECTRIC REVENU	7,846	-	7,846	-	-	-	-	-	-	7,846
4563	Unbilled Revenue	8,373	-	8,373	-	-	-	-	-	-	8,373
4566	OVERRECOVERY: CONSER	62,382	-	62,382	-	62,382	-	-	-	62,382	-
	TOTAL OTHER OPERATING REVENUES	1,074,705	-	1,074,705	307,430	62,382	-	-	-	369,812	704,893
	TOTAL ELECTRIC OPERATING REVENUES	48,527,231	-	48,527,231	30,666,451	452,474	2,012,636	1,185,123	-	34,316,684	14,210,547

Supporting Schedules: C-5 (2006) Recap Schedules: G-7

INTERIM STATE AND FEDERAL INCOME TAX CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE INTERIM YEAR.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

LINE NO.	DESCRIPTION	CURRENT TAX STATE		CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE		DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
1	NET UTILITY OPERATING INCOME	$ 2,507,629	$	2,507,629					
2	ADD INCOME TAX ACCOUNTS	544,785	-	544,785					
3	LESS INTEREST CHARGES (FROM C-23)	1,505,287	-	1,505,287	(Income tax adjustment for interest calculated of 1,473,580 has been included in tax adjustments)				
4									
5	TAXABLE INCOME PER BOOKS	$ 1,547,127	$	1,547,127					
6		-	-	-					
7	TEMPORARY ADJUSTMENTS TO TAXABLE INCOME (LIST)	-	-	-					
8	ADD: BOOK DEPRECIATION	(2,722,498)	-	(2,722,498)		2,722,498	0	2,722,498	
9	LESS: TAX DEPRECIATION	2,379,361	-	2,379,361		(2,379,361)		(2,379,361)	
10	UNRECOVERED PURCHASE POWER/GAS	95,832	-	95,832		(95,832)		(95,832)	
11	OUTSIDE AUDIT FEES	(4,002)	-	(4,002)		4,002		4,002	
12	ORDINARY LOSS ON ACRS PROPERTY	211,200	-	211,200		(211,200)		(211,200)	
13	COST OF REMOVAL-ADR PROPERTY	24,840	-	24,840		(24,840)		(24,840)	
14	CONSERVATION PROGRAM COSTS	62,382	-	62,382		(62,382)		(62,382)	
15	SELF INSURANCE RESERVE	(40,404)	-	(40,404)		40,404		40,404	
16	TAXABLE CONTRIBUTIONS	(115,302)	-	(115,302)		115,302		115,302	
17	PENSION COSTS	(539,996)	-	(539,996)		539,996		539,996	
18	VACATION PAY	(24,229)	-	(24,229)		24,229		24,229	
19	UNCOLLECTIBLES	(40,343)	-	(40,343)		40,343		40,343	
20	LOSS ON REACQUIRED DEBT	(8,045)	-	(8,045)		8,045		8,045	
21	MISC DEFERRAL	(74)	-	(74)		74		74	
22	GENERAL LIABILITY	50,463	-	50,463		(50,463)		(50,463)	
23	RATE CASE EXPENSE	(84,756)	-	(84,756)		84,756		84,756	
24	NONDEDUCTIBLE ESPP COMPENSATION EXPENSE	(17,972)	-	(17,972)		-		-	
25	STORM RESERVE	(129,232)	-	(129,232)		129,232		129,232	
26	CAPITALIZED INTEREST	(91,470)	-	(91,470)		91,470		91,470	
27	ELECTRIC CONSULTANT FEES	23,910	-	23,910		(23,910)		(23,910)	
28	TOTAL TEMPORARY DIFFERENCES	$ (970,335)	$	(970,335)		$ 952,363	$	952,363	
29									
30	PERMANENT ADJUSTMENTS TO TAXABLE INCOME (LIST)								
31	NONDEDUCTIBLE MEALS-CORPORATE	(1,730)	-	(1,730)					
32	NONDEDUCTIBLE MEALS-OTHER	(2,869)	-	(2,869)					
33	State Exemption	1,320	-	-					
34	TOTAL PERMANENT ADJUSTMENTS	$ (3,279)	$	(4,599)					
35		-	-						
36	STATE TAXABLE INCOME (L5+L28+L34)	$ 2,520,741	-			$ (952,363)			
37	STATE INCOME TAX (5.5% OR APPLICABLE RATE OF L36)	$ 138,641	-			$ (52,380)			
38	ADJUSTMENTS TO STATE INCOME TAX (LIST)		-			0			
39			-			0			
40		(26,118)	-			30,252			
41		1,241	-			0			
42			-			0			
43	TOTAL ADJUSTMENTS TO STATE INCOME TAX	$ (24,877)	-			$ 30,252			
44			-			0			
45	STATE INCOME TAX	$ 113,764	-			(22,128)			

SUPPORTING SCHEDULES: C-22, G-13

RECAP SCHEDULES: G-7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE INTERIM YEAR.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

LINE NO	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
46	FEDERAL TAXABLE INCOME (L5+L28+L34-L37state)	$	2,383,420		$	(899,983)	
47	FEDERAL INCOME TAX (34% OR APPLICABLE RATE)	$	810,363		$	(305,994)	
48							
49	ADJUSTMENTS TO FEDERAL INCOME TAX						
50							
51			(149,991)			132,334	
52			7,257			0	
53							
54							
55							
56							
57	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAX	$	(142,734)		$	132,334	
58							
59	FEDERAL INCOME TAX	$	667,629		$	(173,660)	
60							
61							
62							
63	TOTAL FEDERAL AND STATE INCOME TAXES			$ 781,393			$ (195,788)
64							
65	ITC AMORTIZATION			$ (32,322)			
66							
67							
68							
69							
70							
71	**SUMMARY OF INCOME TAX EXPENSE:**						
72		STATE	FEDERAL	TOTAL			
73	CURRENT TAX EXPENSE	113,764	667,629	781,393			
74	DEFERRED INCOME TAXES	(22,128)	(173,660)	(195,788)			
75	INVESTMENT TAX CREDITS, NET			(32,322)			
76	TOTAL INCOME TAX PROVISION	91,636	493,969	553,283			

SUPPORTING SCHEDULES: C-22, G-13 RECAP SCHEDULES: G-7

INTERIM INTEREST IN TAX EXPENSE CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the amount of interest expense used to calculate net operating income taxes on Schedule G-12.
If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income tax expense, the differing bases should be clearly identified.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Robert Camfield

Line No.	Description	(1) Historical Base Year Ended 2006	(2) Test Year Ended
1.	Interest on Long Term Debt	1,268,418	N/A
2.	Amortization of Debt Discount, Premium, Issuing		
3.	Expense & Loss on Reacquired Debt	-	N/A
4.	Interest on Short Term Debt	75,536	N/A
5.	Interest on Customer Deposits	129,626	N/A
6.	Other Interest Expense	-	N/A
7.	Less Allowance for Funds Used During Construction		
8.	Total Interest Expense	1,473,580	N/A

Supporting Schedules: G-19a

Recap Schedules: G-12

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide information required in order to adjust income tax expenses by reason of interest expense of parent(s) that that may be invested in the equity of the utility in question.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox

Line No.		Amount	Percent of Capital	Cost Rate	Weighted Cost
1.	Long Term Debt				
2.	Short Term Debt				
3.	Preferred Stock			Not Applicable	
4.	Common Equity				
5.	Deferred Income Tax				
6.	Other (specify)				
	Total				

Supporting Schedules: Recap Schedules:

INTERIM GAINS AND LOSSES ON DISPOSITION OF PLANT OR PROPERTY

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Projected Test Year Ended 12/31/2008
Historical Years Ended 12/31/2004, 2005, 2006
Witness: Jim Mesite

Description of Property	Date Acquired	Date Disposed	Original Classification Account	Reclassification Account(s)	Reclassification Date(s)	Original Amount Recorded	Additions or (Retirements)	Depreciation and Amortization	Net Book Value on Disposal Date	Gain or (Loss)	Amounts Allowed Prior Cases	Prior Cases Test Year Ended 12/31/2004

No gains or losses

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the following information concerning pension cost for the interim test year.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: George Bachman

Line No.		Description	Historic Year 2006
1		Service Cost	1,225,495
2		Interest Cost	2,160,719
3		Actual Return on Assets	(3,977,806)
4		Net Amortization and Deferral	1,551,742
	a	Amortization of Prior Service Cost	737,115
	b	Curtailment	(97,858)
5		Total Net Periodic Pension Cost	1,599,407
6		For the Year:	
7		Amortization of Transition Asset or Obligation	-
8		Expected Return on Assets	2,426,064
9		Assumed Rate of Return on Plan Assets	8.50%
10		Amortization of Transition Asset or Obligation	-
11		Percent of Pension Cost Capitalized	15.00%
12		Pension Cost Recorded in Account 926	-
13		Minimum Required Contribution Per IRS	-
14		Maximum Allowable Contribution Per IRS	18,262,779
15		Actual Contribution Made to the Trust Fund	250,000
16		Actuarial Attribution Approach Used for Funding	Projected Unit Credit
17		Assumed Discount Rate for Computing Funding	8.00%
18		Allocation Method Used to Assign Costs if the Utility Is Not the	Allocated
19		Sole Participant in the Plan. Attach the Relevant Procedures.	Based on payroll
20		At Year End:	
21		Accumulated Benefit Obligation	33,693,860
22		Projected Benefit Obligation	38,650,888
23		Vested Benefit Obligation	31,220,120
24		Assumed Discount Rate (Settlement Rate)	0
25		Assumed Rate for Salary Increases	0
26		Fair Value of Plan Assets	35,635,214
27		Market Related Value of Assets	29,485,534
28		Balance in Working Capital (Account No. 228.31)	(814,231)

Supporting Schedules: C-17 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a statement of changes in accounting policy in the interim test year. Explain any changes in accounting procedures that affect the interim rate base or the interim net operating income.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Cheryl Martin

We do not have any changes in accounting policy.

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox

Line No.	Description	Percent
1.	Revenue Requirement	100.000%
2.	Gross Receipts Tax Rate	0.000%
3.	Regulatory Assessment Rate	0.072%
4.	Bad Debt Rate	0.188%
5.	Net Before Income Taxes (1) - (2) - (3) - (4)	99.740%
6.	State Income Tax Rate	5.500%
7.	State Income Tax (5) x (6)	5.486%
8.	Net Before Federal Income Tax (5) - (7)	94.255%
9.	Federal Income Tax Rate	34.000%
10.	Federal Income Tax (8) x (9)	32.047%
11.	Revenue Expansion Factor (8) - (10)	62.208%
12.	Net Operating Income Multiplier (100% / Line 11)	1.6075

Supporting Schedules: C-44

Recap Schedules: G-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the interim test year and the prior year.

Type of Data Shown:
Historic Year Ended 12/31/2006
Prior Year Ended 12/13/05
Witness: Doreen Cox, Robert Camfield

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Jurisdictional Capital Structure	(G) Ratio	(H) Cost Rate	(I) Weighted Cost Rate	Interest Expense
	Regulatory Capital Structure, 2006										
1	Long Term Debt	50,443,237			50,443,237	31.33%	15,801,612	0.4152	8.03%	3.33%	1,268,418
2	Short Term Debt	3,309,077			3,309,077	31.33%	1,036,586	0.0272	7.29%	0.20%	75,536
3	Preferred Stock	600,000			600,000	31.33%	187,953	0.0049	4.75%	0.02%	0
4	Common Equity	44,943,721			44,943,721	31.33%	14,078,859	0.3699	10.50%	3.88%	0
5	Customer Deposits	2,136,661			2,136,661		2,136,661	0.0561	6.07%	0.34%	129,626
6	Deferred Income Taxes	4,674,449			4,674,449		4,674,449	0.1228	0.00%	0.00%	0
7	Tax Credits-Zero Cost	0			0		-	-	0.00%	0.00%	0
8	Tax Credits-Weighted Cost	141,120			141,120		141,120	0.0037	9.10%	0.03%	0
9											
10	TOTAL	106,248,265			106,248,265		38,057,241	1.0000		7.80%	1,473,580

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate		
11							
12							
13							
14							
15							
16							
17	**Conventional Capital Structure, 2007**						
18	Long Term Debt	50,443,237	0.5080	8.03%	4.08%	Rate Base	38,057,241
19	Short Term Debt	3,309,077	0.0333	7.29%	0.24%	Direct Components	6,952,231
20	Preferred Stock	600,000	0.0060	4.75%	0.03%		$31,105,010
21	Common Equity	44,943,721	0.4526	10.50%	4.75%		
22						Jurisdictional Factor	31.33%
23	TOTAL	99,296,035	1.0000		9.10%		

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the interim test year and the prior year.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Historic Year Ended 12/31/2006
Prior Year Ended 12/13/05
Witness: Doreen Cox, Robert Camfield

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Jurisdictional Capital Structure	(G) Ratio	(H) Cost Rate	(I) Weighted Cost Rate	Interest Expense
	Regulatory Capital Structure, 2005										
24	Long Term Debt	50,342,633			50,342,633	32.08%	16,150,106	0.4240	8.04%	3.41%	1,298,469
25	Short Term Debt	3,129,000			3,129,000	32.08%	1,003,795	0.0264	2.52%	0.07%	25,296
26	Preferred Stock	600,000			600,000	32.08%	192,482	0.0051	4.75%	0.02%	
27	Common Equity	43,201,749			43,201,749	32.08%	13,859,284	0.3639	11.50%	4.18%	
28	Customer Deposits	2,016,250			2,016,250		2,016,250	0.0529	6.47%	0.34%	130,451
29	Deferred Income Taxes	4,690,307			4,690,307		4,690,307	0.1231	0.00%	0.00%	
30	Tax Credits-Zero Cost	1,483			1,483		1,483	0.0000	0.00%	0.00%	
31	Tax Credits-Weighted Cost	173,292			173,292		173,292	0.0045	9.38%	0.04%	
32											
33	TOTAL	104,154,714			104,154,714		38,086,999	1.0000		8.06%	1,454,216
34											
35											
36											

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate		
39							
40	**Conventional Capital Structure, 2006**						
41	Long Term Debt	50,342,633	0.5175	8.04%	4.16%	Rate Base	$38,086,999
42	Short Term Debt	3,129,000	0.0322	2.52%	0.08%	Direct Components	$6,881,332
43	Preferred Stock	600,000	0.0062	4.75%	0.03%		$31,205,667
44	Common Equity	43,201,749	0.4441	11.50%	5.11%		
45						Jurisdictional Factor	32.08%
46	TOTAL	97,273,382	1.0000		9.38%		

Supporting Schedules: G-2, G-19b

Recap Schedules: G-1

INTERIM COST OF CAPITAL - ADJUSTMENTS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION:
1.) List and describe the basis for the specific adjustments appearing on Schedule G-19a.
2.) List and describe the basis for the pro-rata adjustments appearing on Schedule G-19a.

Type of Data Shown:
Historic Year Ended 12/31/2006
Prior Year Ended 12/31/2005
Witness: Doreen Cox, Robert Camfield

Line No.	Class of Capital	Description	Historical Base Year	Prior Year	Test Year

Specific Adjustments

The determination of the cost of capital for purposes of setting retail rates in the immediate docket incorporates no specific adjustments to the December '06, Prior Year '05 capital structure or cost rates

Pro Rata Adjustments

The determination of the cost of capital for purposes of setting retail rates in the immediate docket incorporates no pro rata adjustments to the December '06, Prior Year '05 capital structure or cost rates

Supporting Schedules:

Recap Schedules: G-19a

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Compare jurisdictional base rate revenue excluding service charges by rate schedule under present and proposed rates for the test year. If any customers are to be transferred from one schedule to another, the revenue and billing determinant information shall be shown separately for the transfer group and not be included under either the new or the old classification.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

Rate	(1) Base Revenue at Present Rates	(2) Base Revenue at Proposed Rates	Increase (3) Dollars (2) - (1)	Increase (4) Percent (3) / (1)
Residential	7,593,546	8,038,164	444,618	5.86%
GS	1,448,830	1,533,662	84,832	5.86%
GSD	2,208,265	2,337,563	129,298	5.86%
GSLD	643,312	680,979	37,667	5.86%
GSLD1	545,955	577,922	31,967	5.86%
Outdoor Lighting	853,003	902,948	49,945	5.86%
Street Lighting	212,743	225,200	12,457	5.86%
Total	13,505,654	14,296,439	790,785	

Supporting Schedules: G-1, G-11, G-23

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of revenues from all service charges (initial connection, etc.) under present and proposed rates.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Mark Cutshaw, Doreen Cox

Type of Service Charge	Number of Transactions	Present Charge	Proposed Charge	Revenues at Present Charges	Revenues at Proposed Charges	Increase Dollars	Increase Percent
1	322	44.00	44.00	14,179	14,179	-	0.00%
2	5,395	19.00	19.00	102,505	102,505	-	0.00%
3	196	27.00	27.00	5,292	5,292	-	0.00%
4	972	37.00	37.00	35,964	35,964	-	0.00%
5	68	60.00	60.00	4,080	4,080	-	0.00%
6	3,487	11.50	11.50	40,101	40,101	-	0.00%
7	551	Per Statute	Per Statute	16,519	16,519	-	0.00%
8	1251	$ 3.50 3.5% (Non-Residential)	$ 3.50 3.5% (Non-Residential)	4,379	4,379	-	0.00%
9	274	Various	Various	(3,432)	(3,432)	-	0.00%
Correction Factor	n/a	n/a	n/a	314	314	-	0.00%
TOTAL	12,516			219,900	219,900	-	0.00%

1 Initial Establishment of Service & Connect / Disconnect Temporary Service
2 Re-establish Service or Make Changes to Existing Account
3 Temporary Disconnect Then Reconnect Service Due To Customer Request
4 Reconnect After Disconnect for Rule Violation (normal hours)
5 Reconnect After Disconnect for Rule Violation (after hours)
6 Collection Charge
7 Returned Check Charge
8 Credit Card Fees $3.50 (Residential) 3.50% (All Other Accounts)
9 Miscelllaneous Allowance & Adjustments

Supporting Schedules: Recap Schedules: G-11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO 070304-EI

EXPLANATION: By rate schedule, calculate revenues under present and proposed rates for the rates for the test year. If any customers are to be transferred from one schedule to another, show revenues separately for the transfer group. Correction factors are used for historical test years only. The total base revenue by class must equal that shown in Schedule E-13a. The billing units must equal those shown in Schedule E-15. PROVIDE TOTAL NUMBER OF BILLS, MWHs AND BILLING KWH FOR EACH RATE SCHEDULE (including standard and time of use customers) AND TRANSFER GROUP.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

Rate Schedule RS

Type of Charges	Present Revenue Calculation Units	Present Charge/Unit	Present $ Revenue	Proposed Revenue Calculation Units	Proposed Charge/Unit	Proposed $ Revenue	Percent Increase
Customer Charge:							
Standard	23,454	10.00	2,814,440	23,454	10.59	2,979,231	5.86%
T-O-D	0	-	-	-	-	-	
Total	23,454		2,814,440	23,454		2,979,231	5.86%
KWH Charge:							
Standard	349,930,593	0.01373	4,804,547	349,930,593	0.01453	5,085,863	5.86%
T-O-D On-Peak	0	0	-	0	0	-	
T-O-D Off-Peak	0	0	-	0	0	-	
Total	349,930,593		4,804,547	349,930,593		5,085,863	5.86%
Etc.							
Total Base Revenue (Calculated)			7,618,987			8,065,094	5.86%
Correction Factor			(25,441)			(26,931)	
Total Base Revenue (Booked)			7,593,546			8,038,164	

Supporting Schedules: G-20

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: By rate schedule, calculate revenues under present and proposed rates for the rates for the test year. If any customers are to be transferred from one schedule to another, show revenues separately for the transfer group. Correction factors are used for historical test years only. The total base revenue by class must equal that shown in Schedule E-13a. The billing units must equal those shown in Schedule E-15. PROVIDE TOTAL NUMBER OF BILLS, MWHs AND BILLING KWH FOR EACH RATE SCHEDULE (including standard and time of use customers) AND TRANSFER GROUP.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

Rate Schedule GS

Type of Charges	Present Revenue Calculation Units	Charge/Unit	$ Revenue	Proposed Revenue Calculation Units	Charge/Unit	$ Revenue	Percent Increase
Customer Charge:							
Standard	3,411	14.00	572,978	3,411	14.82	606,527	5.86%
T-O-D	0	-	-	-	-	-	
Total	3,411		572,978	3,411		606,527	5.86%
KWH Charge:							
Standard	59,621,785	0.01473	878,229	59,621,785	0.01559	929,651	5.86%
T-O-D On-Peak	0	0	-	0	0	-	
T-O-D Off-Peak	0	0	-	0	0	-	
Total	59,621,785		878,229	59,621,785		929,651	5.86%
Etc.							
Total Base Revenue (Calculated)			1,451,207			1,536,178	5.86%
Correction Factor			(2,377)			(2,516)	
Total Base Revenue (Booked)			1,448,830			1,533,662	

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: By rate schedule, calculate revenues under present and proposed rates for the rates for the test year. If any customers are to be transferred from one schedule to another, show revenues separately for the transfer group. Correction factors are used for historical test years only. The total base revenue by class must equal that shown in Schedule E-13a. The billing units must equal those shown in Schedule E-15. PROVIDE TOTAL NUMBER OF BILLS, MWHs AND BILLING KWH FOR EACH RATE SCHEDULE (including standard and time of use customers) AND TRANSFER GROUP.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

Rate Schedule GSD

Type of Charges	Present Revenue Calculation			Proposed Revenue Calculation			Percent Increase
	Units	Charge/Unit	$ Revenue	Units	Charge/Unit	$ Revenue	
Customer Charge:							
Standard	699	44.00	369,292	699	46.58	390,915	5.86%
T-O-D	0	-	-	-	-	-	
Total	699		369,292	699		390,915	5.86%
KWH Charge:							
Standard	178,753,210	0.00232	414,707	178,753,210	0.00246	438,989	5.86%
T-O-D On-Peak	0	0	-	0	0	-	
T-O-D Off-Peak	0	0	-	0	0	-	
Primary 1% discount	1,771,200	(0.0000232)	(41)	1,771,200	(0.0000246)	(43)	
Total	180,524,410		414,666	180,524,410		438,946	5.86%
KW Charge							
Standard	574,289	2.48	1,424,238	574,289	2.63	1,507,630	
T-O-D On-Peak	0	0	-	0	0	-	
T-O-D Off-Peak	0	0	-	0	0	-	5.87%
Primary 1% discount	6,042	(0.0248)	(150)	6,042	(0.0263)	(159)	
Primary $0.55 discount	6,042	(0.55)	(3,323)	6,042	(0.55)	(3,323)	
Total	586,373		1,420,765	586,373		1,504,148	
Total Base Revenue (Calculated)			2,204,723			2,334,009	5.86%
Correction Factor			3,542			3,555	
Total Base Revenue (Booked)			2,208,265			2,337,563	

Supporting Schedules: G-20 | Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: By rate schedule, calculate revenues under present and proposed rates for the rates for the test year. If any customers are to be transferred from one schedule to another, show revenues separately for the transfer group. Correction factors are used for historical test years only. The total base revenue by class must equal that shown in Schedule E-13a. The billing units must equal those shown in Schedule E-15. PROVIDE TOTAL NUMBER OF BILLS, MWHs AND BILLING KWH FOR EACH RATE SCHEDULE (including standard and time of use customers) AND TRANSFER GROUP.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

Rate Schedule GSLD

Type of Charges	Present Revenue Calculation Units	Charge/Unit	$ Revenue	Proposed Revenue Calculation Units	Charge/Unit	$ Revenue	Percent Increase
Customer Charge:							
Standard	20	75.00	18,000	20	79.39	19,054	5.86%
T-O-D	0	-	-	-	-	-	
Total	20		18,000	20		19,054	5.86%
KWH Charge:							
Standard	92,691,048	0.00086	79,714	92,691,048	0.00091	84,382	5.86%
T-O-D On-Peak	0	0	-	0	0	-	
T-O-D Off-Peak	0	0	-	0	0	-	
Primary 1% discount	25,402,800	-0.0000086	(218)	25,402,800	(0.0000091)	(231)	
Total	118,093,848		79,496	118,093,848		84,150	5.86%
KW Charge							
Standard	198,159	2.89	572,680	198,159	3.06	606,212	5.86%
T-O-D On-Peak	0	0	-	0	0	-	
T-O-D Off-Peak	0	0	-	0	0	-	
Primary 1% discount	49,209	(0.0289)	(1,422.1401)	49,209.0000	(0.0306)	(1,505)	
Primary $0.55 discount	49,209	(0.55)	(27,065)	49,209	(0.55)	(27,065)	
Total	296,577		544,193	296,577		577,641	
Total Base Revenue (Calculated)			641,689			680,846	
Correction Factor			1,623			133	
Total Base Revenue (Booked)			643,312			680,979	

Supporting Schedules: G-20 | Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO 070304-EI

EXPLANATION: By rate schedule, calculate revenues under present and proposed rates for the rates for the test year. If any customers are to be transferred from one schedule to another, show revenues separately for the transfer group. Correction factors are used for historical test years only. The total base revenue by class must equal that shown in Schedule E-13a. The billing units must equal those shown in Schedule E-15. PROVIDE TOTAL NUMBER OF BILLS, MWHs AND BILLING KWH FOR EACH RATE SCHEDULE (including standard and time of use customers) AND TRANSFER GROUP.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

Rate Schedule GSLD1

Type of Charges	Present Revenue Calculation: Units	Charge/Unit	$ Revenue	Proposed Revenue Calculation: Units	Charge/Unit	$ Revenue	Percent Increase
Customer Charge:							
Standard	2	600.00	14,400	2	635.13	15,243	5.86%
T-O-D	0	-	-	-	-	-	
Total	2		14,400	2		15,243	5.86%
KWH Charge:							
Standard	159,780,000	-	-	159,780,000	0	-	0.00%
T-O-D On-Peak	0	0	-	0	0	-	
T-O-D Off-Peak	0	0	-	0	0	-	
Total	159,780,000		-	159,780,000		-	0.00%
KW Charge							
Standard	472,200	1.12	528,864	472,200	1.19	559,830	5.86%
T-O-D On-Peak	0	0	-	0	0	-	
T-O-D Off-Peak	0	0	-	0	0	-	
Total	472,200		528,864	472,200		559,830	5.86%
KVAR Charge	11,216	0.24	2,692	11,216	0.25	2,849	5.86%
Standard	0	0	-	0	0	-	
T-O-D On-Peak	0	0	-	0	0	-	
T-O-D Off-Peak	11,216		2,692	11,216		2,849	5.86%
Total							
Total Base Revenue (Calculated)			545,956			577,923	5.86%
Correction Factor			(1)			(1)	
Total Base Revenue (Booked)			545,955			577,922	

Supporting Schedules: G-20 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Calculate revenue under present and proposed rates for the test year for each lighting schedule. Show revenues from charges for all types of lighting fixtures, poles and conductors. Poles should be listed separately from fixtures. Show separately revenues from customers who own facilities as well as those who do not.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

				Present Rates - Outdoor Lighting					Proposed Rates- Outdoor Lighting					
Type of Facility	Annual Billing Items	Est. Monthly KWH	Annual KWH	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	$ Total Revenue	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	$ Total Revenue	Percent Increase
100w HPS Cobra Head-OL	22,365	41	492	$5.31	$1.23	$0.79	$7.33	$163,935	$5.62	$1.30	$0.84	$7.76	$173,534	5.86%
175w MV Cobra Head -OL	5,844	72	864	$2.11	$2.16	$0.41	$4.68	$27,350	$2.23	$2.29	$0.43	$4.95	$28,951	5.86%
400w MV Cobra Head-OL	305	154	1,848	$5.77	$4.62	$0.71	$11.10	$3,386	$6.11	$4.89	$0.75	$11.75	$3,584	5.86%
1000w HPS Flood -OL2	147	405	4,860	$14.20	$12.15	$1.81	$28.16	$4,140	$15.03	$12.86	$1.92	$29.81	$4,382	5.86%
1000w MH Flood - OL2	2,707	405	4,860	$13.18	$12.15	$1.68	$27.01	$73,116	$13.95	$12.86	$1.78	$28.59	$77,397	5.86%
1000w MH Vert Shoebox - OL2	132	405	4,860	$18.47	$12.15	$2.22	$32.84	$4,335	$19.55	$12.86	$2.35	$34.76	$4,589	5.86%
100w HPS Amer Rev-OL2	1,272	41	492	$7.02	$1.23	$0.95	$9.20	$11,702	$7.43	$1.30	$1.01	$9.74	$12,388	5.86%
100w HPS Cobra Head-OL2	11,730	41	492	$5.31	$1.23	$0.79	$7.33	$85,981	$5.62	$1.30	$0.84	$7.76	$91,015	5.86%
100w HPS SP2 Spectra -OL2	111	41	492	$15.76	$1.23	$2.61	$19.60	$2,176	$16.68	$1.30	$2.76	$20.75	$2,303	5.86%
100w MH SP2 Spectra -OL2	263	41	492	$15.64	$1.23	$1.82	$18.69	$4,915	$16.56	$1.30	$1.93	$19.78	$5,203	5.86%
150w HPS Acorn-OL2	760	61	732	$12.50	$1.83	$1.51	$15.84	$12,038	$13.23	$1.94	$1.60	$16.77	$12,743	5.86%
150w HPS ALN 440 -OL2	798	61	732	$18.60	$1.83	$2.16	$22.59	$18,027	$19.69	$1.94	$2.29	$23.91	$19,082	5.86%
150w HPS Am Rev-OL2	1,254	61	732	$7.20	$1.83	$0.94	$9.97	$12,502	$7.62	$1.94	$1.00	$10.55	$13,234	5.86%
175w MH ALN 440 -OL2	36	71	852	$18.72	$2.13	$2.20	$23.05	$830	$19.82	$2.25	$2.33	$24.40	$878	5.86%
175w MH Shoebox -OL2	4,398	71	852	$14.41	$2.13	$1.78	$18.32	$80,571	$15.25	$2.25	$1.88	$19.39	$85,289	5.86%
200w HPS Cobra Head -OL2	3,324	81	972	$8.08	$2.43	$0.35	$10.86	$36,099	$8.55	$2.57	$0.37	$11.50	$38,212	5.86%
250w HPS Cobra Head -OL2	720	101	1,212	$9.72	$3.03	$1.21	$13.96	$10,051	$10.29	$3.21	$1.28	$14.78	$10,640	5.86%
250w HPS Flood -OL2	3,263	101	1,212	$7.36	$3.03	$1.11	$11.50	$37,525	$7.79	$3.21	$1.17	$12.17	$39,722	5.86%
250w MH Shoebox-OL2	208	101	1,212	$15.33	$3.03	$1.98	$20.34	$4,231	$16.23	$3.21	$2.10	$21.53	$4,478	5.86%
400w HPS Cobra Head -OL2	1,404	162	1,944	$7.31	$4.86	$1.11	$13.28	$18,645	$7.74	$5.14	$1.17	$14.06	$19,737	5.86%
400w HPS Flood - OL2	62	162	1,944	$11.34	$4.86	$1.37	$17.57	$1,089	$12.00	$5.14	$1.45	$18.60	$1,153	5.86%
400w MH Flood OL2	4,806	162	1,944	$7.64	$4.86	$1.15	$13.65	$65,602	$8.09	$5.14	$1.22	$14.45	$69,443	5.86%
10' Alum Deco Base-OL2	1,183			$11.64			$11.64	$13,770	$12.32			$12.32	$14,576	5.86%
13' Decorative Concrete-OL2	175			$8.94			$8.94	$1,565	$9.46			$9.46	$1,656	5.86%
18' Fiberglass Round-OL2	2,224			$5.93			$5.93	$13,188	$6.28			$6.28	$13,961	5.86%
20' Decorative Concrete-OL2	5,476			$10.13			$10.13	$55,472	$10.72			$10.72	$58,720	5.86%
30' Wood Pole Std-OL2	17,187			$3.35			$3.35	$57,576	$3.55			$3.55	$60,948	5.86%
35' Concrete Square-OL2	1,410			$9.89			$9.89	$13,945	$10.47			$10.47	$14,761	5.86%
40' Wood Pole Std - OL2	6			$6.76			$6.76	$41	$7.16			$7.16	$43	5.86%
30' Wood pole	2,256			$3.53			$3.53	$7,964	$3.74			$3.74	$8,430	5.86%
Total Base Revenue Calculated								$841,766					$891,053	
Correction Factor								11,237					11,895	
Total Base Revenue (Booked)								853,003					902,948	

Supporting Schedules: G-20 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Calculate revenue under present and proposed rates for the test year for each lighting schedule. Show revenues from charges for all types of lighting fixtures, poles and conductors. Poles should be listed separately from fixtures. Show separately revenues from customers who own facilities as well as those who do not.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

Type of Facility	Annual Billing Items	Est. Monthly KWH	Annual KWH	Present Rates - Street Lighting: Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	$ Total Revenue	Proposed Rates - Street Lighting: Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	$ Total Revenue	Percent Increase
175w MV Cobra Head - SL1-2	4,849	72	864	$0.61	$2.16	$0.92	$3.69	$17,893	$0.65	$2.29	$0.97	$3.91	$18,940	5.86%
400w MV Cobra Head - SL1-3	70	154	1,848	$1.02	$4.62	$1.05	$6.69	$468	$1.08	$4.89	$1.11	$7.08	$496	5.86%
175w MV Cobra Head -SL2	5,376	72	864	$0.61	$2.16	$0.92	$3.69	$19,837	$0.65	$2.29	$0.97	$3.91	$20,999	5.86%
400w MV Cobra Head -SL2	870	154	1,848	$1.02	$4.62	$1.05	$6.69	$5,820	$1.08	$4.89	$1.11	$7.08	$6,161	5.86%
1000w MH Flood -SL3	132	405	4,860	$8.42	$12.15	$5.17	$25.74	$3,398	$8.91	$12.86	$5.47	$27.25	$3,597	5.86%
100w HPS Amer -SL3	48	41	492	$4.55	$1.23	$2.89	$8.67	$416	$4.82	$1.30	$3.06	$9.18	$441	5.86%
100w HPS Cobra Head- SL3	13,879	41	492	$3.32	$1.23	$2.12	$6.67	$92,573	$3.51	$1.30	$2.24	$7.06	$97,993	5.86%
150w HPS Acorn -SL3	252	61	732	$7.95	$1.83	$4.68	$14.46	$3,644	$8.42	$1.94	$4.95	$15.31	$3,857	5.86%
150w HPS Amer Rev -SL3	966	61	732	$4.44	$1.83	$3.26	$9.53	$9,206	$4.70	$1.94	$3.45	$10.09	$9,745	5.86%
175w MH ALN 440 -SL3	132	71	852	$16.97	$2.13	$1.30	$20.40	$2,693	$17.96	$2.25	$1.38	$21.59	$2,850	5.86%
200w HPS Cobra Head -SL3	3,541	81	972	$4.26	$2.43	$2.19	$8.88	$31,444	$4.51	$2.57	$2.32	$9.40	$33,285	5.86%
250w HPS Cobra Head -SL3	2,606	101	1,212	$4.08	$3.03	$3.00	$10.11	$26,347	$4.32	$3.21	$3.18	$10.70	$27,889	5.86%
250w HPS Flood - SL3	252	101	1,212	$7.00	$3.03	$4.10	$14.13	$3,561	$7.41	$3.21	$4.34	$14.96	$3,769	5.86%
400w HPS Cobra Head -SL3	207	162	1,944	$4.77	$4.86	$3.36	$12.99	$2,689	$5.05	$5.14	$3.56	$13.75	$2,846	5.86%
400w MH Flood -SL3	82	162	1,944	$7.31	$4.86	$8.82	$20.99	$1,721	$7.74	$5.14	$9.34	$22.22	$1,822	5.86%
10' Alum Deco Base-SL3	108			$11.31			$11.31	$1,221	$11.97			$11.97	$1,293	5.86%
13' Deco Concrete - SL3	12			$7.85			$7.85	$94	$8.31			$8.31	$100	5.86%
18' Fiberglass Round-SL3	1,014			$5.78			$5.78	$5,861	$6.12			$6.12	$6,204	5.86%
20' Decorative Concrete-SL3	240			$8.68			$8.68	$2,083	$9.19			$9.19	$2,205	5.86%
30' Wood Pole Std - SL3	1,977			$2.78			$2.78	$5,496	$2.94			$2.94	$5,818	5.86%
35' Concrete Square-SL3	264			$9.71			$9.71	$2,563	$10.28			$10.28	$2,714	5.86%
Total Base Revenue Calculated								$239,029					$253,025	
Correction Factor								(26,286)					(27,825)	
Total Base Revenue (Booked)								212,743					225,200	

Supporting Schedules: G-20 Recap Schedules:

Sheet 12

INTERIM REVENUE EXPANSION FACTOR

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

DOCKET NO.:

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Doreen Cox

Line No.	Description	Percent
1.	Revenue Requirement	100.0000
2.	Gross Receipts Tax Rate	
3.	Regulatory Assessment Rate	
4.	Bad Debt Rate	
5.	Net Before Income Taxes (1) - (2) - (3) - (4)	
6.	State Income Tax Rate	
7.	State Income Tax (5) x (6)	
8.	Net Before Federal Income Tax (5) - (7)	
9.	Federal Income Tax Rate	
10.	Federal Income Tax (8) x (9)	
11.	Revenue Expansion Factor (8) - (10)	
12.	Net Operating Income Multiplier (100% / Line 11)	

Supporting Schedules:

Recap Schedules:

D:\Exhibit 2.8\COX

Back · Search · Folders

Address D:\Exhibit 2.8\COX

Folders	Name	Size	Type	Date Modified	Location
	RE rate case (44).msg	726 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
	RE rate case (45).msg	42 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ocuments	RE rate case (46).msg	768 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
dobe	RE rate case (47).msg	46 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Win9	RE rate case (48).msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
orel User Files	RE rate case (49).msg	35 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
berLink	RE rate case (50).msg	31 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
y eBooks	RE rate case (51).msg	497 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
y Music	RE rate case (52).msg	39 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
y Pictures	RE rate case (53).msg	35 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
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omputer	RE Rate case (77).msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
½ Floppy (A:	RE Rate Case Projection (72).msg	28 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
P3014 (C:)	RE Rate Case Projection (73).msg	27 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
DXIO122 (D:	RE Rate Case Projection .msg	29 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Exhibit 2.8	RE Rate case schedules (10).msg	523 KB	Outlook Item	10/16/2007 2:23 PM	Files Currently on the CD
BACHMA	RE Rate case schedules (11).msg	506 KB	Outlook Item	10/16/2007 2:23 PM	Files Currently on the CD
COX	RE Rate case schedules (12).msg	678 KB	Outlook Item	10/16/2007 2:23 PM	Files Currently on the CD
KHOJAS	RE Rate case schedules (13).msg	2,005 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
MARTIN	RE Rate case schedules (14).msg	1,708 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
MESITE	RE Rate case schedules (20).msg	523 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
eider on 'fp2	RE Rate case schedules (21).msg	506 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
p on 'Fp1\Da	RE Rate case schedules (22).msg	678 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
ings on 'FP3	RE Rate case schedules (23).msg	2,005 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
g on 'Fp1\Dat	RE Rate case schedules (24).msg	1,708 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
o on 'Fp1\Dat	RE Rate case schedules.msg	678 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
23 on 'Fp1\Da	RE rate case.msg	48 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
ata on 'Fp1' (	RE Ratio Analysis.msg	57 KB	Outlook Item	10/16/2007 2:26 PM	Files Currently on the CD
ansfer on 'fp1	RE Retail Bond Coupon Rates for Dec 2006.msg	50 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
526dos on 'fp	RE Revised C-11 (16).msg	40 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
at on 'fp1\dat	RE Revised C-11 (17).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
ublic on 'fp1\	RE Revised C-11 (18).msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
ontrol Panel	RE Revised C-11.msg	39 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
etwork Places	RE Short-term debt (23).msg	39 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
cle Bin	RE Short-term debt (24).msg	40 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
	RE Short-term debt (25).msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
	RE Short-term debt (26).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
	RE Short-term debt (27).msg	41 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
	RE Short-term debt (29).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
	RE Short-term debt (36).msg	39 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD

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Tuesday, Apr 08, 2008 03:31 PM

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:31 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: D's-Final-NoLinks.xls

Here are the D Schedules

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

COMPANY: Florida Public Utilities
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Jurisdictional Capital Structure	(G) Ratio	(H) Cost Rate	(I) Weighted Cost Rate	(J) Interest Expense
	Regulatory Capital Structure, 2006										
1.	Long Term Debt	50,443,237			50,443,237	31%	15,801,612	0.4152	8.03%	3.33%	1,268,418
2.	Short Term Debt	3,309,077			3,309,077	31%	1,036,586	0.0272	7.29%	0.20%	75,536
3.	Preferred Stock	600,000			600,000	31%	187,953	0.0049	4.75%	0.02%	
4.	Common Equity	44,943,721			44,943,721	31%	14,078,859	0.3699	11.50%	4.25%	
5.	Customer Deposits	2,136,661			2,136,661		2,136,661	0.0561	6.07%	0.34%	129,626
6.	Deferred Income Taxes	4,674,449			4,674,449		4,674,449	0.1228	0.00%	0.00%	
7.	Tax Credits-Zero Cost	0			0		0	0.0000	0.00%	0.00%	
8.	Tax Credits-Weighted Cost	141,120			141,120		141,120	0.0037	9.55%	0.04%	
9.	TOTAL	106,248,266			106,248,266		38,057,241	1.0000		8.18%	1,473,580

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
	Conventional Capital Structure, 2006				
10.	Long Term Debt	50,443,237	0.5080	8.03%	4.08%
11.	Short Term Debt	3,309,077	0.0333	7.29%	0.24%
12.	Preferred Stock	600,000	0.0060	4.75%	0.03%
13.	Common Equity	44,943,721	0.4526	11.50%	5.21%
14.	TOTAL	99,296,036	1.0000		9.55%

Rate Base	$38,057,241
Direct Components	$6,952,231
	$31,105,010
Jurisdictional Factor	31.33%

Common Equity excludes Flo-Gas

Supporting Schedules: B-3 (2006) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:
Prior Year Ended 12/31/07
Witness: Doreen Cox, Robert Camfield

COMPANY: Florida Public Utilities
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Jurisdictional Capital Structure	(G) Ratio	(H) Cost Rate	(I) Weighted Cost Rate	(J) Interest Expense
	Regulatory Capital Structure, 2007										
1.	Long Term Debt	50,543,842			50,543,842	32%	15,941,895	0.3866	8.01%	3.10%	1,277,132
2.	Short Term Debt	5,729,846			5,729,846	32%	1,807,235	0.0438	6.86%	0.30%	123,947
3.	Preferred Stock	600,000			600,000	32%	189,244	0.0046	4.75%	0.02%	
4.	Common Equity	47,883,036			47,883,036	32%	15,102,657	0.3662	11.50%	4.21%	
5.	Customer Deposits	2,637,518			2,637,518		2,637,518	0.0640	6.32%	0.40%	166,567
6.	Deferred Income Taxes	5,452,539			5,452,539		5,452,539	0.1322	0.00%	0.00%	
7.	Tax Credits-Zero Cost	0			0		0	0.0000	0.00%	0.00%	
8.	Tax Credits-Weighted Cost	110,190			110,190		110,190	0.0027	9.52%	0.03%	
9.	TOTAL	112,956,971			112,956,971		41,241,279	1.0000		8.06%	1,567,647

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
	Conventional Capital Structure, 2007				
10.	Long Term Debt	50,543,842	0.4825	8.01%	3.87%
11.	Short Term Debt	5,729,846	0.0547	6.86%	0.38%
12.	Preferred Stock	600,000	0.0057	4.75%	0.03%
13.	Common Equity	47,883,036	0.4571	11.50%	5.26%
14.	TOTAL	104,756,724	1.0000		9.52%

Rate Base	$41,241,279
Direct Components	$8,200,247
	$33,041,032
Jurisdictional Factor	32%

Common Equity excludes Flo-Gas

Supporting Schedules: B-3 (2007) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Jurisdictional Capital Structure	(G) Ratio	(H) Cost Rate	(I) Weighted Cost Rate	(J) Interest Expense
	Regulatory Capital Structure, 2008										
1.	Long Term Debt	49,777,370			49,777,370	30%	14,733,561	0.3425	7.96%	2.73%	1,173,525
2.	Short Term Debt	6,436,923			6,436,923	30%	1,905,259	0.0443	6.81%	0.30%	129,657
3.	Preferred Stock	600,000			600,000	30%	177,593	0.0041	4.75%	0.02%	
4.	Common Equity	57,755,879			57,755,879	30%	17,095,113	0.3974	11.50%	4.57%	
5.	Customer Deposits	2,948,763			2,948,763		2,948,763	0.0685	6.32%	0.43%	186,223
6.	Deferred Income Taxes	6,078,743			6,078,743		6,078,743	0.1413	0.00%	0.00%	
7.	Tax Credits-Zero Cost	0			0		0	0.0000	0.00%	0.00%	
8.	Tax Credits-Weighted Cost	81,965			81,965		81,965	0.0019	9.67%	0.02%	
9.	TOTAL	123,679,644			123,679,644		43,020,997	1.0000		8.07%	1,489,405

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
	Conventional Capital Structure, 2008				
10.	Long Term Debt	49,777,370	0.4345	7.96%	3.46%
11.	Short Term Debt	6,436,923	0.0562	6.81%	0.38%
12.	Preferred Stock	600,000	0.0052	4.75%	0.02%
13.	Common Equity	57,755,879	0.5041	11.50%	5.80%
14.	TOTAL	114,570,173	1.0000		9.67%

Rate Base	$43,020,997
Direct Components	$9,109,471
	$33,911,526
Jurisdictional Factor	30%

Common Equity excludes Flo-Gas

Supporting Schedules: B-3 (2008) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: 1.) List and describe the basis for the specific adjustments appearing on Schedule D-1a.

2.) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.

COMPANY: Florida Public Utilities
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Projected Test Year Ended 12/31/08
Prior Year Ended 12/31/07
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

Line No.	Class of Capital	Description	Historic Base Year	Prior Year	Test Year
1		Specific Adjustments			
2					
3		The determination of the cost of capital for purposes of setting			
4		retail rates in the immediate docket incorporates no specific adjustments			
5		to the December '06, Prior Year '07, or The Test Year 2008 capital structure or cost rates			
6					
7					
8		Pro Rata Adjustments			
9					
10		The determination of the cost of capital for purposes of setting			
11		retail rates in the immediate docket incorporates no pro rata adjustments			
12		to the December '06, Prior Year '07, or The Test Year 2008 capital structure or cost rates			

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: For the subject Florida utility, all other regulated utility operations combined, all non-regulated operations combined, the parent company, and on a consolidated basis, provide the year-end capital structure for investor capital (i.e. common equity, preferred stock, long-term debt, and short-term debt) for the five years through the end of the projected test year.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Prior Year Ended 12/31/07
Historic Years Ended 12/31/04, 05 and 06
Witness: Doreen Cox, Robert Camfield

		2004 Year-End		2005 Year-End		2006 Year-End		2007 Year-End		2008 Year-End	
Line No.	Class of Capital	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
1	Long Term Debt	50,538,000	50.449%	50,620,000	47.628%	50,702,000	49.542%	50,784,602	45.141%	49,457,923	40.969%
2	Short Term Debt	5,825,000	5.815%	9,558,000	8.993%	3,466,000	3.387%	12,160,000	10.809%	5,860,000	4.854%
3	Preferred Stock	600,000	0.599%	600,000	0.565%	600,000	0.586%	600,000	0.533%	600,000	0.497%
4	Common Equity	43,213,000	43.137%	45,503,000	42.814%	47,573,000	46.485%	48,958,030	43.517%	64,803,263	53.680%
5	Total	100,176,000	100.000%	106,281,000	100.000%	102,341,000	100.000%	112,502,632	100.000%	120,721,186	100.000%

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: 1.) Provide the specified data on short-term debt issues on a 13-month average basis for the test year, prior year, and historical base year

2.) Provide a narrative description of the Company's policies regarding short-term financing. The following topics should be covered: ratio of short-term debt to total capital, plant expansion, working capital, timing of long-term financing, method of short-term financing (bank loans, commercial paper, etc.), and other uses of short-term financing.

Type of Data Shown:
Prior Year Ended 12/31/07
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

Year	Maturity Date	Interest Rate	Interest Expense	13-month Average Amount Outstanding During the Year	Weighted Average Cost of Short-term Debt
			For Historical Test Year 2006		
2006	July, 2008	7.29%	$145,595	1,998,015 *	0.20%
			For Prior Year 2007		
2007	July, 2008	6.86%	$381,070	5,556,250 *	0.30%

2.) The Company plans to use a combination of short term borrowing and an Equity Offering in 2008 to finance future growth and capital expenditures.

*Calculated using the average monthly line of credit balance which is appropriate for determining short term debt costs.

Supporting Schedules: B-3 Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: 1.) Provide the specified data on short-term debt issues on a 13-month average basis for the test year, prior year, and historical base year

2.) Provide a narrative description of the Company's policies regarding short-term financing. The following topics should be covered: ratio of short-term debt to total capital, plant expansion, working capital, timing of long-term financing, method of short-term financing (bank loans, commercial paper, etc.), and other uses of short-term financing.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

Year	Maturity Date	Interest Rate	Interest Expense	13-month Average Amount Outstanding During the Year	Weighted Average Cost of Short-term Debt
			For Test Year 2008		
2008	July, 2008	6.81%	$423,453	6,222,500 *	0.30%

2.) The Company plans to use a combination of short term borrowing and an Equity Offering in 2008 to finance future growth and capital expenditures.

*Calculated using the average monthly line of credit balance which is appropriate for determining short term debt costs.

Supporting Schedules: B-3 Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

HISTORICAL YEAR, 2006

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9)	(11) Interest Expense (Coupon Rate) (2) x (6)	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	9.57%	5/1/1988	5/1/2018	$10,000,000	$10,000,000	$0	$180,273	30	$7,211	$957,000	$964,211	N/A	$49,277
2													
3	10.03%	5/1/1988	5/1/2018	$5,500,000	$5,500,000	$0	$97,070	30	$3,883	$551,650	$555,533	N/A	$26,532
4													
5	9.08%	6/1/1992	6/1/2022	$8,000,000	$8,000,000	$0	$121,967	30	$4,066	$726,400	$730,466	N/A	$65,070
6													
7	6.85%	10/1/2001	10/1/2031	$15,000,000	$15,000,000	$0	$1,208,670	30	$40,289	$1,027,500	$1,067,789	N/A	$1,017,297
8													
9	4.90%	11/1/2001	11/1/2031	$14,000,000	$14,000,000	$0	$805,956	30	$26,865	$686,000	$712,865	N/A	$680,704
10													
11													
12	Loss on Re-acquired Debt						$548,516		$18,288	$0	$18,288		$217,883
13													
14													
15													
16													
17													
18													
19													
20													
21													
22	Total				$52,500,000	$0	$2,962,452		$100,602	$3,948,550	$4,049,152	N/A	$2,056,763
23													
24	Less Unamortized Premium, Discount, and												
25	Issuance Expense (13) + (14).				$2,056,763								
26													
27	Net LT Debt Outstanding				$50,443,237								
28													
29													
30	Embedded Cost of Long-term Debt				8.0271%								
31	(12) / Net												

Supporting Schedules:

Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
Prior Year Ended 12/31/07
Witness: Doreen Cox, Robert Camfield

PRIOR YEAR, 2007

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9)	(11) Interest Expense (Coupon Rate) (2) x (6)	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	9.57%	5/1/1988	5/1/2018	$10,000,000	$10,000,000	$0	$180,273	30	$7,211	$957,000	$964,211	N/A	$42,066
2													
3	10.03%	5/1/1988	5/1/2018	$5,500,000	$5,500,000	$0	$97,070	30	$3,883	$551,650	$555,533	N/A	$22,649
4													
5	9.08%	6/1/1992	6/1/2022	$8,000,000	$8,000,000	$0	$121,967	30	$4,066	$726,400	$730,466	N/A	$61,002
6													
7	6.85%	10/1/2001	10/1/2031	$15,000,000	$15,000,000	$0	$1,208,670	30	$40,289	$1,027,500	$1,067,789	N/A	$977,008
8													
9	4.90%	11/1/2001	11/1/2031	$14,000,000	$14,000,000	$0	$805,956	30	$26,865	$686,000	$712,865	N/A	$653,854
10													
11													
12			Loss on Re-acquired Debt				$548,516		$18,288	$0	$18,288		$199,599
13													
14													
15			Rounding Adjustment										-$21
16													
17													
18													
19													
20													
21													
22	Total				$52,500,000	$0	$2,962,452		$100,602	$3,948,550	$4,049,152	N/A	$1,956,158
23													
24	Less Unamortized Premium, Discount, and												
25	Issuance Expense (13) + (14).				$1,956,158								
26													
27	Net LT Debt Outstanding				$50,543,842								
28													
29													
30	Embedded Cost of Long-term Debt				8.0112%								
31	(12) / Net												

Supporting Schedules:

Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield

TEST YEAR, 2008

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9)	(11) Interest Expense (Coupon Rate) (2) x (6)	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	9.57%	5/1/1988	5/1/2018	$10,000,000	$9,440,615	$0	$180,273	30	$7,211	$903,467	$910,678	N/A	$34,855
2													
3	10.03%	5/1/1988	5/1/2018	$5,500,000	$5,192,308	$0	$97,070	30	$3,883	$520,788	$524,671	N/A	$18,766
4													
5	9.08%	6/1/1992	6/1/2022	$8,000,000	$8,000,000	$0	$121,967	30	$4,066	$726,400	$730,466	N/A	$56,935
6													
7	6.85%	10/1/2001	10/1/2031	$15,000,000	$15,000,000	$0	$1,208,670	30	$40,289	$1,027,500	$1,067,789	N/A	$936,719
8													
9	4.90%	11/1/2001	11/1/2031	$14,000,000	$14,000,000	$0	$805,956	30	$26,865	$686,000	$712,865	N/A	$627,025
10													
11													
12			Loss on Re-acquired Debt				$548,516		$18,288	$0	$18,288		$181,316
13													
14													
15			Rounding Adjustment										-$63
16													
17													
18													
19													
20													
21													
22	Total				$51,632,923	$0	$2,962,452		$100,602	$3,864,155	$3,964,757	N/A	$1,855,553
23													
24	Less Unamortized Premium, Discount, and												
25	Issuance Expense (13) + (14).				$1,855,553								
26													
27	Net LT Debt Outstanding				$49,777,370								
28													
29													
30	Embedded Cost of Long-term Debt				7.9650%								
31	(12) / Net												

Supporting Schedules: Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: Florida Public Utilities Consolidated Electric Division DOCKET NO.: 070304-EI	EXPLANATION: Supply a statement of the company's policy on treatment of profit or loss from reacquired bonds. Detail any profit or loss on recquired bonds for the test year and prior year.	Type of Data Shown: Projected Test Year Ended 12/31/08 Prior Year Ended 12/31/07 HistoricYear Ended 12/31/06 Witness: Doreen Cox, Robert Camfield

In the interest of its retail customers and shareholders, the policy of Florida Public Utilities Company on this issue is to profitably reacquire outstanding debt when economic and capital market conditions afford such opportunities. History suggests, however, that conditions vary substantially from one time to another, such that favorable opportunities to reacquire debt will occur infrequently and randomly. The Company will share the profits and losses associated with reacquired debt fairly with its retail customers.

Supporting Schedules: | Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide the data as specified for preferred stock on a 13-month average basis for the test year, prior year, and historical base year.

Type of Data Shown:
Prior Year Ended 12/31/07
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Call Provisions or Special Restrictions	(5) Principal Amount Sold	(6) 13-month Average Principal Amt. Outstanding	(7) (Discount) Premium on Principal Amount Sold	(8) (Discount) Premium Associated with (6)	(9) Issuing Expense on Principal Amount Sold	(10) Issuing Expense Associated with (6)	(11) Net Proceeds (6)+(8)-(10)	(12) Dollar Dividend on Face Value (2) X (6)	(13) Effective Cost Rate (12)/(11)
					For Historic Year 2006							
1.	4.75% Cumulative	12/28/1945		$600,000	$600,000	N/A	N/A	N/A	N/A	$600,000	$28,500	4.75%
2.	Preferred Stock											
3.												
4.					**For Prior Year 2007**							
5.	4.75% Cumulative	12/28/1945		$600,000	$600,000	N/A	N/A	N/A	N/A	$600,000	$28,500	4.75%
6.												
7.												
8.					**For Test Year 2008**							
9.	4.75% Cumulative	12/28/1945		$600,000	$600,000	N/A	N/A	N/A	N/A	$600,000	$28,500	4.75%
10.	Preferred Stock											
11.												
12.												
13.												
14.												
15.												
16.												
17.												
18.												
19.												
20.												
21.	Total			$600,000	$600,000	N/A	N/A	N/A	N/A	$600,000	$28,500	4.75%
22.	Weighted Average Cost of Preferred Stock											4.75%

Supporting Schedules: Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year, and historical

Type of Data Shown:
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

(1) Line No.	(2) Month and Year	(3) Active Customer Deposits at 6.00%	(4) Active Customer Deposits at 7.00%	(5) Inactive Customer Deposits	(6) Total Deposits (3)+(4)+(5)	(7) Interest Payments (3) X 6%/12	(8) Interest Payments (3) X 7%/12	(9) Total Interest (7) + (8)	(10) Actual Payments and Credits on Bills
1	December, '05				2,075,368				
2	January, '06				2,082,190			10,806	
3	February				2,098,737			11,297	
4	March				2,107,316			9,618	
5	April				2,114,463			10,239	
6	May				2,119,052			10,657	
7	June				2,114,509			10,239	
8	July				2,126,739			11,656	
9	August				2,132,502			10,676	
10	September				2,132,452			11,391	
11	October				2,156,868			10,408	
12	November				2,194,167			11,987	
13	December				2,322,227			10,652	
14									
15	13 Month Average				$2,136,661				
16									
17	12 Month Total							$129,626	
18									
19									
20		Effective Interest Rate							
21		12 Month Interest							
22		Expense (9) divided							
23		by Total Deposits (6)			6.07%				

Supporting Schedules:

Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year, and historical

Type of Data Shown:
Prior Year Ended 12/31/07
Witness: Doreen Cox, Robert Camfield

(1) Line No.	(2) Month and Year	(3) Active Customer Deposits at 6.00%	(4) Active Customer Deposits at 7.00%	(5) Inactive Customer Deposits	(6) Total Deposits (3)+(4)+(5)	(7) Interest Payments (3) X 6%/12	(8) Interest Payments (3) X 7%/12	(9) Total Interest (7) + (8)	(10) Actual Payments and Credits on Bills
1	December, '06	1,590,029	732,198		2,322,227				
2	January, '07	1,589,106	731,773		2,320,879	7,946	4,269	12,214	
3	February	1,599,207	736,425		2,335,632	7,996	4,296	12,292	
4	March	1,809,061	833,061		2,642,123	9,045	4,860	13,905	
5	April	1,822,307	839,161		2,661,468	9,112	4,895	14,007	
6	May	1,835,650	845,305		2,680,956	9,178	4,931	14,109	
7	June	1,849,091	851,495	N/A	2,700,586	9,245	4,967	14,213	N/A
8	July	1,862,630	857,729		2,720,360	9,313	5,003	14,317	
9	August	1,876,269	864,010		2,740,278	9,381	5,040	14,421	
10	September	1,890,007	870,336		2,760,343	9,450	5,077	14,527	
11	October	1,903,845	876,709		2,780,554	9,519	5,114	14,633	
12	November	1,917,785	883,128		2,800,914	9,589	5,152	14,741	
13	December	1,931,828	889,594		2,821,422	9,659	5,189	14,848	
14									
15	13 Month Average				$2,637,518				
16									
17	12 Month Total					$109,434	$58,793	$168,227	
18									
19									
20	Effective Interest Rate								
21	12 Month Interest								
22	Expense (9) divided								
23	by Total Deposits (6)			6.32%					

Supporting Schedules: Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year, and historical

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield

(1) Line No.	(2) Month and Year	(3) Active Customer Deposits at 6.00%	(4) Active Customer Deposits at 7.00%	(5) Inactive Customer Deposits	(6) Total Deposits (3)+(4)+(5)	(7) Interest Payments (3) X 6%/12	(8) Interest Payments (3) X 7%/12	(9) Total Interest (7) + (8)	(10) Actual Payments and Credits on Bills
1	December, '06	1,931,828	889,594		2,821,422				
2	January, '07	1,945,973	896,108		2,842,081	9,730	5,227	14,957	
3	February	1,960,221	902,669		2,862,890	9,801	5,266	15,067	
4	March	1,974,574	909,279		2,883,853	9,873	5,304	15,177	
5	April	1,989,032	915,937		2,904,968	9,945	5,343	15,288	
6	May	2,003,596	922,643		2,926,239	10,018	5,382	15,400	
7	June	2,018,266	929,399	N/A	2,947,665	10,091	5,421	15,513	N/A
8	July	2,033,044	936,204		2,969,248	10,165	5,461	15,626	
9	August	2,047,930	943,059		2,990,989	10,240	5,501	15,741	
10	September	2,062,925	949,964		3,012,889	10,315	5,541	15,856	
11	October	2,078,030	956,920		3,034,949	10,390	5,582	15,972	
12	November	2,093,245	963,926		3,057,172	10,466	5,623	16,089	
13	December	2,108,572	970,984		3,079,556	10,543	5,664	16,207	
14									
15	13 Month Average				$2,948,763				
16									
17	12 Month Total					$121,577	$65,316	$186,893	
18									
19									
20	Effective Interest Rate								
21	12 Month Interest								
22	Expense (9) divided								
23	by Total Deposits (6)			6.32%					

Supporting Schedules: Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide the most recent five year data for the company, or consolidated parent if the company is not publicly traded as indicated. To the extent the requested data is available from other sources, the Company can reference and attach the information to comply with the requirements of this MFR.

Type of Data Shown:
Historic Years Ended 12/31/02, 03 , 04, 05 a
Witness: Doreen Cox, Robert Camfield

Line No.		2002 Year	2003 Year *	2004 Year	2005 Year	2006 Year
1	Pre-tax Interest Coverage Ratio (x)	2.5	2.3	2.6	3.0	2.9
2						
3	Earned Returns on Average Book Equity (%)	11.1%	6.9%	8.4%	9.5%	8.9%
4						
5	Book Value/Share ($)	$ 5.32	$ 7.08	$ 7.31	$ 7.64	$ 7.94
6						
7	Dividends/Share ($)	$ 0.38	$ 0.39	$ 0.40	$ 0.41	$ 0.43
8						
9	Earnings/Share ($)	$ 0.57	$ 0.43	$ 0.60	$ 0.71	$ 0.69
10						
11	Market Value/Share ($)	$ 9.90	$ 10.53	$ 12.77	$ 13.65	$ 13.25
12						
13	Market/Book Ratio (%)	186.1%	148.7%	174.7%	178.7%	166.9%
14						
15	Price/Earning Ratio (6) / (5)	17.37	24.49	21.28	19.23	19.20

* Excluding the Sale of Water Division
** Common Share information re-stated to reflect three for two stock split on July 25, 2005

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 070304-EI

EXPLANATION: 1.) If the test year is projected, provide a summary of financing plans and assumptions.

2.) Provide the company's capital structure objectives, the basis for assumptions (such as those for issue cost and interest rates), and any other significant assumptions.
Provide a statement of the Company's policy on the timing of the entrance into capital markets.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield, George B

Financing Plans for the Year Ending 2008

Line No.	Type of Issue	Date of Issue/ Retirement	For Bonds: Capitalization (Thousands)	For Bonds: Interest Rate	For Bonds: Life in Years	For Stock: No. of Shares	For Stock: Market Price	Issue Costs	Principal Amount
1	Common Stock	Jun-08				1,250,000	12	900,000	15,000,000
2									
3									
4									
5									
6									
7									
8	Capital Structure Objectives:				Percent of Total				
9									
10	Short-term Debt				2 - 14%				
11	Long-term Debt				40 - 45%				
12	Preferred Stock				0 - 1%				
13	Common Equity				43 - 56%				
14									
15									
16	Interest Rate Assumptions:		Short Term Interest Rates will gradually increase through 2008. The volatility of prior years is not expected.						
17									
18									
19	Company's Policy on the Timing of Entrance into Capital Markets:								
20	Cash requirements are forecasted to increase significantly due to environmental clean-up, land purchase, LT Debt payments and Pension Contributions.								
21	The Company plans to use a combination of short term borrowing and an Equity Offering in 2008 to finance future growth and capital expenditures.								
22	The timing of the Equity Offering is largely dependent on projected capital expenditures and environmental expenses.								

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide financial indicators for the test year under current and proposed rates, the prior year, and historical base year.

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

Type of Data Shown:
Projected Test Year Ended 12/31/08
Prior Year Ended 12/31/07
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

Line No.	Indicator	Historic Base Year 2006	Prior Year 2007	Test Year Current Rates 2008	Test Year Proposed Rates
1	Interest Coverage Ratios:				
2	Including AFUDC in Income Before Interest Charges	N/A	N/A	N/A	N/A
3	Excluding AFUDC in Income Before Interest Charges	4.52	4.01	2.50	4.06
4	AFUDC as a percent of Income Available for Common	N/A	N/A	N/A	N/A
5	Percent of Construction Funds Generated Internally	N/A	N/A	N/A	N/A
6					
7	Fixed Charges:				
8	Interest	1,473,580	1,567,647	1,489,405	1,489,405
9	Lease Payments	N/A	N/A	N/A	N/A
10	Sinking Funds Payments	-	-	417,049	417,049
11	Tax on Sinking Fund Payments	-	-	141,797	141,797
12					
13	Ratio of Earnings to Fixed Charges				
14	Including AFUDC	N/A	N/A	N/A	N/A
15	Excluding AFUDC	1.68	1.21	0.10	1.67
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

Supporting Schedules: Recap Schedules: D-1

Florida Public Utilities
Long-Term Debt

	GL #	Start of Sinking Fund Payments	March 31 2007	December 31 2006	December 31 2005
First mortgage bonds series					
9.57 % due 2018		5/1/2008	10,000,000	10,000,000	10,000,000
10.03 % due 2018		5/1/2008	5,500,000	5,500,000	5,500,000
9.08 % due 2022		n/a	8,000,000	8,000,000	8,000,000
4.90 % due 2031		n/a	14,000,000	14,000,000	14,000,000
6.85 % due 2031		n/a	15,000,000	15,000,000	15,000,000
Total long-term debt	2210		52,500,000	52,500,000	52,500,000
Unamortized debt discount	1810		(1,777,139)	(1,797,719)	(1,880,040)
LT DEBT net of Unamortized Debt Discount (10K & 10Q)			50,722,861	50,702,281	50,619,960
Unamortized Loss on Reacquired Debt	1890		(204,170)	(208,741)	(227,025)
				(2,006,460)	(2,107,065)
LT DEBT net of Unamortized Debt Discount & Loss on Reacq Debt			50,518,691	50,493,540	50,392,935
				(2,056,763)	

FPU
Unamortized Debt Discount
100.1810.1

	Monthly Amortization	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13 Mth Avg
$10M	$ 601	$ 52,882	$ 52,281	$ 51,680	$ 51,079	$ 50,478	$ 49,878	$ 49,277	$ 48,676	$ 48,075	$ 47,474	$ 46,873	$ 46,272	$ 45,671	$ 49,277
$5.5M	$ 324	$ 28,473	$ 28,150	$ 27,826	$ 27,502	$ 27,179	$ 26,855	$ 26,532	$ 26,208	$ 25,885	$ 25,561	$ 25,237	$ 24,914	$ 24,590	$ 26,532
$8M	$ 339	$ 67,103	$ 66,764	$ 66,425	$ 66,086	$ 65,747	$ 65,408	$ 65,070	$ 64,731	$ 64,392	$ 64,053	$ 63,714	$ 63,375	$ 63,036	$ 65,070
$15M	$ 3,357	$ 1,037,441	$ 1,034,084	$ 1,030,727	$ 1,027,369	$ 1,024,012	$ 1,020,654	$ 1,017,297	$ 1,013,940	$ 1,010,582	$ 1,007,225	$ 1,003,867	$ 1,000,510	$ 997,152	$ 1,017,297
$14M	$ 2,239	$ 694,140	$ 691,901	$ 689,661	$ 687,422	$ 685,183	$ 682,944	$ 680,704	$ 678,465	$ 676,226	$ 673,986	$ 671,747	$ 669,508	$ 667,269	$ 680,704
	$ 6,860	$ 1,880,040	$ 1,873,180	$ 1,866,319	$ 1,859,459	$ 1,852,599	$ 1,845,739	$ 1,838,879	$ 1,832,019	$ 1,825,159	$ 1,818,299	$ 1,811,439	$ 1,804,579	$ 1,797,719	$ 1,838,879

	Monthly Amortization	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 Mth Avg
$10M	$ 601	$ 45,671	$ 45,070	$ 44,469	$ 43,869	$ 43,268	$ 42,667	$ 42,066	$ 41,465	$ 40,864	$ 40,263	$ 39,662	$ 39,061	$ 38,460	$ 42,066
$5.5M	$ 324	$ 24,590	$ 24,267	$ 23,943	$ 23,620	$ 23,296	$ 22,972	$ 22,649	$ 22,325	$ 22,002	$ 21,678	$ 21,355	$ 21,031	$ 20,707	$ 22,649
$8M	$ 339	$ 63,036	$ 62,697	$ 62,358	$ 62,019	$ 61,680	$ 61,341	$ 61,002	$ 60,664	$ 60,325	$ 59,986	$ 59,647	$ 59,308	$ 58,969	$ 61,002
$15M	$ 3,357	$ 997,152	$ 993,795	$ 990,438	$ 987,080	$ 983,723	$ 980,365	$ 977,008	$ 973,651	$ 970,293	$ 966,936	$ 963,578	$ 960,221	$ 956,863	$ 977,008
$14M	$ 2,236	$ 667,269	$ 665,033	$ 662,797	$ 660,561	$ 658,326	$ 656,090	$ 653,854	$ 651,618	$ 649,383	$ 647,147	$ 644,911	$ 642,675	$ 640,440	$ 653,854
	$ 6,857	$ 1,797,719	$ 1,790,862	$ 1,784,006	$ 1,777,149	$ 1,770,292	$ 1,763,436	$ 1,756,579	$ 1,749,723	$ 1,742,866	$ 1,736,010	$ 1,729,153	$ 1,722,297	$ 1,715,440	$ 1,756,579

	Monthly Amortization	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13 Mth Avg
$10M	$ 601	$ 38,460	$ 37,860	$ 37,259	$ 36,658	$ 36,057	$ 35,456	$ 34,855	$ 34,254	$ 33,653	$ 33,052	$ 32,451	$ 31,851	$ 31,250	$ 34,855
$5.5M	$ 324	$ 20,707	$ 20,384	$ 20,060	$ 19,737	$ 19,413	$ 19,090	$ 18,766	$ 18,443	$ 18,119	$ 17,795	$ 17,472	$ 17,148	$ 16,825	$ 18,766
$8M	$ 339	$ 58,969	$ 58,630	$ 58,291	$ 57,952	$ 57,613	$ 57,274	$ 56,935	$ 56,597	$ 56,258	$ 55,919	$ 55,580	$ 55,241	$ 54,902	$ 56,935
$15M	$ 3,357	$ 956,863	$ 953,506	$ 950,149	$ 946,791	$ 943,434	$ 940,076	$ 936,719	$ 933,361	$ 930,004	$ 926,647	$ 923,289	$ 919,932	$ 916,574	$ 936,719
$14M	$ 2,236	$ 640,440	$ 638,204	$ 635,968	$ 633,732	$ 631,497	$ 629,261	$ 627,025	$ 624,789	$ 622,554	$ 620,318	$ 618,082	$ 615,846	$ 613,610	$ 627,025
	$ 6,857	$ 1,715,440	$ 1,708,583	$ 1,701,727	$ 1,694,870	$ 1,688,014	$ 1,681,157	$ 1,674,301	$ 1,667,444	$ 1,660,587	$ 1,653,731	$ 1,646,874	$ 1,640,018	$ 1,633,161	$ 1,674,301

LOSS ON RE'ACQD DEBT
100.1890.1

Monthly Amortization	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13 Mth Avg
1524	$ 227,025	$ 225,502	$ 223,978	$ 222,454	$ 220,931	$ 219,407	$ 217,883	$ 216,360	$ 214,836	$ 213,312	$ 211,789	$ 210,265	$ 208,741	$ 217,883

Monthly Amortization	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 Mth Avg
1524	$ 208,741	$ 207,218	$ 205,694	$ 204,170	$ 202,647	$ 201,123	$ 199,599	$ 198,076	$ 196,552	$ 195,028	$ 193,505	$ 191,981	$ 190,458	$ 199,599

Monthly Amortization	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13 Mth Avg
1524	$ 190,458	$ 188,934	$ 187,410	$ 185,887	$ 184,363	$ 182,839	$ 181,316	$ 179,792	$ 178,268	$ 176,745	$ 175,221	$ 173,697	$ 172,174	$ 181,316

Total 1810.1 & 1890.1	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	13 Mth Avg
2006	$ 2,107,065	$ 2,098,681	$ 2,090,297	$ 2,081,914	$ 2,073,530	$ 2,065,146	$ 2,056,763	$ 2,048,379	$ 2,039,995	$ 2,031,611	$ 2,023,228	$ 2,014,844	$ 2,006,460	$ 2,056,763
2007	$ 2,006,460	$ 1,998,080	$ 1,989,700	$ 1,981,320	$ 1,972,939	$ 1,964,559	$ 1,956,179	$ 1,947,799	$ 1,939,418	$ 1,931,038	$ 1,922,658	$ 1,914,278	$ 1,905,897	$ 1,956,179
2008	$ 1,905,897	$ 1,897,517	$ 1,889,137	$ 1,880,757	$ 1,872,377	$ 1,863,996	$ 1,855,616	$ 1,847,236	$ 1,838,856	$ 1,830,475	$ 1,822,095	$ 1,813,715	$ 1,805,335	$ 1,855,616

ST INTEREST ANALYSIS

	2005 DEC	2006 JAN	2006 FEB	2006 MAR	2006 APR	2006 MAY	2006 JUN	2006 JUL	2006 AUG	2006 SEP	2006 OCT	2006 NOV	2006 DEC	TOTAL or Average %	Rate
Method as per Surveillance Report															
Int Accrued on NP		36,282	29,480	18,251	5,263	2,665	1,815	2,825	1,102	1,111	2,678	(2,481)	9,599	**108,590**	
NP BAL @ End of Mth	9,558,000	10,662,000	7,266,000	3,443,000	1,101,000	582,000	1,437,000	761,000	130,000	1,687,000	916,000	2,009,000	3,466,000	**3,309,077**	**3.28%** Using End of Month Balance
Annualized Interest Rate		3.95%	5.22%	6.16%	5.74%	5.32%	1.52%	4.31%	9.84%	0.79%	3.40%	-1.48%	3.22%	**4.00%**	
Interest Cost using Avg Mthly Bal															
Int Exp as per 4310.2		36,282	29,480	18,251	5,263	2,665	1,815	2,825	1,102	1,111	2,678	(2,481)	9,599	**108,590**	
Avg LOC Balance		7,831,548	6,889,536	3,763,677	1,082,440	517,968	355,800	523,806	204,387	214,167	499,935	305,433	1,787,483	**1,998,015**	5.43% Using Avg LOC Mthly Bal
		5.38%	5.50%	5.63%	5.83%	5.98%	6.12%	6.26%	6.26%	6.23%	6.22%	-9.75%	6.24%	**4.66%**	
Effective Cost of ST Debt															
LOC Available	$ 12,000,000	12,000,000	12,000,000	[illegible]	[illegible]	12,000,000	[illegible]	[illegible]	12,000,000	12,000,000	[illegible]	[illegible]	12,000,000		
Int Exp as per 4310.2		$ 36,282	$ 29,480	$ 18,251	$ 5,263	$ 2,665	$ 1,815	$ 2,825	$ 1,102	$ 1,111	$ 2,678	$ (2,481)	$ 9,599	$ 108,590	5.43%
Fee on Unused Portion of LOC	0.25%	$ 868	$ 1,065	$ 1,716	$ 2,274	$ 2,392	$ 2,426	$ 2,391	$ 2,457	$ 2,455	$ 2,396	$ 2,436	$ 2,128	$ 25,005	1.25%
Fee on Total Available LOC	0.10%						$ 12,000							$ 12,000	0.60%
		37,150	30,545	19,966	7,537	5,057	16,241	5,216	3,560	3,567	5,074	(45)	11,726	145,595	7.29%

ST INTEREST ANALYSIS

	2006 DEC	2007 JAN	2007 FEB	2007 MAR	2007 APR	2007 MAY	2007 JUN	2007 JUL	2007 AUG	2007 SEP	2007 OCT	2007 NOV	2007 DEC	TOTAL or Average %	Rate	
Method as per Surveillance Report																
Int Accrued on NP	[redacted]	19,597	16,371	11,758	14,071	12,080	9,548	25,900	39,879	40,934	44,099	54,122	63,353	351,711		
NP BAL @ End of Mth	3,466,000	3,964,000	2,243,000	2,215,000	3,120,000	1,460,000	2,160,000	7,660,000	7,460,000	8,060,000	8,660,000	11,860,000	12,160,000	5,729,846	**6.14%**	Using End of Month Balance
Annualized Interest Rate		5.74%	9.38%	6.16%	5.41%	9.61%	5.30%	3.93%	6.21%	6.09%	5.91%	5.48%	6.05%	6.27%		
Interest Cost using Avg Mthly Bal																
Int Exp		19,597	16,371	11,758	14,071	12,080	9,548	25,900	39,879	40,934	44,099	54,122	63,353	351,711		
Avg LOC Balance		3,715,000	3,103,500	2.229,000	2,667,500	2,290,000	1.810,000	4,910,000	7,560,000	7,760,000	8,360,000	10,260,000	12,010,000	5,556,250	6.33%	Using Avg LOC Mthly Bal
		6.13%	6.78%	6.13%	6.33%	6.13%	6.33%	6.13%	6.13%	6.33%	6.13%	6.33%	6.13%	6.25%		
Effective Cost of ST Debt																
LOC Available	[redacted]															
Int Exp		$ 19,597	$ 16,371	$ 11,758	$ 14,071	$ 12,080	$ 9,548	$ 25,900	$ 39,879	$ 40,934	$ 44,099	$ 54,122	$ 63,353	$ 351,711	6.33%	
Fee on Unused Portion of LOC	0.25%	$ 1,726	$ 1,853	$ 2,036	$ 1,944	$ 2,023	$ 2,123	$ 1,477	$ 925	$ 883	$ 758	$ 988	$ 623	$ 17,359	0.31%	
Fee on Total Available LOC	0.10%						$ 12,000							$ 12,000	0.22%	
		21,323	18,224	13,794	16,015	14,103	23,671	27,377	40,804	41,817	44,857	55,109	63,976	381,070	**6.86%**	

ST INTEREST ANALYSIS

	2007 DEC	2008 JAN	2008 FEB	2008 MAR	2008 APR	2008 MAY	2008 JUN	2008 JUL	2008 AUG	2008 SEP	2008 OCT	2008 NOV	2008 DEC	TOTAL or Average %	Rate	
Method as per Surveillance Report																
Int Accrued on NP	[redacted]	62,825	58,342	53,330	54,649	63,880	35,659	2,427	2,427	2,427	7,438	20,362	30,120	393,884		
NP BAL @ End of Mth	12,160,000	11,660,000	10,460,000	9,760,000	10,960,000	13,260,000	260,000	660,000	260,000	660,000	2,160,000	5,560,000	5,860,000	6,436,923	6.12%	Using End of Month Balance
Annualized Interest Rate		6.26%	7.17%	6.35%	5.98%	5.59%	164.58%	4.27%	10.84%	4.41%	4.00%	4.39%	5.97%	19.15%		
					5.70%											
Interest Cost using Avg Mthly Bal																
Int Exp		62,825	58,342	53,330	54,649	63,880	35,659	2,427	2,427	2,427	7,438	20,362	30,120	393,884		
Avg LOC Balance		11,910,000	11,060,000	10,110,000	10,360,000	12,110,000	6,760,000	460,000	460,000	460,000	1,410,000	3,860,000	5,710,000	6,222,500	6.33%	Using Avg LOC Mthly Bal
		6.13%	6.78%	6.13%	6.33%	6.13%	6.33%	6.13%	6.13%	6.33%	6.13%	6.33%	6.13%	6.25%		
Effective Cost of ST Debt																
LOC Available	[redacted]															
Int Exp		$ 62,825	$ 58,342	$ 53,330	$ 54,649	$ 63,880	$ 35,659	$ 2,427	$ 2,427	$ 2,427	$ 7,438	$ 20,362	$ 30,120	$ 393,884	6.33%	
Fee on Unused Portion of LOC	0.25%	$ 644	$ 821	$ 1,019	$ 967	$ 602	$ 1,092	$ 2,404	$ 2,404	$ 2,404	$ 2,206	$ 1,696	$ 1,310	$ 17,569	0.28%	
Fee on Total Available LOC	0.10%						$ 12,000							$ 12,000	0.19%	
		63,469	59,162	54,349	55,616	64,482	48,751	4,831	4,831	4,831	9,644	22,057	31,431	423,453	**6.81%**	

FLORIDA PUBLIC UTILITIES COMPANY
13 MONTH AVERAGE ADJUSTMENTS

REPORT GROUP NAME: ROR
REPORT NAME: ROR_DEBT
DATE: 3/21/2007
USER: YOUNG

ROR ST DEBT, LT DEBT, FUEL COST

	12 MTHS AG	11 MTHS AGO	10 MTHS AGO	9 MTHS AGO	8 MTHS AGO	7 MTHS AGO	6 MTHS AGO	5 MTHS AGO	4 MTHS AGO	3 MTHS AGO	2 MTHS AGO	1 MTH AGO	12 2006		
SHORT TERM DEBT															
INTEREST ON NP	26,280	36,282	29,480	18,251	5,263	2,665	1,815	2,825	1,102	1,111	2,678	(2,481)	9,599	108,590	125,271
NP BALANCE	(9,558,000)	(10,662,000)	(7,266,000)	(3,443,000)	(1,101,000)	(582,000)	(1,437,000)	(761,000)	(130,000)	(1,687,000)	(916,000)	(2,009,000)	(3,466,000)		(3,309,077)
												YR END RATE	(3.13)	13MTH RATE	(3.28)
LONG TERM DEBT															
INTEREST ON LT	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	4,049,160	
BONDS BALANCE	(50,392,935)	(50,401,319)	(50,409,703)	(50,418,086)	(50,426,470)	(50,434,854)	(50,443,237)	(50,451,621)	(50,460,005)	(50,468,389)	(50,476,772)	(50,485,156)	(50,493,540)		(50,443,237)
												YR END RATE	(8.01)	13MTH RATE	(8.02)
FUEL COST															
NW ELECTRIC	1,156,632	1,165,630	1,106,989	1,030,724	1,095,620	1,136,988	1,352,208	1,493,762	1,514,665	1,298,369	1,213,995	1,034,164	1,259,359	14,702,473	
NE ELECTRIC	1,137,900	1,269,031	1,530,156	1,270,866	1,148,331	1,273,012	1,382,424	1,638,229	1,507,120	1,416,524	1,233,994	1,082,550	1,151,723	15,903,960	
TOTAL ELEC FUEL	2,294,532	2,434,661	2,637,145	2,301,590	2,243,951	2,410,000	2,734,632	3,131,991	3,021,785	2,714,893	2,447,989	2,116,714	2,411,082	30,606,433	
SOUTH FL NG	3,430,052	4,294,279	4,299,796	1,030,472	1,858,022	1,583,638	1,203,237	1,246,402	1,327,756	1,291,243	806,040	2,448,440	2,909,942	24,299,267	
CENTRAL FL NG	1,423,145	2,135,007	1,971,094	2,887,701	1,201,338	649,862	557,142	616,849	677,061	638,409	352,079	987,343	1,146,149	13,820,034	
TOTAL NG FUEL	4,853,197	6,429,286	6,270,890	3,918,173	3,059,360	2,233,500	1,760,379	1,863,251	2,004,817	1,929,652	1,158,119	3,435,783	4,056,091	38,119,301	
SOUTH FL PRO	428,047	449,369	437,782	456,858	382,150	356,618	329,915	295,126	331,666	300,607	323,616	356,961	394,178	4,414,846	
CENTRAL FL PRO	103,424	123,704	105,097	100,896	66,910	73,382	71,489	61,675	74,581	64,846	64,088	76,046	102,543	985,257	
NE FL PROPANE	147,661	135,670	136,496	142,577	103,361	120,028	111,328	111,076	122,989	91,756	118,409	129,168	131,397	1,454,255	
NATURE COST PRO	66,175	80,362	76,887	70,352	51,543	44,245	43,131	42,742	41,844	48,314	41,382	54,140	74,916	669,858	
TOTAL FUEL PRO	745,307	789,105	756,262	770,683	603,964	594,273	555,863	510,619	571,080	505,523	547,495	616,315	703,034	7,524,216	

Consolidated Electric
Customer Deposits

5 year average growth year 0.732%

Year 2006

			<<<<<<<<<ACTUALS >>>>>>>>>													13 mth
			Dec-2005	Jan-2006	Feb-2006	Mar-2006	Apr-2006	May-2006	Jun-2006	Jul-2006	Aug-2006	Sep-2006	Oct-2006	Nov-2006	Dec-2006	AVERAGE
Month End Balance			2,075,368	2,082,190	2,098,737	2,107,316	2,114,463	2,119,052	2,114,509	2,126,739	2,132,502	2,132,453	2,156,869	2,194,168	2,322,227	2,136,661
Interest				10,806	11,297	9,618	10,239	10,657	10,239	11,656	10,676	11,391	10,408	11,987	10,652	129,626

Effective Interest Rate 6.07%

2007

			<<<<<<<< ACTUALS		>>>>>>>>		<<<<<<<<<<<<< PROJECTED >>>>>>>>>>>>>>>										13 mth
			Dec-2006	Jan-2007	Feb-2007	Mar-2007	Apr-2007	May-2007	Jun-2007	Jul-2007	Aug-2007	Sep-2007	Oct-2007	Nov-2007	Dec-2007		AVERAGE
Month End Balance			2,322,227	2,320,879	2,335,632	2,642,123	2,661,468	2,680,956	2,700,586	2,720,360	2,740,278	2,760,343	2,780,554	2,800,914	2,821,422		2,637,518
Interest																	
Ratio	68.47%	6%	7,950	7,946	7,996	9,045	9,112	9,178	9,245	9,313	9,381	9,450	9,519	9,589	9,659	109,434	
	31.53%	7%	4,271	4,269	4,296	4,860	4,895	4,931	4,967	5,003	5,040	5,077	5,114	5,152	5,189	58,793	
Total Interest			12,221	12,214	12,292	13,905	14,007	14,109	14,213	14,317	14,421	14,527	14,633	14,741	14,848	168,227	

Effective Interest Rate 6.378%

2008

			<<<<<<<<< PROJECTED >>>>>>>>>														13 mth
			Dec-2007	Jan-2008	Feb-2008	Mar-2008	Apr-2008	May-2008	Jun-2008	Jul-2008	Aug-2008	Sep-2008	Oct-2008	Nov-2008	Dec-2008		AVERAGE
			2,821,422	2,842,081	2,862,890	2,883,853	2,904,968	2,926,239	2,947,665	2,969,248	2,990,989	3,012,889	3,034,949	3,057,172	3,079,556		2,948,763
Interest																	
Ratio	68.47%	6%	9,659	9,730	9,801	9,873	9,945	10,018	10,091	10,165	10,240	10,315	10,390	10,466	10,543	121,577	
	31.53%	7%	5,189	5,227	5,266	5,304	5,343	5,382	5,421	5,461	5,501	5,541	5,582	5,623	5,664	65,316	
Total Interest			14,848	14,957	15,067	15,177	15,288	15,400	15,513	15,626	15,741	15,856	15,972	16,089	16,207	186,893	

Effective Interest Rate 6.338%

2007	**@6%**	1,590,029	1,589,106	1,599,207	1,809,061	1,822,307	1,835,650	1,849,091	1,862,630	1,876,269	1,890,007	1,903,845	1,917,785	1,931,828
	@7%	732,198	731,773	736,425	833,061	839,161	845,305	851,495	857,729	864,010	870,336	876,709	883,128	889,594
2008	**@6%**	1,931,828	1,945,973	1,960,221	1,974,574	1,989,032	2,003,596	2,018,266	2,033,044	2,047,930	2,062,925	2,078,030	2,093,245	2,108,572
	@7%	889,594	896,108	902,669	909,279	915,937	922,643	929,399	936,204	943,059	949,964	956,920	963,926	970,984

SCHEDULE 4

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
DECEMBER 2006

AVERAGE	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO (%)	LOW POINT COST RATE (%)	WEIGHTED COST (%)	MID POINT COST RATE (%)	WEIGHTED COST (%)	HIGH POINT COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	$15,530,581	394,925	$15,925,506	(8,054)		$15,917,452	41.43	8.02	3.32	8.02	3.32	8.02	3.32
SHORT TERM DEBT	$1,018,656	25,074	1,043,730	(528)		1,043,202	2.72	3.28	0.09	3.28	0.09	3.28	0.09
PREFERRED STOCK	184,925	3,135	188,060	(95)		187,965	0.49	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	2,136,661		2,136,661			2,136,661	5.56	6.61	0.37	6.61	0.37	6.61	0.37
COMMON EQUITY	14,609,089	(423,134)	14,185,955	(7,175)		14,178,780	36.91	10.50	3.88	11.50	4.24	12.50	4.61
DEFERRED INCOME TAXES	4,813,710		4,813,710			4,813,710	12.53						
TAX CREDITS-ZERO COST	1,461		1,461			1,461							
TAX CREDITS-WEIGHTED COST	139,658		139,658			139,658	0.36	8.96	0.03	9.41	0.03	9.87	0.04
TOTAL	$38,434,741		$38,434,741	($15,852)		$38,418,889	100.00		7.71		8.07		8.45

YEAR END	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO (%)	LOW POINT COST RATE (%)	WEIGHTED COST (%)	MID POINT COST RATE (%)	WEIGHTED COST (%)	HIGH POINT COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	$15,262,481	364,201	$15,626,682			$15,626,682	40.64	8.01	3.26	8.01	3.26	8.01	3.26
SHORT TERM DEBT	1,046,306	27,778	1,074,084			1,074,084	2.79	3.13	0.09	3.13	0.09	3.13	0.09
PREFERRED STOCK	182,100	3,087	185,187			185,187	0.48	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	2,322,227		2,322,227			2,322,227	6.04	5.50	0.33	5.50	0.33	5.50	0.33
COMMON EQUITY	14,373,585	(395,066)	13,978,519	4,461		13,982,980	36.36	10.50	3.82	11.50	4.18	12.50	4.55
DEFERRED INCOME TAXES	5,137,868		5,137,868			5,137,868	13.36						
TAX CREDITS-ZERO COST	1,450		1,450			1,450							
TAX CREDITS-WEIGHTED COST	123,511		123,511			123,511	0.33	8.96	0.03	9.41	0.03	9.86	0.03
TOTAL	$38,449,528		$38,449,528	$4,461		$38,453,989	100.00		7.55		7.91		8.28

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED GAS DIVISIONS
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
DECEMBER 2006

SCHEDULE 4

AVERAGE	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO (%)	LOW POINT COST RATE (%)	LOW POINT WEIGHTED COST (%)	MID POINT COST RATE (%)	MID POINT WEIGHTED COST (%)	HIGH POINT COST RATE (%)	HIGH POINT WEIGHTED COST (%)
LONG TERM DEBT	$24,109,191	613,069	$24,722,260	(1,536,998)		$23,185,262	39.95	8.02	3.20	8.02	3.20	8.02	3.20
SHORT TERM DEBT	1,581,329	38,925	1,620,254	(100,732)		1,519,522	2.62	3.28	0.09	3.28	0.09	3.28	0.09
PREFERRED STOCK	287,072	4,866	291,938	(18,150)		273,788	0.47	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	5,277,158		5,277,158			5,277,158	9.09	6.61	0.60	6.61	0.60	6.61	0.60
COMMON EQUITY	22,678,696	(656,860)	22,021,836	(1,369,111)		20,652,725	35.59	10.25	3.65	11.25	4.00	12.25	4.36
DEFERRED INCOME TAXES	6,889,503		6,889,503			6,889,503	11.87						
TAX CREDITS-ZERO COST													
TAX CREDITS-WEIGHTED COST	231,503		231,503			231,503	0.41	8.85	0.04	9.30	0.04	9.75	0.04
TOTAL	$61,054,452		$61,054,452	($3,024,991)		$58,029,461	100.00		7.60		7.95		8.31

YEAR END	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO (%)	LOW POINT COST RATE (%)	LOW POINT WEIGHTED COST (%)	MID POINT COST RATE (%)	MID POINT WEIGHTED COST (%)	HIGH POINT COST RATE (%)	HIGH POINT WEIGHTED COST (%)
LONG TERM DEBT	$24,000,671	572,716	$24,573,387	(1,422,085)		$23,151,302	39.75	8.01	3.18	8.01	3.18	8.01	3.18
SHORT TERM DEBT	1,645,344	43,682	1,689,026	(97,746)		1,591,280	2.73	3.13	0.09	3.13	0.09	3.13	0.09
PREFERRED STOCK	286,358	4,853	291,211	(16,853)		274,358	0.47	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	5,491,600		5,491,600			5,491,600	9.43	5.79	0.55	5.79	0.55	5.79	0.55
COMMON EQUITY	22,602,857	(621,251)	21,981,606	(1,272,096)		20,709,510	35.56	10.25	3.64	11.25	4.00	12.25	4.36
DEFERRED INCOME TAXES	6,806,954		6,806,954			6,806,954	11.69						
TAX CREDITS-ZERO COST													
TAX CREDITS-WEIGHTED COST	210,185		210,185			210,185	0.37	8.84	0.03	9.30	0.03	9.75	0.04
TOTAL	$61,043,969		$61,043,969	($2,808,780)		$58,235,189	100.00		7.51		7.87		8.24

Florida Public Utilities
CAPITAL COMPONENTS
December 2005 - December 2006

Line									<<<<<<<<<ACTUALS >>>>>>>>>								13 mth
Ref	Florida Public Utilities:	Notes	Acct #	Dec-2005	Jan-2006	Feb-2006	Mar-2006	Apr-2006	May-2006	Jun-2006	Jul-2006	Aug-2006	Sep-2006	Oct-2006	Nov-2006	Dec-2006	AVERAGE
15	Investment in Assoc. Co.		1230	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
16	Unamortized Debt/Loss on Reaq'd Debt		1810, 1890	2,107,065	2,098,681	2,090,297	2,081,914	2,073,530	2,065.146	2,056,763	2,048,379	2,039,995	2,031,611	2,023,228	2,014,844	2,006,460	2,056,763
17	ACCUM DEF TAXES	Electric only	1900	997,076	977,628	990,452	999,831	1,011,900	1,020,732	1,030,005	1,039,398	1,037,289	1,030,952	1,031,516	1,024,085	1,048,453	1,018,409
18	190 AC DE TAX ENVIRO	Electric only	1900	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Common Stock		2010	9,229,514	9,235,244	9,235,244	9,235,244	9,239,942	9,239,942	9,239,942	9,245,312	9,245,312	9,245,312	9,250,472	9,250,472	9,250,472	9,241,725
20	Preferred Stock		2040	600.000	600,000	600,000	600,000	600,000	600.000	600,000	600,000	600.000	600,000	600,000	600,000	600,000	600,000
21	Premium On Comm. Stk.		2070	5,373,461	5,419,874	5,419,874	5,419,874	5,460,089	5,460,089	5,460,089	5,500,364	5,500,364	5,500,364	5,542,986	5,542,986	5,542,986	5,472,569
22	DISC ON CAP STK		2130	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Misc Paid in Capital		2110	1,052,761	965,642	965,642	985,274	985,274	972,268	971,910	891,616	891,616	919,988	919,988	919,988	938,906	952,375
24	Retained Earnings		2160	31,396,084	32,168,208	32,877,175	32,570,836	32,988,370	33,194,984	32,653,972	32,945,093	33,139,894	32,544,236	32,743,777	33,176,512	32,826,619	32,709,674
25	Capital Stock Expense		2140	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441
26	Treasury Stock		2170	3,349,121	3,127,001	3,127,001	3,127,001	3,127,001	3,074,018	3,074,018	2,841,531	2,841,531	2,841,531	2,841,531	2,841,531	2,841.531	3,004,181
27	1st Mortgage Bonds		2210	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000
28	DEBENTURES		2240	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	Notes Payable		2310	9,558,000	10,662,000	7,266,000	3,443,000	1,101,000	582,000	1,437,000	761,000	130,000	1,687,000	916,000	2,009,000	3,466,000	3,309,077
30	Customer Deposits	Electric only	2350	2,075,368	2,082,190	2,098,737	2,107,316	2,114,463	2,119,052	2,114,509	2,126,739	2,132,502	2,132,453	2,156,869	2,194,168	2,322,227	2,136,661
31	INVEST TAX CRED	Electric only	2550	157,283	154,589	151,895	149,201	146,507	143,813	141,119	138,425	135,731	133,037	130,343	127,649	124,971	141,120
32	ACCUM DEF TAXES*	Electric only	2820 2821 & 2830	5,522,358	5,488,112	5,445,440	5,442,853	5,406,934	5,382,719	5,482,702	5,495,227	5,466,017	6,265,063	6,218,437	6,198,423	6,192,870	5,692,858
33	DEF TAX-UNDERREC	Electric only	2830 Included above	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	CURRENT BONDS		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	3% INV TAX CRED			0	0	0	0	0	0	0	0	0	0	0	0	0	0
36																	
37																	
38	Flo-Gas Corp.:																
39	Investment in Assoc. Co.	Zeroed	1230	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	ACCUM DEF TAXES	Zeroed	1900	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41	Common Stock		2010	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
42	Retained Earnings		2160	2,229,013	2,379,946	2,570,762	2,650,315	2,704,584	2,674,624	2,654,986	2,602,121	2,535,153	2,446,880	2,408,093	2,424,438	2,386,526	2,512,880
43	Comprehensive Income		2190	0	0	0	0	0	0	0	0	0	0	0	0	103,245	7,942
44	Customer Deposits	Zeroed	2350	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45	INV TAX CREDIT	Zeroed	2550	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46	ACCUM DEF TAXES	Zeroed	2820	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	3% INV TAX CRED	Zeroed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
48																	
49	Consolidated:		Line Reference														
50	Long Term Debt		L27-L16	50,392,935	50,401,319	50,409,703	50,418,086	50,426,470	50,434,854	50,443,237	50,451,621	50,460,005	50,468,389	50,476,772	50,485,156	50,493,540	50,443,237
51	Short Term Debt		L29	9,558,000	10,662,000	7,266,000	3,443,000	1,101,000	582,000	1,437,000	761,000	130,000	1,687,000	916,000	2,009,000	3,466,000	3,309,077
52	Preferred Stock		L20	600,000	600,000	600.000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
53	Customer Deposits	Electric only	L30	2,075,368	2,082,190	2,098,737	2,107,316	2,114,463	2,119,052	2,114,509	2,126,739	2,132,502	2,132,453	2,156,869	2,194,168	2,322,227	2,136,661
54	Common Equity		-L15+L19+L21+L23+L24-L25-L26-L39+L41+L42-L43	45,503,271	46,613,473	47,513,256	47,306,101	47,822,818	48,039,448	47,478,441	47,914,533	48,042,367	47,386,808	47,595,343	48,044,424	47,572,292	47,448,660
55	Common Equity-Excl Flo-Gas		+L19+L21+L23+L24-L25-L26	43,274,258	44,233,527	44,942,494	44,655,787	45,118,233	45,364,824	44,823,455	45,312,412	45,507,214	44,939,928	45,187,250	45,619,985	45,289,010	44,943,721
56	DEFERRED INC TAXES	Electric only	-L17+L32-L33	4,525,282	4,510,484	4,454.988	4,443,022	4,395,034	4,361,987	4,452,697	4,455,829	4,428,728	5,234,111	5,186,921	5,174,338	5,144,417	4,674,449
57	TAX CREDITS-ZERO CST	Electric only	+L35	0	0	0	0	0	0	0	0	0	0	0	0	0	0
58	TAX CREDITS-WEIGHTED	Electric only	+L31-L35	157,283	154,589	151.895	149,201	146,507	143,813	141,119	138,425	135,731	133,037	130,343	127,649	124,971	141,120
59	TOTAL INCL FLO-GAS EQUITY			112,812,140	115,024,056	112,494,579	108,466,727	106,606,292	106,281,154	106,667,004	106,448,148	105,929,333	107,641,798	107,062,249	108,634,735	109,723,447	108,753,205
60	TOTAL EXCL FLO-GAS EQUITY			110,583,127	112,644,110	109,923,817	105,816,412	103,901.708	103,606,530	104,012,017	103,846,027	103,394,180	105,194,917	104,654,155	106,210,296	107,440,165	106,248,266
61	TOTAL LTD,STD,EQUITY			106,054,206	108,276,792	105,788,958	101,767,188	99,950,288	99,656,302	99,958,678	99,727,155	99,232,372	100,142,197	99,588,116	101,138,580	102,131,831	101,800,974
62	TOTAL LTD.STD.EQUITY EXCL FLO-GAS			103,825,193	105,896,846	103.218,197	99,116.873	97.245,703	96.981,678	97,303,692	97,125,034	96,697,219	97.695,316	97,180,023	98,714.141	99,848,550	99,296,036
	Debt/Equity Ratio																
	Debt			60%	59%	58%	56%	55%	55%	55%	55%	55%	56%	56%	56%	57%	56%
	Equity			40%	41%	42%	44%	45%	45%	45%	45%	45%	44%	44%	44%	43%	44%

Florida Public Utilities ******

CAPITAL COMPONENTS

December 2006 - December 2007

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Line Ref		Notes	Acct #	<<<<<<<<<	ACTUALS		>>>>>>>>>			<<<<<<<<<<<<<	PROJECTED		>>>>>>>>>>>>>>>				13 mth	
	Florida Public Utilities:			Dec-2006	Jan-2007	Feb-2007	Mar-2007	Apr-2007	May-2007	Jun-2007	Jul-2007	Aug-2007	Sep-2007	Oct-2007	Nov-2007	Dec-2007	AVERAGE	Basis of Projection
15	**Investment in Assoc. Co.**		1230	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	Constant
16	Unamortized Debt/Loss on Reaq'd Debt	1	1810, 1890	2,006,460	1 998.076	1,989,693	1,981,309	1,972,925	1,964,542	1,956,158	1,947,774	1,939,390	1,931,007	1,922,623	1,914,239	1,905,855	1,956,158	Amortization Schedule
17	**ACCUM DEF TAXES**	Electric only	1900	1,048,453	1,056,992	1,054,958	1,062,642	1,191,364	1,184,411	1,175,849	1,170,658	1,160,356	1,157,897	1,157,750	1,158,210	1,167,843	1,134,414	2004 - 2006 trend (Storm Resv on 2005-2006)
18	190 AC DE TAX ENVIRO	Electric only	1900	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	**Common Stock**		2010	9,250,472	9,256,367	9,256,367	9,256,367	9,261,017	9,261,017	9,261,017	9,266,280	9,266,280	9,266,280	9,271,517	9,271,517	9,271,517	9,262,770	Cash Flow Projection for DRIP & ESPP
20	Preferred Stock		2040	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	Constant
21	**Premium On Comm. Stk.**		2070	5,542,986	5,589,111	5,589,111	5,589,111	5,544,611	5,544,611	5,544,611	5,500,111	5,500,111	5,500,111	5,455,611	5,455,611	5,455,611	5,523,948	Qtrly increase of $44,500
22	DISC ON CAP STK		2130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	**Misc Paid in Capital**		2110	938,906	837,046	837,046	848,840	848,840	835,834	835,476	755,182	755,182	783,554	783,554	783,554	802,472	818,883	Based on 2006 Monthly changes
24	Retained Earnings		2160	32,826,619	33,447,261	33,965,988	35,651,318	36,049,321	36,187,321	35,584,332	35,722,332	35,879,332	35,297,343	35,431,343	35,723,167	35,446,425	35,170,162	NOI based on Revised 2007 Budget
25	**Capital Stock Expense**		2140	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	Constant
26	Treasury Stock		2170	2,841,531	2,584,414	2,584,414	2,584,414	2,584,414	2,531,431	2,531,431	2,298,945	2,298,945	2,298,945	2,298,945	2,298,945	2,298,945	2,464,286	Based on 2006 Monthly changes
27	**1st Mortgage Bonds**		2210	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	Sinking Fund Schedule
28	DEBENTURES		2240	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	**Notes Payable**		2310	3,466,000	3,964,000	2,243,000	2,215,000	3,120,000	1,460,000	2,160,000	7,660,000	7,460,000	8,060,000	8,660,000	11,860,000	12,160,000	5,729,846	Jan - Mar actual, Apr- Dec Cash Flow Projections
30	Customer Deposits	Electric only	2350	2,322,227	2,320,879	2,335,632	2,642,123	2,661,468	2,680,956	2,700,586	2,720,360	2,740,278	2,760,343	2,780,554	2,800,914	2,821,422	2,637,518	5 Year Average Growth Rate 2002 - 2006
31	**INVEST TAX CRED**	Electric only	2550	124,971	122,499	120,037	117,575	115,113	112,651	110,189	107,727	105,265	102,803	100,341	97,879	95,417	110,190	Monthly $2,462
32	ACCUM DEF TAXES*	Electric only	2820 2821 & 2830	6,192,870	6,178,346	6,110,725	6,057,959	6,746,280	6,725,802	6,745,142	6,765,025	6,757,378	6,859,349	6,846,446	6,829,678	6,815,388	6,586,953	2004 - 2006 trend
33	**DEF TAX-UNDERREC**	Electric only	2830 Included above	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
34	CURRENT BONDS		0	0													0	
35	**3% INV TAX CRED**			0													0	
36																		
37																		
38	**Flo-Gas Corp.:**																	
39	**Investment in Assoc. Co.**	Zeroed	1230	0													0	
40	ACCUM DEF TAXES	Zeroed	1900	0													0	
41	**Common Stock**		2010	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	Constant
42	Retained Earnings		2160	2,386,526	2 472.443	2,598,924	705,053	754,057	760,057	759,057	758,057	761,057	776,057	817,057	883,057	975,057	1,185,112	NOI based on Revised 2007 Budget
43	**Comprehensive Income**		2190	103,245	103,245	103,245	79,110	79,110	79,110	53,463	53,463	53,463	28,571	28,571	28,571	265,667	81,449	OCI Projection Schedule
44	Customer Deposits	Zeroed	2350	0													0	
45	**INV TAX CREDIT**	Zeroed	2550	0													0	
46	ACCUM DEF TAXES	Zeroed	2820	0													0	
47	**3% INV TAX CRED**	Zeroed	0	0													0	
48																		
49	**Consolidated:**		**Line Reference**															
50	Long Term Debt		L27-L16	50,493,540	50,501,924	50,510,307	50,518,691	50,527,075	50,535,458	50,543,842	50,552,226	50,560,610	50,568,993	50,577,377	50,585,761	50,594,145	50,543,842	
51	**Short Term Debt**		L29	3,466,000	3,964,000	2,243,000	2,215,000	3,120,000	1,460,000	2,160,000	7,660,000	7,460,000	8,060,000	8,660,000	11,860,000	12,160,000	5,729,846	
52	Preferred Stock		L20	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	
53	**Customer Deposits**	Electric only	L30	2,322,227	2,320,879	2,335,632	2,642,123	2,661,468	2,680,956	2,700,586	2,720,360	2,740,278	2,760,343	2,780,554	2,800,914	2,821,422	2,637,518	
54	Common Equity		+L15+L19+L21+L23+L24-L25-L26-L39+L41+L42-L43	47,572,292	48,486,127	49,131,336	48,958,725	49,365,881	49,549,858	48,971,158	49,221,114	49,381,114	48,867,389	49,003,125	49,360,949	48,958,030	48,986,700	
55	**Common Equity-Excl Flo-Gas**		+L19+L21+L23+L24-L25-L26	45,289,010	46,116,929	46,635,657	48,332,782	48,690,934	48,868,910	48,265,564	48,516,519	48,673,519	48,119,902	48,214,639	48,506,463	48,248,639	47,883,036	
56	DEFERRED INC TAXES	Electric only	+L17+L32-L33	5,144,417	5 121.354	5,055,767	4,995,317	5,554,916	5,541,391	5,569,293	5,594,368	5,597,022	5,701,452	5,688,696	5,671,468	5,647,545	5,452,539	
57	**TAX CREDITS-ZERO CST**	Electric only	+L35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
58	TAX CREDITS-WEIGHTED	Electric only	+L31-L35	124,971	122,499	120,037	117,575	115,113	112,651	110,189	107,727	105,265	102,803	100,341	97,879	95,417	110,190	
59	**TOTAL INCL FLO-GAS EQUITY**			109,723,447	111,116,782	109,996,078	110,047,430	111,944,453	110,480,313	110,655,068	116,455,794	116,444,288	116,660,980	117,410,093	120,976,971	120,876,557	114,060,635	
60	TOTAL EXCL FLO-GAS EQUITY			107,440,165	108,747,584	107,500,399	109,421,487	111,269,506	109,799,366	109,949,473	115,751,199	115,736,694	115,913,494	116,621,607	120,122,484	120,167,167	112,956,971	
61	**TOTAL LTD,STD,EQUITY**			102,131,831	103,552,051	102,484,643	102,292,416	103,612,956	102,145,316	102,275,000	108,033,339	108,001,723	108,096,382	108,840,502	112,406,710	112,312,174	105,860,388	
62	TOTAL LTD,STD,EQUITY EXCL FLO-GAS			99,848,550	101 182.853	99,988,964	101,666,473	102,938,009	101,464,369	101,569,406	107,328,745	107,294,129	107,348,896	108,052,016	111,552,224	111,602,784	104,756,724	
	Debt/Equity Ratio																	
	Debt			57%	56%	55%	56%	56%	55%	56%	58%	58%	58%	58%	59%	59%	57%	
	Equity			43%	44%	45%	44%	44%	45%	44%	42%	42%	42%	42%	41%	41%	43%	

1 Unamortized Debt Discount

				Mthly Amort
	$14M	$	2,239	
	$15M	$	3,357	
	$10M	$	601	
	$5.5M	$	324	
	$8M	$	339	$ 6,860
Loss on Reacquired Debt	$5M	$	1,524	$ 1,524
				$ 8,384

2 Flo-Gas Dividend declared March 13, 2007 $2,000 per share on the outstanding capital stock of the Company payable April 2 2007
1000 x $2,000 $2,000,000

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Assumptions
RETAINED EARNINGS
Annual Profit Margin Projected Increase

			TOTAL	Jan-2006	Feb-2006	Mar-2006	Apr-2006	May-2006	Jun-2006	Jul-2006	Aug-2006	Sep-2006	Oct-2006	Nov-2006	Dec-2006		
PRIOR YEAR NET INCOME (Actual)		2006	4,169	923	900	398	472	177	90	238	128	(32)	161	449	265		
		FPU	4,013	772	709	318	418	207	110	291	195	57	200	433	303		
		FLO-GAS	156	151	191	80	54	(30)	(20)	(53)	(67)	(89)	(39)	16	(38)		
				Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007		
	Revised Budget	2007	3,879	707	645	446	447	144	99	137	160	136	175	320	463		
	(671.194)	FPU	3,291	621	519	340	398	138	100	138	157	121	134	254	371		
	(1.999.469)	FLO-GAS	588	86	126	106	49	6	(1)	(1)	3	15	41	66	92		
FPU RETAINED EARNINGS 2007	Note			Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007		
B/f				32.826 619	33.447.262	33.965.990	35,651,321	36,049,321	36 187.321	35.584.332	35.722.332	35.879.332	35.297.343	35.431.343	35.723.167	32.826 619	
NET INCOME		FPU		620 643	518.728	340.116	398,000	138 000	100.000	138.000	157.000	121.000	134.000	254.000	371.000	3 290 487	
Preferred Dividend						(7.125)			(7 125)			(7.125)			(7 125)	(28 500)	
Common Dividend						(647.660)		0	(695.864)			(695 864)			(695 864)	(2 735 252)	
Flo-Gas Dividend	2					2.000.000										2.000.000	
Projected Interim Rate Relief														37.824	55.247	93.071	
BALANCE C/F				33.447.262	33.965.990	35,651,321	36,049.321	36 187.321	35.584 332	35,722.332	35.879.332	35.297.343	35.431.343	35.723.167	35.446 425	35.446.425	2.619.806
FLO-GAS RETAINED EARNINGS																	
B.F				2.386.526	2 472.443	2.598.925	705,057	754.057	760.057	759,057	758.057	761,057	776.057	817.057	883.057	2.386.526	
NET INCOME				85 917	126.482	106.132	49,000	6.000	(1.000)	(1,000)	3,000	15.000	41.000	66,000	92 000	588.531	
DIVIDEND	2					(2,000,000)										(2 000,000)	
BAL C/F				2 472.443	2.598 925	705,057	754.057	760.057	759 057	758.057	761.057	776.057	817.057	883,057	975.057	975.057	(1.411.469)
CONSOLIDATED PROJECTED RETAINED EARNINGS																	
B/f				35.213 145	35,919.705	36.564.915	36.356.378	36.803.378	36.947.378	36.343.389	36.480.389	36,640.389	36.073.400	36.248.400	36.568.400	35.213.145	
NET INCOME				706.560	645.210	446.248	447.000	144,000	99 000	137.000	160.000	136.000	175.000	320.000	463.000	3 879.018	
Preferred Dividend				0	0	(7.125)	0	0	(7.125)	0	0	(7.125)	0	0	(7.125)	(28.500)	
Common Dividend				0	0	(647.660)	0	0	(695 864)	0	0	(695,864)	0	0	(695,864)	(2.735,252)	
BALANCE C/F				35 919.705	36.564.915	36.356.378	36.803.378	36.947 378	36 343.389	36,480.389	36.640.389	36.073.400	36.248.400	36.568.400	36.328.411	36.328.411	1.115.266
	0																
Projected Interim Rate Relief	Ann NOI	490,000	Nov-07	92,423	77,246	50,848	69,268	20,550	14,801	20,550	23,360	18,019	19,954	37.824	55,247	490.000	
				35 919.705	36 564.915	36,356,378	36,803,378	36.947 378	36.343.389	36.480.389	36.640.389	36.073.400	36.248.400	36.606.225	36.421.483		
Financials				35 919 703	36.564.911	36.356.371											
				2	4	7											
						(3)											
						(4)											

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Florida Public Utilities
CAPITAL COMPONENTS ******
December 2007 - December 2008

Line Ref	Florida Public Utilities:	Notes	Acct #	Dec-2007	Jan-2008	Feb-2008	Mar-2008	Apr-2008	May-2008	Jun-2008	Jul-2008	Aug-2008	Sep-2008	Oct-2008	Nov-2008	Dec-2008	13 mth AVERAGE	Basis of Projection
								<<<<<<<<< PROJECTED >>>>>>>>>										
15	Investment in Assoc. Co.		1230	10,000	10,000	10,000	10,000	10.000	10,000	10.000	10,000	10,000	10.000	10,000	10,000	10,000	10,000	Constant
16	Unamortized Debt/Loss on Reaq'd Debt	Amort Sch	1810 1890	1 905.855	1,897.472	1,889.088	1,880.704	1.872.321	1.863.937	1.855.553	1.847.169	1,838,786	1.830.402	1.822.018	1.813.634	1,805,251	1.855.553	Amortization Schedule
17	ACCUM DEF TAXES	Electric only	1900	1,167,843	1,144,089	1,256,804	1,256,991	1,256,722	1,256,484	1,256,270	1,256,401	1,253,370	1,252,493	1,251,737	1,249,486	1,253,227	1,239,378	2005 - 2007 trend
18	190 AC DE TAX ENVIRO	Electric only	1900	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	Common Stock	2	2010	9,271,517	9,276,783	9,276,783	9,276,783	9,281,933	9,281,933	11,156,933	11,162,196	11,162,196	11,162,196	11,167,433	11,167,433	11,167,433	10,293,196	Cash Flow Proj Equity Off (June)
20	Preferred Stock		2040	600.000	600.000	600.000	600.000	600.000	600.000	600.000	600.000	600,000	600.000	600.000	600.000	600.000	600.000	Constant
21	Premium On Comm. Stk.	2	2070	5,455,611	5,411,111	5,411,111	5,411,111	5,366,611	5,366,611	18,491,611	18,447,111	18,447,111	18,447,111	18,402,611	18,402,611	18,402,611	12,420,226	Qtrly increase of $44.500 & Equity Off in J
22	DISC ON CAP STK		2130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	Misc Paid in Capital		2110	802,472	715,354	715,354	734,985	734,985	721,979	721,621	641,327	641,327	669,699	669,699	669,699	688,617	702,086	Based on 2006 Monthly changes
24	Retained Earnings		2160	35.446.425	36.178.517	36.790.361	37.465.383	37.934.582	38.118.654	37.377.274	37.561.347	37.770.763	37.055.441	37.234.178	37.572.978	37.190.708	37.207.432	NOI based on Est 3% Inc
25	Capital Stock Expense		2140	428,441	428,441	428,441	428,441	428,441	428,441	1,328,441	1,328,441	1,328,441	1,328,441	1,328,441	1,328,441	1,328,441	913,056	Constant + Equity Off Issuance Cost June
26	Treasury Stock		2170	2.298.945	2,076.825	2,076.825	2 076.825	2.076.825	2.023.842	2.023.842	1.791.356	1,791,356	1.791.356	1.791.356	1,791.356	1,791.356	1.954.005	Based on 2006 Monthly changes
27	1st Mortgage Bonds	1	2210	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	51,091,000	51,091,000	51,091,000	51,091,000	51,091,000	51,091,000	51,091,000	51,091,000	51,632,923	Sinking Fund Schedule
28	DEBENTURES		2240	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	Notes Payable		2310	12,160,000	11,660,000	10,460,000	9,760,000	10,960,000	13,260,000	260,000	660,000	260,000	660,000	2,160,000	5,560,000	5,860,000	6,436,923	Cash Flow Projections
30	Customer Deposits	Electric only	2350	2.821.422	2.842.081	2,862.890	2.883.853	2.904.968	2.926.239	2.947.665	2.969.248	2,990.989	3.012.889	3.034.949	3,057.172	3,079.556	2.948.763	5 Year Average Growth Rate 2002 - 2006
31	INVEST TAX CRED	Electric only	2550	95,417	93,175	90,933	88,691	86,449	84,207	81,965	79,723	77,481	75,239	72,997	70,755	68,513	81,965	Monthly $2.462
32	ACCUM DEF TAXES*	Electric only	2820 2821 & 2830	6.815.388	6.562.491	7.420.855	7.403.201	7.396.734	7.378.249	7.398.047	7,419.437	7,412.743	7.501.563	7.490.045	7.474.899	7,461.928	7.318.121	2005 - 2007 trend
33	DEF TAX-UNDERREC	Electric only	2830 Included above	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
34	CURRENT BONDS		0	0													0	
35	3% INV TAX CRED			0													0	
36																		
37				0														
38	Flo-Gas Corp.:			0														
39	Investment in Assoc. Co.	Zeroed	1230	0													0	
40	ACCUM DEF TAXES	Zeroed	1900	0													0	
41	Common Stock		2010	10,000	10,000	10,000	10.000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10.000	Constant
42	Retained Earnings		2160	975,057	1.063,637	1.193,417	302.597	353.067	359.247	358.217	357.187	360,277	375.727	417.957	485.937	580,697	552.540	NOI based on Est 3% Inc
43	Comprehensive Income		2190	265,667	265,667	265,667	226,002	226,002	226,002	186,337	186,337	186,337	146,672	146,672	146,672	107,007	198,542	OCI Projection Schedule
44	Customer Deposits	Zeroed	2350	0													0	
45	INV TAX CREDIT	Zeroed	2550	0													0	
46	ACCUM DEF TAXES	Zeroed	2820	0													0	
47	3% INV TAX CRED	Zeroed	0	0													0	
48				0														
49	Consolidated:		Line Reference	0														
50	Long Term Debt		L27+L16	50.594.145	50.602.528	50,610.912	50,619.296	50,627.679	49,227.063	49,235.447	49,243.831	49,252.214	49,260.598	49,268.982	49,277,366	49,285.749	49,777,370	
51	Short Term Debt		L29	12,160,000	11,660,000	10,460,000	9,760,000	10,960,000	13,260,000	260,000	660,000	260,000	660,000	2,160,000	5,560,000	5,860,000	6,436,923	
52	Preferred Stock		L20	600.000	600.000	600.000	600.000	600,000	600,000	600.000	600.000	600,000	600.000	600.000	600,000	600,000	600,000	
53	Customer Deposits	Electric only	L30	2,821,422	2,842,081	2,862,890	2,883,853	2,904,968	2,926,239	2,947,665	2,969,248	2,990,989	3,012,889	3,034,949	3.057.172	3,079,556	2,948,763	
54	Common Equity		+L15+L19+L21+L23+L24-L25-L26-L39+L41+L42+L43	48.958.030	49.874,469	50,616.094	50.459.593	50.939.911	51.170.140	64.567.037	64.863.035	65.075.541	64.443.707	64.625.410	65.032.190	64.803.263	58,109.878	
55	Common Equity-Excl Flo-Gas		+L19+L21+L23+L24-L25-L26	48,248,639	49,076,499	49,688,343	50,382,997	50,812,845	51,036,894	64,395,157	64,692,185	64,901,601	64,214,651	64,354,125	64,692,925	64,329,572	57,755,879	
56	DEFERRED INC TAXES	Electric only	+L17+L32+L33	5.647.545	5,418,402	6.164.051	6.146.210	6.140.012	6.121.764	6.141.777	6.163.036	6.159.373	6,249.069	6.238.308	6.225.413	6,208,701	6.078.743	
57	TAX CREDITS-ZERO CST	Electric only	+L35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
58	TAX CREDITS-WEIGHTED	Electric only	+L31+L35	95.417	93.175	90.933	88.691	86.449	84.207	81.965	79.723	77,481	75.239	72.997	70.755	68.513	81,965	
59	TOTAL INCL FLO-GAS EQUITY			120,876,557	121,090,655	121,404,880	120,557,842	122,259,019	123,389,413	123,833,891	124,578,872	124,415,598	124,301,502	128,000,647	129,822,895	129,905,783	124,033,643	
60	TOTAL EXCL FLO-GAS EQUITY			120.167.167	120.292.684	120,477.129	120.481.047	122.131.954	123.256.168	123.662.010	124.408.022	124,241.658	124,072.446	125.729.361	129.483.630	129.432.092	123,679,644	
61	TOTAL LTD.STD.EQUITY			112,312,174	112,736,998	112,287,006	111,438,888	113,127,590	114,257,203	114,662,484	115,366,866	115,187,755	114,984,305	116,654,392	120,469,556	120,549,012	114,924,172	
62	TOTAL LTD.STD.EQUITY EXCL FLO-GAS			111.602.784	111.939.027	111.359.255	111.362.293	113,000.525	114.123.957	114.490.604	115.196.015	115,013,815	114.735,249	116.383.107	120.130.290	120,075.322	114.570.173	
	Debt/Equity Ratio																	
	Debt			59%	59%	58%	58%	58%	59%	48%	48%	48%	48%	49%	50%	50%	53%	
	Equity			41%	41%	42%	42%	42%	41%	52%	52%	52%	52%	51%	50%	50%	47%	

Notes

1 Sinking Fund Payments on LT Debt May 1 2008	$10M	$	909.000
	$5.5M	$	500 000
		$	1.409 000

2 Projected Equity Offering June 2008 $ 15 M

2007 Pg. 2 of 2

Assumptions.
RETAINED EARNINGS:
Annual Profit Margin Projected Increase 1.03

			TOTAL	Jan-2007	Feb-2007	Mar-2007	Apr-2007	May-2007	Jun-2007	Jul-2007	Aug-2007	Sep-2007	Oct-2007	Nov-2007	Dec-2007
PRIOR YEAR NET INCOME (Revised Budget)		2007	3,879	707	645	446	447	144	99	137	160	136	175	320	463
		FPU	3,291	621	519	340	398	138	100	138	157	121	134	254	371
		FLO-GAS	588	86	126	106	49	6	(1)	(1)	3	15	41	66	92
				Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008
		2008	3,995	728	664	459	460	148	102	141	165	140	180	330	477
		FPU	3,390	640	535	350	410	142	103	142	162	125	138	262	382
	(1,000,000)	FLO-GAS	606	89	130	109	50	6	(1)	(1)	3	15	42	68	95

FPU RETAINED EARNINGS 2008				Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008		
B/F				35,446,425	36,178,517	36,790,361	37,465,383	37,934,582	38,118,654	37,377,274	37,561,347	37,770,763	37,055,441	37,234,178	37,572,978	35,446,425	
NET INCOME		FPU		639,630	534,570	350,200	409,940	142,140	103,000	142,140	161,710	124,630	138,020	261,620	382,130	3,389,730	
Preferred Dividend						(7,125)			(7,125)			(7,125)			(7,125)	(28,500)	
Common Dividend				0	0	(718,676)	0	0	(867,641)	0	0	(869,594)	0	0	(870,007)	(3,325,917)	
Flo-Gas Dividend						1,000,000										1,000,000	
Projected Interim Rate Relief	Ann NOI	490,000	Nov-07	92,461	77,274	50,623	59,259									279,617	
Projected NOI - Elec Rate Case	Annual	1,000,000	May-08					41,933	30,386	41,933	47,706	36,767	40,717	77,180	112,732	429,353	
BALANCE C/F				36,178,517	36,790,361	37,465,383	37,934,582	38,118,654	37,377,274	37,561,347	37,770,763	37,055,441	37,234,178	37,572,978	37,190,708	37,190,708	1,744,283

FLO-GAS RETAINED EARNINGS														
B/F	975,057	1,063,637	1,193,417	302,597	353,067	359,247	358,217	357,187	360,277	375,727	417,957	485,937	975,057	
NET INCOME	88,580	129,780	109,180	50,470	6,180	(1,030)	(1,030)	3,090	15,450	42,230	67,980	94,760	605,640	
DIVIDEND			(1,000,000)										(1,000,000)	
BAL C/F	1,063,637	1,193,417	302,597	353,067	359,247	358,217	357,187	360,277	375,727	417,957	485,937	580,697	580,697	(394,360)

CONSOLIDATED PROJECTED RETAINED FARNINGS																	
B/F				36,421,483	37,242,154	37,983,778	37,767,981	38,287,649	38,477,902	37,735,492	37,918,534	38,131,040	37,431,169	37,652,136	38,058,916	36,421,483	
NET INCOME				728,210	664,350	459,380	460,410	148,320	101,970	141,110	164,800	140,080	180,250	329,600	476,890	3,995,370	
Preferred Dividend				0	0	(7,125)	0	0	(7,125)	0	0	(7,125)	0	0	(7,125)	(28,500)	
Common Dividend				0	0	(718,676)	0	0	(867,641)	0	0	(869,594)	0	0	(870,007)	(3,325,917)	
Projected NOI - Elec Rate Case				0	0	0	0	41932.5433	30385.90094	41932.5433	47705.86448	36766.94014	40717.10726	77180.18839	112731.6925	429,353	
BALANCE C/F				37,149,693	37,906,504	37,717,358	38,228,391	38,477,902	37,735,492	37,918,534	38,131,040	37,431,169	37,652,136	38,058,916	37,771,405	37,491,788	1,070,306
			Effective														
Projected Rate Relief		1,000,000	May-08	188,898	157,703	103,312	120,938	41,933	30,386	41,933	47,706	36,767	40,717	77,180	112,732	1,000,000	
Projected Interim Rate Relief	Ann NOI	490,000	Nov-07	92,461	77,274	50,623	59,259	20,547	14,889	20,547	23,378	18,018	19,951	37,818	56,230	490,000	
			112,312,174	112,736,998	112,287,006	111,438,888	113,127,590	114,257,203	114,662,484	115,366,866	115,187,755	114,984,305	116,654,392	120,469,556	120,549,012	114,924,172	

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RE Rate case schedules (24).msg	1,708 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
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Tuesday, Apr 08, 2008 04:29 PM

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:31 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: C-MFRS-8-13-07-NoLinks.xls; HC-MFRS-8-13-07-NoLinks.xls

Here are the C-Schedules

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	47,452,526		47,452,526	100%	47,452,526	(30,359,021)	17,093,505
3	Other Operating Revenues	1,074,705		1,074,705	100%	1,074,705	(759,903)	314,802
4	Total Operating Revenues	48,527,231		48,527,231	100%	48,527,231	(31,118,924)	17,408,307
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel			-	100%	-	-	-
9	Purchased Power	30,606,436		30,606,436	100%	30,606,436	(30,606,436)	-
10	Other	8,163,711		8,163,711	100%	8,163,711	(456,411)	7,707,300
11	Depreciation & Amortization	2,722,498		2,722,498	100%	2,722,498	(11,398)	2,711,100
12	Decommissioning Expense			-	100%	-	-	-
13	Taxes Other Than Income Taxes	3,982,172		3,982,172	100%	3,982,172	(22,079)	3,960,093
14	Income Taxes	772,895		772,895	100%	772,895	8,498	781,393
15	Deferred Income Taxes-Net	(195,788)		(195,788)	100%	(195,788)	-	(195,788)
16	Investment Tax Credit-Net	(32,322)		(32,322)	100%	(32,322)	-	(32,322)
17	(Gain)/Loss on Disposal of Plant			-	100%	-	-	-
18	Total Operating Expenses	46,019,602		46,019,602	100%	46,019,602	(31,087,826)	14,931,776
19								
20	Net Operating Income	2,507,629		2,507,629	100%	2,507,629	(31,098)	2,476,531

Supporting Schedules: C-2, C-4, C-5, C-7 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.		Jurisdictional Amount Schedule C-1 Col. 5	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:															
2	Sales of Electricity	47,452,526	(30,359,021)												(30,359,021)	17,093,505
3	Other Operating Revenues	1,074,705	(759,903)												(759,903)	314,802
4	Total Operating Revenues	48,527,231	(31,118,924)												(31,118,924)	17,408,307
5																
6	Operating Expenses:															
7	Operation & Maintenance:															
8	Fuel (nonrecoverable)	-	-												-	-
9	Purchased Power	30,606,436	(30,606,436)												(30,606,436)	-
10	Other	8,163,711	(456,411)												(456,411)	7,707,300
11	Depreciation & Amortization	2,722,498	(11,398)												(11,398)	2,711,100
12	Decommissioning Expense	-	-												-	-
13	Taxes Other Than Income Taxes	3,982,172	(22,079)												(22,079)	3,960,093
14	Income Taxes	772,895	8,498												8,498	781,393
15	Deferred Income Taxes-Net	(195,788)	-												-	(195,788)
16	Investment Tax Credit-Net	(32,322)	-												-	(32,322)
17	(Gain)/Loss on Disposal of Plant	-	-												-	-
18																
19	Total Operating Expenses	46,019,602	(31,087,826)												(31,087,826)	14,931,776
20																
21	Net Operating Income	2,507,629	(31,098)												(31,098)	2,476,531

Supporting Schedules: C-3 Recap Schedules: C-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment
1	Operating Revenue - Commission				
2	Operating Revenue - Company	Eliminate Fuel Revenues	(30,359,021)	100%	(30,359,021)
3					
4	Other Revenues/Fuel & Conservation O/U - Commission				
5	Other Revenue/Fuel & Conservation O/U - Company	Eliminate Conservation and Fuel O/U and Conservation Revenues	(759,903)	100%	(759,903)
6					
7	Provision for Rate Refund - Commission				
8	Provision for Rate Refund - Company				
9					
10	Operating Expense - Commission				
11	Operating Expense - Company	Eliminate Fuel Expenses	(30,606,436)	100%	(30,606,436)
12					
13	Fuel Expense - Commission				
14	Fuel Expense - Company	Eliminate Conservation Expenses	(456,411)	100%	(456,411)
15					
16	Maintenance Expense - Commission				
17	Maintenance Expense - Company				
18					
19	Depreciation Expense - Commission				
20	Depreciation Expense - Company	Eliminate NonUtility Depreciation Expense	(11,398)	100%	(11,398)
21					
22	Taxes Other than Income Exclu GR - Commission				
23	Taxes Other than Income Exclu GR - Company				
24					
25	Taxes Other than Income - Commission				
26	Taxes Other than Income - Company	Eliminate Taxes other than Income	(22,079)	100%	(22,079)
27					
28	Income Taxes - Commission				
29	Income Taxes - Company	Eliminate Income Taxes	8,498	100%	8,498
30					
31	Deferred Income Tax - Commission				
32	Deferred Income Tax - Company				

Supporting Schedules: Recap Schedules: C-2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.	Account No.	Account Title	Total Company	FPSC Jurisdictional	Jurisdictional Separation Factor

All sales of electricity in the Northwest/Marianna and Northeast/Fernandina Beach Divisions are subject to regulation by the Florida Public Service Commission. Therefore, the Jurisdictional Factor is 100 %.

Supporting Schedules: Recap Schedules: C-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

Account No.	Account Title	(1) Per Books	(2) Non-Jurisdictional	(3) Jurisdictional (1)-(2)	Adjustments (4) Fuel	(5) Conservation	(6) Franchise Fees	(7) Other (Gross Receipts)	(8) Other (Specify)	(9) Total (4) thru (8)	(10) Adjusted Total (3)-(9)
	SALES OF ELECTRICITY										
440	Residential Sales	22,556,093	-	22,556,093	13,378,603	160,976	856,904	566,064		14,962,547	7,593,546
442	Commercial Sales	18,145,943	-	18,145,943	12,423,831	152,294	809,693	459,718		13,845,536	4,300,407
442	Industrial Sales	5,350,079	-	5,350,079	4,301,616	73,499	295,263	133,746		4,804,124	545,955
443	Outdoor Lighting	1,085,456		1,085,456	169,327	2,428	38,067	22,631		232,453	853,003
444	Public Street & Highway Lighting	286,326	-	286,326	58,938	895	11,526	2,224		73,583	212,743
445	Other Sales to Public Authorities	-	-	-	-	-	-	-		-	-
446	Sales to Railroads & Railways	-	-	-	-	-	-	-		-	-
448	Interdepartmental Sales	28,629	-	28,629	26,706	-	1,183	740		28,629	-
	Total Sales to Ultimate Consumers	47,452,526	-	47,452,526	30,359,021	390,092	2,012,636	1,185,123	-	33,946,872	13,505,654
447	Sales for Resale	-	-	-							
	TOTAL SALES OF ELECTRICITY	47,452,526	-	47,452,526	30,359,021	390,092	2,012,636	1,185,123	-	33,946,872	13,505,654
449.1	(Less) Provision for Rate Refunds			-	-	-	-	-	-	-	-
	TOTAL REVENUE NET OF REFUND PROVIS	47,452,526	-	47,452,526	30,359,021	390,092	2,012,636	1,185,123	-	33,946,872	13,505,654
	OTHER OPERATING REVENUES										
450	Forfeited Discounts	354,696	-	354,696						-	354,696
451	Miscellaneous Service Revenues	219,900	-	219,900						-	219,900
453	Sales of Water and Water Power		-	-						-	-
454	Rent from Electric Property	114,078	-	114,078						-	114,078
455	Interdepartmental Rents			-						-	-
456	Other Electric Revenues (In Detail)			-						-	-
4561	OVER-RECOVRY:FUEL AD	307,430	-	307,430	307,430					307,430	-
4562	MISC.ELECTRIC REVENU	7,846	-	7,846						-	7,846
4563	Unbilled Revenue	8,373	-	8,373						-	8,373
4566	OVERRECOVERY: CONSER	62,382	-	62,382		62,382				62,382	-
	TOTAL OTHER OPERATING REVENUES	1,074,705	-	1,074,705	307,430	62,382	-	-	-	369,812	704,893
	TOTAL ELECTRIC OPERATING REVENUES	48,527,231	-	48,527,231	30,666,451	452,474	2,012,636	1,185,123	-	34,316,684	14,210,547

Supporting Schedules: Recap Schedules: C-2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Account No.	Account Title	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	12 Month Total
1	**OPERATING EXPENSES**														
2															
3	**555-557**	**Other Power Supply Expenses**													
4	555	PURCHASED POWER	2,312,187	2,818,525	2,181,902	2,238,746	2,629,859	2,805,401	2,991,769	3,017,484	2,514,044	2,307,352	2,133,682	2,332,709	30,283,660
5	55501	PURCHASED POWER-QUAL	4,488	11,407	1,870	5,049	4,301	2,992	4,862	7,293	6,732	5,236	9,163	8,976	72,369
6	5551	UNDER REC:FUEL ADJ.	118,551	(198,208)	134,320	(89)	(268,734)	(179,268)	134,320	(29,641)	134,320	134,320	(65,942)	(9,781)	(95,832)
7	556	SYSTEM CONTROL & LOA	-	-	-	-	-	-	-	-	-	-	-	-	-
8	557	OTHER EXPENSES	(565)	5,421	(16,501)	245	44,573	105,507	1,041	26,650	59,797	1,081	39,811	79,179	346,239
9															
10	**560-567.1**	**Transmission Expenses - Operation**													
11	562	STATION EXPENSES	343	509	837	1,738	1,940	3,997	365	1,174	1,411	2,136	601	2,073	17,124
12	566	MISC TRANSMISSION EX	10	-	-	-	-	-	-	-	102	-	-	-	112
13															
14	**580-589**	**Distribution Expenses - Operation**													
15	580	OPERATION SUPERVISION & ENG	26,419	19,415	28,164	22,154	26,434	27,173	21,851	28,370	29,337	21,475	21,013	35,317	307,122
16	581	LOAD DISPATCHING													-
17	582	STATION EXPENSES	3,863	2,188	4,028	4,686	2,838	6,466	2,349	3,052	2,867	4,135	4,092	6,518	47,082
18	5831	OPERATION OF OVERHEA	2,431	2,314	4,080	3,234	3,096	5,531	2,934	5,899	2,987	8,730	8,166	2,015	51,417
19	5832	REMOVING & RESETTING	3,931	3,104	3,929	2,818	6,111	4,790	7,755	6,742	7,831	6,872	3,139	4,366	61,388
20	5841	UNDERGROUND LINE EXP	-	64	679	-	530	249	280	279	478	299	385	286	3,529
21	5842	UNDERGRND LINE EXPEN	1,460	1,790	3,760	1,922	4,299	4,288	1,506	1,077	1,976	815	1,275	1,902	26,070
22	585	STREET LIGHT/SIGNAL	463	832	1,170	1,613	1,326	853	372	1,255	860	703	1,678	832	11,957
23	586	METER EXPENSES	22,142	17,620	22,572	18,791	19,012	21,659	18,686	20,414	24,229	26,657	24,027	19,861	255,670
24	5871	AREA LIGHT EXPENSE	3,359	5,044	4,445	3,820	3,133	3,345	3,859	4,510	5,023	4,770	3,830	6,908	52,046
25	5872	OTHER CUSTOMER INSTA	2,847	2,653	4,317	1,446	6,481	4,125	3,994	3,784	3,051	2,740	3,153	2,617	41,208
26	5881	DISTRIBUTION MAPS &	6,911	6,777	8,125	6,468	9,568	9,717	7,648	8,815	5,651	8,187	8,312	13,003	99,182
27	5882	OTHER DIST OFFICE SU	6,963	5,061	9,958	7,974	6,752	11,614	7,916	4,544	11,537	3,416	8,453	13,877	98,065
28	5883	MISC DISTRIBUTION OF	1,503	1,805	432	1,760	457	432	520	523	432	396	695	1,465	10,420
29	589	RENTS	215	-	-	108	-	-	108	345	-	67	18	169	1,030
30															
31	**901-905**	**Customer Accounts - Operation**													
32	901	SUPERVISION	11,164	254	5,060	4,685	4,817	4,557	4,183	4,590	4,564	7,243	6,424	11,025	68,566
33	9011	SUPERVISION A&G	-	7,776	4,017	3,008	3,825	4,736	3,095	5,074	4,267	3,083	4,638	2,980	46,499
34	902	METER READING EXPENS	21,390	21,045	27,269	19,961	23,797	25,345	22,108	24,872	22,788	22,595	23,267	22,444	276,881
35	903	CUSTOMER RECORDS/COL	56,864	19,383	44,104	33,643	37,192	45,092	42,307	44,652	41,988	42,783	42,237	47,307	497,552
36	9031	CUSTOMER RECORDS/COL	-	39,336	24,147	21,497	20,886	24,087	21,265	19,698	21,402	20,962	19,684	27,186	260,150
37	904	UNCOLLECTIBLE ACCOUN	5,185	4,536	4,063	4,376	4,555	5,322	6,086	5,915	6,148	5,037	4,231	31,961	87,415
38	905	MISC CUSTOMER ACCOUN	9,145	4,123	5,515	6,146	5,956	7,620	4,860	6,263	5,802	3,928	6,386	12,365	78,109
39	9051	MISC CUSTOMER ACCNT	-	1,824	1,416	1,580	1,666	1,442	1,171	1,540	1,363	1,337	1,408	1,504	16,251
40															
41	**906-910**	**Customer Service and Info - Operation**													
42	9061	UNDERRECOVERY: CONSE	-	-	-	-	-	-	-	-	-	-	-	-	-
43	907	SUPERVISION	5,981	6,759	7,862	6,118	7,711	5,528	2,934	8,759	3,071	6,007	5,260	7,951	73,941
44	908	CUSTOMER ASSISTANCE	16,419	15,762	17,658	11,621	14,301	15,346	15,197	18,299	16,536	18,926	18,039	22,191	200,295
45	909	INFO & INSTRUCTIONAL	20,110	823	22,552	(1,759)	23,699	14,932	14,242	10,324	23,456	5,977	15,032	9,751	159,139
46	910	MISC CUSTOMER SERVIC	1,785	1,901	2,065	1,078	1,397	1,618	1,634	1,472	3,943	1,414	1,658	2,821	22,786
47															
48	**911-917**	**Sales Expenses - Operation**													
49	912	DEMONSTRATING & SELL													
50	9131	PROMOTIONAL ADVERTISING	-	-	-	-	-	-	-	-	-	-	-	-	-
51	9132	CONSERVATION ADVERTISING	-	-	-	-	-	7,915	-	-	(6,378)	6,378	(6,378)	-	1,537
52	9133	SAFETY ADVERTISING	138	-	-	145	1,735	1,722	2,406	-	146	-	-	1,932	8,224
53	9134	OTHER INFO/INSTR/CON	5,161	5,190	5,759	10,080	7,643	7,632	5,000	24,304	5,110	19,237	12,636	13,474	121,226
54	9135	COMMUNITY AFFAIRS AD	-	-	-	-	-	-	-	-	-	-	-	-	-
55	9136	OTHER ADVERTISING	-	-	-	-	-	-	-	-	-	-	-	-	-
56	916	MISC. SALES EXPENSES	112	135	115	119	56	2,279	30	12,349	(2,135)	26	53	110	13,249
57															
58	**920-933**	**Administrative & General - Operation**													
59	920	ADM & GENERAL SALARI	76,019	76,068	84,179	74,191	83,356	83,408	79,388	85,033	79,208	78,728	81,023	79,652	960,253
60	9211	OFFICE SUPPLIES	582	898	1,456	737	714	1,133	1,188	1,258	867	612	619	569	10,633
61	9212	OFFICE POSTAGE & MAI	766	815	1,064	777	160	877	34	769	89	765	21	821	6,958
62	9213	OFF COMPUTER SUPP &	6,234	671	(7,646)	4,875	(3,056)	392	983	1,454	2,550	200	944	337	7,938
63	9214	OFFICE UTILITY EXPEN	3,032	2,614	3,348	1,996	3,596	3,098	2,206	2,740	2,193	3,509	2,602	2,750	33,684

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Account No.	Account Title	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	12 Month Total
64	9215	MISC OFFICE EXPENSE	5,314	7,027	8,362	7,440	6,101	6,830	11,059	2,905	7,425	9,280	8,060	11,496	91,299
65	9216	CO TRAINING EXPENSE-	-	133	349	-	48	100	-	48	10	929	59	-	1,676
66	9231	OUTSIDE SERVICES - O	-	-	3,498	40	-	-	1,764	-	2,054	631	6,610	3,315	17,912
67	9232	LEGAL FEES AND EXPEN	2,150	1,328	480	1,280	11,872	6,226	1,826	3,334	1,320	3,152	3,176	3,272	39,416
68	9233	OUTSIDE AUDIT & ACCO	11,382	11,382	18,072	11,914	11,514	11,514	9,382	9,382	9,382	(104)	8,832	27,106	139,758
69	924	PROPERTY INSURANCE	13,048	13,048	13,048	13,048	13,048	13,048	13,048	13,048	13,472	13,478	13,475	30,234	175,043
70	9251	INJURIES AND DAMAGES	6,883	3,189	14,079	3,464	9,059	13,744	7,715	9,088	11,136	8,258	10,472	9,959	107,046
71	9252	GENERAL LIABILITY	29,884	29,671	29,385	29,334	29,990	28,288	26,512	29,343	29,331	27,382	27,649	14,561	331,330
72	9261	EMPLOYEE PENSIONS	36,742	31,310	36,604	33,402	33,850	33,869	35,019	11,781	43,709	37,133	27,438	47,960	408,817
73	9262	EMPLOYEE BENEFITS- O	39,224	37,484	41,402	32,729	34,087	29,925	35,348	28,574	43,290	37,409	34,982	43,879	438,333
74	9263	RETIREE BENEFITS-POS	6,413	6,187	6,300	6,300	6,376	6,300	6,300	6,300	(15,432)	4,283	4,283	4,283	47,893
75	9264	401(K) EXPENSE COMPA	-	-	490	333	601	480	560	(3,040)	4,170	641	732	798	5,765
76	928	REGULATORY COMMISSION	716	10,779	12,209	9,370	10,406	13,578	8,960	10,646	15,842	8,077	13,344	17,156	131,083
77	9301	INSTITUTIONAL/GOODWI	-	-	-	-	-	-	-	-	-	-	-	-	-
78	9302	MISC. GENERAL EXPENS	3,124	4,820	13,761	4,509	5,352	6,377	2,049	5,409	6,024	4,835	9,933	10,429	76,622
79	93022	INDUSTRY ASSOCIATION	1,000	(1,000)	1,000	-	82	-	3,308	-	-	-	-	-	4,390
80	93023	ECONOMIC DEVELOPMENT	-	-	-	-	-	-	-	5,000	-	-	-	-	5,000
81	931	RENTS	560	580	550	589	642	613	613	585	820	40	1,671	1,044	8,307
82															
83	TOTAL OPERATING EXPENSES		2,914,048	3,072,172	2,851,679	2,681,109	2,919,010	3,273,844	3,605,915	3,524,337	3,222,196	2,943,558	2,616,051	3,046,915	36,670,834
84	Total Operating Expenses Less Fuel		479,387	435,027	550,088	437,158	509,011	539,212	473,923	502,551	507,303	495,569	499,337	635,832	6,064,398
85	**Maintenance Expenses**														
86															
87	**541-545.1**	**Hydraulic Power Gen - Maintenance**													
88	554	MAINT OF MISC POWER	-	-	-	-	-	-	-	-	-	-	-	-	-
89															
90	**568-574**	**Transmission Expenses - Maintenance**													
91	570	MAINT OF STATION EQU	371	845	2,974	4,720	6,291	2,796	2,502	2,520	2,304	2,346	2,616	68,777	99,062
92	571	MAINT OF OVERHEAD LINES	106	145	-	2,837	9,368	24,957	8,032	12,348	8,432	5,692	7,291	(1,255)	77,953
93	573	MAINT OF MISC TRANSMISSION	-	-	-	-	-	-	-	-	-	-	-	446	446
94															
95	**590-598**	**Distribution Expenses - Maintenance**													
96	590	MAINT SUPERVISION/EN	14,441	16,085	18,815	11,122	8,625	9,588	7,001	9,164	8,669	8,575	6,416	17,819	136,320
97	591	MAINT OF STRUCTURES	1,046	(151)	20	2,393	(721)	1,226	590	1,333	4,083	(259)	509	-	10,069
98	592	MAINT OF STATION EQUIP	5,283	2,223	12,951	661	9,961	5,500	3,351	9,814	7,273	223	2,603	13,131	72,974
99	5931	MAINT OF POLES/TOWER	12,952	2,277	10,374	2,371	962	2,664	3,700	2,562	1,286	1,178	811	3,393	44,530
100	5932	MAINT OF OVERHEAD CO	55,088	46,001	104,735	42,441	98,128	115,680	85,887	71,504	96,976	72,799	90,083	67,813	947,135
101	5933	MAINT OF SERVICES	10,960	6,766	9,136	7,419	11,146	13,590	11,544	14,691	11,800	10,004	9,725	16,444	133,225
102	5941	MAINT OF UNDERGROUND	626	311	490	246	1,653	421	263	570	549	610	734	988	7,461
103	5942	MAINT OF UNDERGRND L	11,249	4,044	8,196	5,118	7,748	16,343	34,228	9,107	9,681	6,235	6,662	9,939	128,550
104	5951	MAINT OF LINE TRANSF	2,990	2,966	4,047	4,756	6,532	8,130	5,037	4,647	8,386	16,115	8,182	(7,281)	64,507
105	5952	MAINT OF LINE TRANSF	-	-	289	-	-	389	8,244	318	29	(827)	(1,861)	396	6,977
106	5953	MAINT OF LINE TRANSF	3,147	1,182	4,681	2,269	3,113	9,956	3,629	9,639	4,151	3,668	6,780	2,342	54,557
107	596	MAINT -STREET LIGHT/	2,571	1,707	4,799	1,945	2,867	2,339	3,631	2,952	1,821	2,903	9,090	12,474	49,099
108	597	MAINT OF METERS	2,015	2,400	3,154	5,594	2,118	2,766	3,038	2,592	3,973	1,922	2,499	3,179	35,250
109	598	MAINT OF MISC DISTRI	5,491	4,527	5,718	2,933	3,529	5,606	3,742	5,075	5,652	4,771	11,546	12,906	71,496
110	**935**	**Administrative & General - Maintenance**													-
111	935	MAINT OF GENERAL PLA	13,383	7,544	27,072	9,514	21,326	10,620	14,880	12,211	7,546	12,728	10,459	12,419	159,702
112															
113	TOTAL MAINTENANCE EXPENSES		141,719	98,872	217,451	106,339	192,646	232,571	199,299	171,047	182,611	148,683	174,145	233,930	2,099,313
114															
115															
116															
117															
118															
119															
120															
121															
122	**Other Operating Expenses**														
123															
124	4030.1	DEPRECIATION EXPENSE	215,045	212,491	216,576	224,241	221,074	221,371	222,112	223,655	224,143	224,639	224,987	180,013	2,610,347
125	4030.2	DEPR EXP-COMMON	12,950	9,486	9,586	9,500	8,861	8,817	8,868	8,897	8,897	8,897	8,927	8,465	112,151
126	**403 - Depreciation Expenses**		227,995	221,977	226,162	233,741	229,935	230,188	230,980	232,552	233,040	233,536	233,914	188,478	2,722,498

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Account No.	Account Title	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	12 Month Total
127															
128	4070.3	Amortization - Storm Hardening	-	-	-	-	-	-	-	-	-	-	-	-	-
129	**407 - Storm Hardening**		-	-	-	-	-	-	-	-	-	-	-	-	-
130															
131	4080.1	AD VALOREM TAXES	44,215	44,215	44,215	44,215	44,215	44,215	44,215	44,215	44,215	44,215	35,868	35,868	513,886
132	4080.2	STATE GROSS RECEIPTS	97,866	97,869	90,971	85,461	90,831	102,708	119,260	112,935	116,828	97,125	81,319	91,611	1,184,784
133	4080.3	FPSC ASSESSMENT	2,712	2,857	2,661	2,501	2,735	3,055	3,654	3,366	3,304	2,780	2,142	2,641	34,408
134	4080.4	EMERGENCY EXCISE TAX	-	-	-	-	-	(8,261)	-	-	-	-	-	-	(8,261)
135	4080.5	FEDERAL UNEMPLOYMENT	2,693	869	(225)	(753)	(738)	(997)	61	128	69	41	70	114	1,332
136	4080.6	STATE UNEMPLOYMENT T	4,025	626	(380)	(1,225)	(1,200)	(1,605)	98	206	111	65	112	184	1,017
137	4080.7	F.I.C.A.	18,978	17,601	32,360	17,342	18,509	16,743	18,576	32,963	18,392	17,420	17,904	14,970	241,758
138	4080.8	MISCELLANEOUS TAXES	-	-	-	-	-	-	-	313	300	-	-	-	613
139	4080.11	FRANCHISE TAX	166,851	170,147	155,756	145,697	155,113	173,835	197,308	191,221	196,953	164,605	138,314	156,835	2,012,635
140	**408 - Taxes Other Than Income Taxes**		337,340	334,184	325,358	293,238	309,465	329,693	383,172	385,347	380,172	326,251	275,729	302,223	3,982,172
141															
142	4090.1	I/T -FEDERAL- UTIL O	122,000	45,400	42,700	80,400	(12,500)	(83,402)	137,374	122,300	90,400	104,900	5,900	4,900	660,372
143	4090.2	I/T -STATE - UTIL O	20,800	7,900	7,300	13,700	(2,200)	(15,089)	23,912	20,900	15,500	17,900	1,000	900	112,523
144	**409 - Income Taxes**		142,800	53,300	50,000	94,100	(14,700)	(98,491)	161,286	143,200	105,900	122,800	6,900	5,800	772,895
145															
146	4100.1	DEFERRED I/T-FEDERAL	(50,683)	16,298	(53,371)	(40,949)	58,125	135,052	(40,482)	(13,614)	(41,552)	(83,449)	10,440	(28,318)	(132,503)
147	4100.2	DEFERRED I/T-STATE	(8,675)	2,792	(9,140)	(7,006)	9,953	23,116	(6,931)	(2,333)	(7,112)	(14,287)	1,793	(4,852)	(22,682)
148	4100.3	DEFERRED I/T AMORTIZ	-	-	-	-	-	-	-	-	(41,157)	-	-	-	(41,157)
149	4100.4	DEFERRED I/T AMORTIZ	-	-	-	-	-	-	-	-	554	-	-	-	554
150	**410 - Deferred Income Taxes**		(59,358)	19,090	(62,511)	(47,955)	68,078	158,168	(47,413)	(15,947)	(89,267)	(97,736)	12,233	(33,170)	(195,788)
151															
152	4110.4	INVEST TAX CREDIT- U	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,688)	(32,322)
153	**411 - Investment Tax Credit**		(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,694)	(2,688)	(32,322)
154															-
155	**TOTAL OTHER OPERATING EXPENSES**		646,083	625,857	536,315	570,430	590,084	616,864	725,331	742,458	627,151	582,157	526,082	460,643	7,249,455
156															
157	**TOTAL EXPENSES INCLUDING FUEL**		3,701,850	3,796,901	3,605,445	3,357,878	3,701,740	4,123,279	4,530,545	4,437,842	4,031,958	3,674,398	3,316,278	3,741,488	46,019,602

Supporting Schedules: C-13, C-14, C-15 C-20

Recap Scedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Years Ended 2002,03,04,05
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Description of Functional Group	Type of Cost	2002 Dollars (000)	2002 Percent Change	2003 Dollars (000)	2003 Percent Change	2004 Dollars (000)	2004 Percent Change	2005 Dollars (000)	2005 Percent Change	2006 Dollars (000)	2006 Percent Change
Purchased Power (1)	Variable	26,498		25,085	-5.33%	26,729	6.55%	29,720	11.19%	30,606	2.98%
Interchange	Semi-Variable										
Production	Semi-Variable										
Transmission	Semi-Variable	65		59	-9.23%	33	-44.07%	128	287.88%	194	51.56%
Distribution	Semi-Variable	2,191		2,244	2.42%	2,541	13.24%	2,927	15.19%	2,828	-3.38%
Customer Account	Semi-Variable	1,107		1,246	12.56%	1,281	2.81%	1,226	-4.29%	1,331	8.56%
Customer Service & Info (1)	Semi-Variable	487		382	-21.56%	383	0.26%	474	23.76%	456	-3.80%
Sales	Semi-Variable	3		5	66.67%	21	320.00%	24	14.29%	144	500.00%
Administrative and General	Semi-Variable	2,125		2,526	18.87%	2,740	8.47%	2,971	8.43%	3,208	7.98%
Depreciation	Fixed	2,187		2,416	10.47%	2,419	0.12%	2,520	4.18%	2,722	8.02%
Taxes	Semi-Variable	3,582		3,389	-5.39%	3,965	17.00%	4,624	16.62%	4,527	-2.10%
Interest (without AFUDC)	Semi-Variable	NOT AVAILABLE FOR CONSOLIDATED ELECTRIC OPERATIONS									
TOTAL		38,245		37,352		40,112		44,614		46,016	

Note: Purchased Power and Conservation are recovered through the Purchased Power and Conservation Clauses in other dockets.

Supporting Schedules:C-6, C-7, C-8, C-12

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Cheryl Martin

(1) Vendor Name	(2) Counsel, Consultant, Or Witness	(3) Specific Services Rendered	(4) Fee ($)	(5) Basis Of Charge	(6) Travel Expenses ($)	(7) Other ($)	(8) Total (4+6+7) ($)	(9) Type of Services (a)
Christensen Associates	Consultant	MFR support, schedule preparation, testimony, rate case support	165,000	Bid, hourly, direct	20,000	25,000	210,000	A,B,C,O,R,S
Darryl Troy	Consultant	MFR support and schedule preparation, rate case support	30,000	Hourly		1,000	31,000	A
TOTAL OUTSIDE CONSULTANTS							241,000	
Norman Horton, Esq.	Attorney	Rate Proceeding, legal work	140,000	Hourly		10,000	150,000	L
TOTAL OUTSIDE LEGAL SERVICES							150,000	
Various Vendors	Temporary Help	Accounting and operations related work	110,400	Hourly			110,400	A,C,O
Employees	Overtime Pay	Rate Case related work	28,000	Hourly			28,000	A,B,C,O,R,S
Various Vendors	Administrative, Other & Travel	Rate Case related work	92,600	Direct Costs			92,600	O
Various Vendors	Prior Unamortized RC	Rate Case related work	106,000	Various			106,000	O
TOTAL OTHER RATE CASE COSTS							337,000	
					TOTAL RATE CASE COSTS		728,000	

(a) PLACE THE APPROPRIATE LETTER(S) IN COLUMN (9)
A = ACCOUNTING
B = COST OF CAPITAL
C = ENGINEERING
L = LEGAL
O = OTHER
R = RATE DESIGN
S = COST OF SERVICE

SCHEDULE OF RATE CASE EXPENSE AMORTIZATION IN TEST YEAR

Rate Case	Total Expenses	Rate Order Date	Amortization Period	Unamortized Amount	Test Year Amortization
DOCKET NO.: 030438-EI	$ 423,780	4/4/2004	5 years	$ 106,000	$ 26,500
DOCKET NO.: 070304-EI	622,000	pending	4 years	652,000	155,500
				Total Annual Rate Case Amortization	$ 182,000

Supporting Schedules:

Recap Schedules: C12, C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Years Ended 12/31/2002, 04, 05 and 06
Witness: Mehrdad Khojasteh

Line No.	(1) Year	(2) Write-Offs (Retail)	(3) Gross Revenues From Sales Of Electricity (Retail)	(4) Adjustments to Gross Revenues (Specify)	(5) Adjusted Gross Revenues	(6) Bad Debt Factor (2)/(5)
1	2002	75,649	41,335,703	$ -	$ 41,335,703	0.1830%
2						
3	2003	77,141	39,478,461	-	$ 39,478,461	0.1954%
4						
5	2004	76,668	40,424,735	$ -	$ 40,424,735	0.1897%
6						
7	2005	87,665	47,686,561	$ -	$ 47,686,561	0.1838%
8						
9	Total	317,123	168,925,460	$ -	$ 168,925,460	0.1877%
10						
11	2006 Historic Year	87,213	47,452,526	$ -	$ 47,452,526	0.1838%
12						
13	Prior Year 2007	90,352	53,075,623	$ -	$ 53,075,623	0.1702%
14						
15	Test Year 2008	144,563	61,786,961	$ -	$ 61,786,961	0.2340%
16						
17	**Calculation of the Bad Debt Component included in the Revenue Expansion Factor:**					
18						
19						
					Average rate	0.2000%

Supporting Schedules: Recap Schedules: C-44

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No	Description	Electric Utility	Jurisdictional Factor	Jurisdictional Amount
1	Total Miscellaneous General			
2	Expenses of $100,000 or Less			
3				
4	**ACCOUNT 930.2**			
5	9302 MISC. GENERAL EXPENSE	76,622	100%	76,622
6	93022 INDUSTRY ASSOCIATION	4,390	100%	4,390
7	93023 ECONOMIC DEVELOPMENT	5,000	100%	5,000
8				
9	Miscellaneous General Expenses		100%	-
10	Exceeding $100,000 (Specify)	-	100%	-
11				
12				
13	Total Miscellaneous General Expenses	86,012		86,012
14				
15	Average Number of Customers	30,636		30,636
16				
17	Miscellaneous General Expenses Per Customer	2.81		2.81

Supporting Schedules: Recap Schedules: C-7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Account/ Sub-Account Number	Account/ Sub-Account Title	Electric Utility	Jurisdictional Factor	Jurisdictional Amount
1	ACCOUNT 913				
2	909	INFO & INSTRUCTIONAL	159,139	100%	159,139
3					
4	Total Account 909		159,139		159,139
5					
6					
7					
8	ACCOUNT 913				
9	9131	PROMOTIONAL ADVERTISING	-	100%	-
10	9132	CONSERVATION ADVERTISING	1,537	100%	1,537
11	9133	SAFETY ADVERTISING	8,224	100%	8,224
12	9134	OTHER INFO/INSTR/CON	121,226	100%	121,226
13	9135	COMMUNITY AFFAIRS AD	-	100%	-
14	9136	OTHER ADVERTISING	-	100%	-
15					
16	Total Account 913		130,987		130,987
17					
18	ACCOUNT 930.1				
19	9301	INSTITUTIONAL/GOODWILL	-	100%	-
20					
21	Total Account 930.1		-		-
22					
23					
24	Total Advertising Expenses		290,126		290,126
25					
26	Average Number of Customers		30,636		30,636
27					
28	Advertising Expenses per Customer		9.47		9.47

Supporting Schedules: Recap Schedules: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.			Electric Utility	Jurisdictional Factor	Jurisdictional Amount
	93022	Industry Association	4,390	100%	4,390
1	Details	Southeastern Electric Exchange Inv 2057	3,308	100%	3,308
2	Details	Florida Electric Power Coordinating Group	1,000	100%	1,000
3	Details	32% of Florida Institute of Certified Public Accountants	82	100%	82
4					
5	Total Industry Association Dues		4,390	100%	4,390
6					
7					
8					
9					
10					
11	Average Number of Customers		30,636	100%	30,636
12					
13	Dues Per Customer		0.14	100%	0.14
14					
15	Lobby Expenses Included in Industry Association Dues				

Supporting Schedules: Recap Schedules: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Type of Service or Vendor	Description of Service(s)	Account(s) Charged	Total Historic Year Costs	Electric Historic Year Costs	Electric Account(s) Charged
1	Accounting					
2	Aon Consulting Inc.	Actuarial work - pension and 401K	2420.3	70,764	22,644	9233
3	Crowe, Chizek, and Company	Sarbanes Oxley 404/Internal audit	2420.3	144,059	46,099	9233
4	BDO Seidman LLP	External audits - quarterly & annual	2420.3	211,980	67,834	9233
5						
6	Financial					
7	Laurits R. Christiansen assoc.	Purchased Power Matters	557	228,132	192,122	557
8						
9						
10	Engineering					
11	Blasland, Bouck & Lee	Environmental Assessment - former MGP gas sites	2530.31	68,359	-	
12	Blasland, Bouck & Lee	Environmental Assessment - proposed land purchase	1070.389	4,799	-	
13						
14						
15	Legal					
16	Bryan Cave LLP	SEC corporate and securities matters	2420.31	41,566	13,301	9232
17	Jackson Lewis LLP	Various human resource legal matters and fees	2420.31	48,814	15,620	
18	Messer, Caparello & Self	Renewable energy tariff	928/557	925	925	928/557
19	Messer, Caparello & Self	Fuel Docket	928/557	3,471	3,471	928/557
20	Messer, Caparello & Self	Street light tariff	2420.31	950	304	9232
21	Messer, Caparello & Self	General Regulatory - Corporate	1840.9232	4,443	1,733	9232
22	Messer, Caparello & Self	General Regulatory - Electric	928/910	1,649	1,649	928/910
23	Messer, Caparello & Self	General Regulatory - Gas	928/910/9121	3,138	-	
24	Messer, Caparello & Self	Storm recovery issues	928	11,091	11,091	928
25	Messer, Caparello & Self	Territorial issues	928/870	6,942	-	
26	Messer, Caparello & Self	Gas conservation plan	928/910	4,660	-	
27	Messer, Caparello & Self	Power contract	928	17,888	17,888	928
28	Reed Smith LLP	Fuel Docket	557	55,959	55,959	557
29						
30	Akerman, Senterfitt & Eidson	General Business Issues	1860.1	190	-	
31	Akerman, Senterfitt & Eidson	General Business Issues	2280.201	909	-	
32	Akerman, Senterfitt & Eidson	General Business Issues	2420.31	1,171	375	9232
33	Akerman, Senterfitt & Eidson	General Business Issues	Gas 902	909	-	
34	Akerman, Senterfitt & Eidson	General Business Issues	1070.376	217	-	
35	Akerman, Senterfitt & Eidson	Land Purchase - escrow	1070.389	100,000	-	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Type of Service or Vendor	Description of Service(s)	Account(s) Charged	Total Historic Year Costs	Electric Historic Year Costs	Electric Account(s) Charged
36	Akerman, Senterfitt & Eidson	Business Forms & Agreements - Mdse	416	595	-	
37	Akerman, Senterfitt & Eidson	Business Forms & Agreements - Propane	146	2,646	-	
38	Akerman, Senterfitt & Eidson	Business Forms & Agreements - Gas	911916	1,567	-	
39	Akerman, Senterfitt & Eidson	Purchase Agreement - Monceaux Properties (gas)	880.2	1,339	-	
40						
41	Akerman, Senterfitt, Attorneys	Indoor Air Quality	1849.935	443	137	935
42	Akerman, Senterfitt, Attorneys	Patrick Hetherington	2280.201	24,649	-	
43	Akerman, Senterfitt, Attorneys	Alexander Kara	2420.31	7,548	2,415	9232
44	Akerman, Senterfitt, Attorneys	Lake Worth Generation	2420.31	590	189	9232
45	Akerman, Senterfitt, Attorneys	General Business Issues	2420.31	5,395	1,726	9232
46	Akerman, Senterfitt, Attorneys	General Employment Issues	2420.31	220	70	9232
47	Akerman, Senterfitt, Attorneys	General Environmental Issues	2420.31	3,044	974	9232
48	Akerman, Senterfitt, Attorneys	Street Lighting Policy	2420.31	236	76	9232
49	Akerman, Senterfitt, Attorneys	Simpson, ET AL	2420.31	1,632	522	9232
50	Akerman, Senterfitt, Attorneys	FIBB UCC-3 Continuation Statement	2420.31	2,077	665	9232
51	Akerman, Senterfitt, Attorneys	Manfactured Gas Plants - Various	2530.31	94,273	-	
52	Akerman, Senterfitt, Attorneys	Fernandina Land Swap	588.2	522	522	588.2
53	Akerman, Senterfitt, Attorneys	Jog Commercial Park (Gas)	1070.389	12,510	-	
54	Akerman, Senterfitt, Attorneys	Jog Commercial Park (Gas)	8802	3,025	-	
55	Akerman, Senterfitt, Attorneys	Florida Gas Transmission (Gas)	1070.376	1,382	-	
56						
57						
58						
59						
60	Safety					
61	Charles Shelton	Electric Safety Consultant	9251	45,089	45,089	9251
62						
63						
64	Total Outside Professional Services				503,400	

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Description	Amount: Projected Test Year 2008	Projected Prior Year 2007	Historical Year 2006
1	Service Cost	1,195,000	1,130,000	1,225,495
2	Interest Cost	2,510,000	2,265,000	2,160,719
3	Actual Return on Assets	(2,564,617)	(2,440,000)	(3,977,806)
4	Net Amortization and Deferral	-	-	1,551,742
	a Amortization of Prior Service Cost	719,476	737,115	737,115
	b Curtailment	N/A	N/A	(97,858)
5	Total Net Periodic Pension Cost	1,859,859	1,692,115	1,599,407
6	For the Year:			
7	Amortization of Transition Asset or Obligation	-	-	-
8	Expected Return on Assets	2,585,867	2,440,000	2,426,064
9	Assumed Rate of Return on Plan Assets	8.50%	8.50%	8.50%
10	Amortization of Transition Asset or Obligation	-	-	-
11	Percent of Pension Cost Capitalized	20.00%	20.00%	15.00%
12	Pension Cost Recorded in Account 926	-	-	-
13	Minimum Required Contribution Per IRS	-	-	-
14	Maximum Allowable Contribution Per IRS			18,262,779
15	Actual Contribution Made to the Trust Fund	-	-	250,000
16	Actuarial Attribution Approach Used for Funding	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
17	Assumed Discount Rate for Computing Funding	5.78%	8.00%	8.00%
18	Allocation Method Used to Assign Costs if the Utility Is Not the	Allocated	Allocated	Allocated
19	Sole Participant in the Plan. Attach the Relevant Procedures.	Based on payroll	Based on payroll	Based on payroll
20	At Year End:			
21	Accumulated Benefit Obligation	39,030,959	37,338,408	33,693,860
22	Projected Benefit Obligation	44,773,179	42,831,620	38,650,888
23	Vested Benefit Obligation	36,165,379	34,597,092	31,220,120
24	Assumed Discount Rate (Settlement Rate)	0	0	0
25	Assumed Rate for Salary Increases	0	0	0
26	Fair Value of Plan Assets	38,170,000	36,900,000	35,635,214
27	Market Related Value of Assets	32,115,000	31,050,000	29,485,534
28	Balance in Working Capital (Specify Account No.)	(1,650,795)	(1,482,905)	(814,231)
29				
30	2006 Allocation Schedule - Approximately 29% of Pension Cost is allocated to the Electric Division			
31	2007 Allocation Schedule - 27% of Pension Cost is allocated to the Electric Division			

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Account/ Sub-Account Number	Account/ Sub-Account Title	Amount
1	4260.11	CHARITABLE CONTRIBUTIONS	11,117
2	4260.13	CIVIC AND SOCIAL	2,548
3			
4	**Total Civic and Charitable Contributions**		13,665
5			
6	4260.4	Lobbying & Other Political Expenses	167
7			
8			
9			
10	**Total Lobbying and Other Political Expenses and Charitable / Civic conti**		13,832

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Jim Mesite

(1) Line No.	(2) Account/ Sub-account No.	(3) Plant Account Title	(4) Annual Amort/Recovery Expense	(5) Expense Account
		NONE		

AMORTIZATION/RECOVERY AMOUNTS FOR ALL ACCOUNTS AND SUB-ACCOUNTS ARE INCLUDED ON SCHEDULE B-9.

Supporting Schedules: Recap Schedules:

FLOPIDA PUBLIC SEPVICE COMMISSION

COMPANY:FLOPIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of taxes other than income taxes for the historical base year, historical base year + 1, and the test year. For each tax, indicate the amount charged to operating expenses. Complete columns 5, 6 and 7 for the historical base year and test year only.

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Type of Tax	(1) Rate	(2) Tax Basis ($)	(3) Total Amount	(4) Amount Charged to Operating Expenses	(5) Jurisdictional Factor	(6) Jurisdictional Amount	(7) Jurisdictional Amount Charged to Operating Expenses
1	Federal Unemployment	0.008	2,862,280	22,898	1,332	100%	22,898	1,332
2								
3	State Unemployment	0.0129	2,862,280	36,923	1,017	100%	36,923	1,017
4								
5	FICA	0.0765	Payroll	2,458,362	241,758	100%	2,458,362	241,758
6								
7	Federal Vehicle	N/A	N/A	N/A	N/A	100%		
8								
9	State Intangible	N/A	N/A	N/A	N/A	100%		
10								
11	Utility Assessment Fee	0.00072	44,254,768	34,408	34,408	100%	34,408	34,408
12								
13	Property	Various	32,942,277	513,886	513,886	100%	513,886	513,886
14								
15	Gross Receipts	0.025	44,254,768	1,184,787	1,184,784	100%	1,184,787	1,184,784
16								
17	Franchise Fee	Various	Base, Fuel & Conservation Revenues	2,012,632	2,012,635	100%	2,012,632	2,012,635
18								
19	Occupational License	N/A	N/A	N/A	N/A	100%		
20								
21	Other (Specify)							
22	Emergency Excise Tax	N/A	ACRS Depreciation	(8,261)	(8,261)	100%	(8,261)	(8,261)
23	Miscellaneous taxes	Various	Various	613	613	100%	613	613
24								
25								
26								
27	Total			6,256,248	3,982,172		6,256,248	3,982,172

Supporting Schedules: C7, C21 Recap Schedules: C1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
1	NET UTILITY OPERATING INCOME	$ 2,507,629	$ 2,507,629				
2	ADD INCOME TAX ACCOUNTS	544,785	544,785				
3	LESS INTEREST CHARGES (FROM C-23)	1,505,287	1,505,287	(Income tax adjustment for interest calculated of 1,473,580 has been included in tax adjustments)			
4							
5	TAXABLE INCOME PER BOOKS	$ 1,547,127	$ 1,547,127				
6							
7	TEMPORARY ADJUSTMENTS TO TAXABLE INCOME (LIST)						
8	ADD: BOOK DEPRECIATION	(2,722,498)	(2,722,498)		2,722,498	2,722,498	
9	LESS: TAX DEPRECIATION	2,379,361	2,379,361		(2,379,361)	(2,379,361)	
10	UNRECOVERED PURCHASE POWER/GAS	95,832	95,832		(95,832)	(95,832)	
11	OUTSIDE AUDIT FEES	(4,002)	(4,002)		4,002	4,002	
12	ORDINARY LOSS ON ACRS PROPERTY	211,200	211,200		(211,200)	(211,200)	
13	COST OF REMOVAL-ADR PROPERTY	24,840	24,840		(24,840)	(24,840)	
14	CONSERVATION PROGRAM COSTS	62,382	62,382		(62,382)	(62,382)	
15	SELF INSURANCE RESERVE	(40,404)	(40,404)		40,404	40,404	
16	TAXABLE CONTRIBUTIONS	(115,302)	(115,302)		115,302	115,302	
17	PENSION COSTS	(539,996)	(539,996)		539,996	539,996	
18	VACATION PAY	(24,229)	(24,229)		24,229	24,229	
19	UNCOLLECTIBLES	(40,343)	(40,343)		40,343	40,343	
20	LOSS ON REACQUIRED DEBT	(8,045)	(8,045)		8,045	8,045	
21	MISC DEFERRAL	(74)	(74)		74	74	
22	GENERAL LIABILITY	50,463	50,463		(50,463)	(50,463)	
23	RATE CASE EXPENSE	(84,756)	(84,756)		84,756	84,756	
24	NONDEDUCTIBLE ESPP COMPENSATION EXPENSE	(17,972)	(17,972)		-	-	
25	STORM RESERVE	(129,232)	(129,232)		129,232	129,232	
26	CAPITALIZED INTEREST	(91,470)	(91,470)		91,470	91,470	
27	ELECTRIC CONSULTANT FEES	23,910	23,910		(23,910)	(23,910)	
28	TOTAL TEMPORARY DIFFERENCES	$ (970,335)	$ (970,335)		$ 952,363	$ 952,363	
29							
30	PERMANENT ADJUSTMENTS TO TAXABLE INCOME (LIST)						
31	NONDEDUCTIBLE MEALS-CORPORATE	(1,730)	(1,730)				
32	NONDEDUCTIBLE MEALS-OTHER	(2,869)	(2,869)				
33	State Exemption	1,320					
34	TOTAL PERMANENT ADJUSTMENTS	$ (3,279)	$ (4,599)				
35							
36	STATE TAXABLE INCOME (L5+L28+L34)	$ 2,520,741			$ (952,363)		
37	STATE INCOME TAX (5.5% OR APPLICABLE RATE OF L36)	$ 138,641			$ (52,380)		
38	ADJUSTMENTS TO STATE INCOME TAX (LIST)						
39							
40	Prior Period Tax adjustment	(26,118)			30,252		
41	Interest Sync and adjustment tax	1,241					
42							
43	TOTAL ADJUSTMENTS TO STATE INCOME TAX	$ (24,877)			$ 30,252		
44							
45	STATE INCOME TAX	$ 113,764			(22,128)		

SUPPORTING SCHEDULES: C-2, C-23 RECAP SCHEDULES: C-1

SCHEDULE C-22

STATE AND FEDERAL INCOME TAX CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
46	FEDERAL TAXABLE INCOME (L5+L28+L34-L37state)		$ 2,383,420			$ (899,983)	
47	FEDERAL INCOME TAX (34% OR APPLICABLE RATE)		$ 810,363			$ (305,994)	
48							
49	ADJUSTMENTS TO FEDERAL INCOME TAX						
50							
51	Prior Period Tax adjustment		(149,991)			132,334	
52	Interest Sync and adjustment tax		7,257			0	
53							
54							
55							
56							
57	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAX		$ (142,734)			$ 132,334	
58							
59	FEDERAL INCOME TAX		$ 667,629			$ (173,660)	
60							
61							
62							
63	TOTAL FEDERAL AND STATE INCOME TAXES			$ 781,393			$ (195,788)
64							
65	ITC AMORTIZATION			$ (32,322)			
66							
67							
68							
69							
70							
71	**SUMMARY OF INCOME TAX EXPENSE:**						
72		STATE	FEDERAL	TOTAL			
73	CURRENT TAX EXPENSE	113,764	667,629	781,393			
74	DEFERRED INCOME TAXES	(22,128)	(173,660)	(195,788)			
75	INVESTMENT TAX CREDITS, NET			(32,322)			
76	TOTAL INCOME TAX PROVISION	91,636	493,969	553,283			

SUPPORTING SCHEDULES: C-2, C-23

RECAP SCHEDULES: C-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Doreen Cox

Line No.	Description	(1) Historical Base Year Ended 2006	(2) Prior Year Ended 2007	(3) Test Year Ended 2008
1	Interest on Long Term Debt (1)	1,268,418	1,277,132	1,173,525
2				
3	Amortization of Debt Discount, Premium, Issuing			
4	Expense & Loss on Reacquired Debt (1)	-	-	-
5				
6	Interest on Short Term Debt	75,536	123,947	129,657
7				
8	Interest on Customer Deposits	129,626	166,567	186,223
9				
10	Other Interest Expense	-	-	
11				
12	Less Allowance for Funds Used During Construction	-	-	-
13				
14				
15	Total Interest Expense	1,473,580	1,567,647	1,489,405

(1) Amortization of Debt Discount, Premium, Issuing Expense and Loss on Reacquired Debt have been included as part of the Interest on Long Term Debt

Supporting Schedules: Recap Schedules: C-22

FLORIDA PUBLIC SERVICE COMMISSION COMPANY:FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 070304-EI	EXPLANATION:	Provide information required in order to adjust income tax expenses by reason of interest expense of parent(s) that may be invested in the equity of the utility in question. If a projected test period is used, provide on both a projected and historical basis.	Type of Data Shown: Projected Test Year Ended 12/31/2008 Prior Year Ended 12/31/2007 Historical Year Ended 12/31/2006 Witness: Doreen Cox

Line No.		Amount	Percent of Capital	Cost Rate	Weighted Cost
1	Long Term Debt				
2					
3	Short Term Debt				
4					
5	Preferred Stock				
6					
7	Common Equity				
8					
9	Deferred Income Tax		**Not Applicable**		
10					
11	Investment Tax Credits	Weighted cost of parent debt x 38.575% (or applicable consolidated tax rate) x equity of subsidiary			
12					
13	Other (specify)				
14					
15	Total				

Supporting Schedules: Recap Schedules:

DEFERRED TAX ADJUSTMENT

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.		Protected	Unprotected	Total (Excess/Deficient)
1	Balance at Beginning of the Historical Year	16,289,924	1,657,563	17,947,487
2	Historical Year Amortization	2,202,805	217,860	2,420,665
3				
4	Balance at Beginning of Historical Year + 1	14,087,119	1,439,703	15,526,822
5	Historical Year + 1 Amortization	2,202,805	217,860	2,420,665
6				
7	Balance at Beginning of Projected Test Year	11,884,314	1,221,843	13,106,157
8	Projected Test Year Amortization	2,202,805	217,860	2,420,665
9				
10	Balance at End of Projected Test Year	9,681,509	1,003,983	10,685,492
11				
12				
13				
14				
15	* 2006 -2008 is estimate based on 2005 actual schedules			

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY:FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 070304-EI	EXPLANATION:	Provide a copy of the company's most recent consolidated Federal Income Tax Return, State Income Tax Return and most recent final IRS revenue agent's report.	Type of Data Shown: Projected Test Year Ended 12/31/2008 Prior Year Ended 12/31/2007 Historical Year Ended 12/31/2006 Witness: Mehrdad Khojasteh

The Company's tax returns are available for staff review at the General Office Complex.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a summary of the specific tax effects (in dollars) of filing a consolidated return for the test year. Identify the nature and amount of benefits to the company and to the ratepayers.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

There are no specific tax benefits or detriments in filing a consolidated return versus individual company returns. There are no existing tax-sharing agreements with affiliated companies.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the requested miscellaneous tax information.

Type of Data Shown:
Historical Years Ended 2004, 2005 and 2006
Witness: Mehrdad Khojasteh

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.		
1	For profit and loss purposes, which IRC section 1552	SECTION 1.1552-1(A)
2	method is used for tax allocation?	
3		
4	What tax years are open with the IRS?	2004 - FORWARD
5		
6	For the last three tax years, what dollars were paid to or	NOT APPLICABLE
7	received from the parent for federal income taxes?	
8		
9	How were the amounts in (3) treated?	NOT APPLICABLE
10		
11	For each of the last three years, what was the dollar amount of	NOT APPLICABLE
12	interest deducted on the parent ONLY tax return?	
13		
14	Complete the following chart for the last three years:	

	Income (loss)					
	Book Basis Year			Tax Basis Year		
	2004	2005	2006	2004	2005	2006
Parent Only		NOT APPLICABLE			NOT APPLICABLE	
Applicant Only		NOT APPLICABLE			NOT APPLICABLE	
Total Group (1)	3,593,719	4,247,817	4,168,781	(380,767)	4,978,347	*
Total Group Excluding Parent & Applicant		NOT APPLICABLE			NOT APPLICABLE	

(1) FPUC CONSOLIDATED INCLUDES WHOLLY OWNED SUBSIDIARY, FLO-GAS CORPORATION. THE APPLICANT - MARIANNA AND FERNANDINA BEACH DIVISIONS ARE OPERATING DIVISIONS OF FPUC.
* 2006 INCOME TAX RETURN NOT COMPLETED AT THE TIME OF THIS FILING

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Jim Mesite

Description of Property	Date Acquired	Date Disposed	Original Classification Account	Reclassification Account(s)	Reclassification Date(s)	Original Amount Recorded	Additions or (Retirements)	Depreciation and Amortization	Net Book Value on Disposal Date	Gain or (Loss)	Amounts Allowed Prior Cases	Prior Cases Test Year Ended / /

No gains or losses in excess of $1 million.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY:FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 070304-EI	EXPLANATION:	Provide a copy of the Diversification Report included in the company's most recently filed Annual Report as required by Rule 25-6.135, Florida Administrative Code. Provide any subsequent changes affecting the test year.	Type of Data Shown: Historical Year Ended 12/31/2006 Witness: Mehrdad Khojasteh

See pages 455-460 from FERC FORM NO. 1 (2006) attached.

No material changes expected in 2007 and 2008.

Supporting Schedules: C-30 Recap Schedules:

Analysis of Diversification Activity

New or Amended Contracts with Affiliated Companies

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 2006

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

Name of Affiliated Company (a)	Synopsis of Contract (b)
	NONE

Analysis of Diversification Activity

Individual Affiliated Transactions in Excess of $500,000

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 2006

Provide information regarding individual affiliated transactions in excess of $500,000. Recurring monthly affiliated transactions which exceed $500,000 per month should be reported annually in the aggregate. However, each land or property sales transaction even though similar sales recur, should be reported as a "non-recurring" item for the period in which it occurs.

Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
None		

Analysis of Diversification Activity
Summary of Affiliated Transfers and Cost Allocations

Company: Florida Public Utilities Company

For the Year Ended December 31, 2006

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of $300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.
(a) Enter name of affiliate.
(b) Give description of type of service, or name the product involved.
(C) Enter contract or agreement effective dates.
(d) Enter the letter "p" if the service or product is a purchased by the Respondent: "s" if the service or product is sold by the Respondent.
(e) Enter utility account number in which charges are recorded.
(f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (C). Do not net amounts when services are both received and provided.

Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (C)	"p" or "s" (d)	Total Charge for Year	
				Account Number (e)	Dollar Amount (f)
	SEE ATTACHED SCHEDULES				

Analysis of Diversification Activity

ASSETS OR RIGHTS PURCHASED FROM OR SOLD TO AFFILIATES

FLORIDA PUBLIC UTILITIES COMPANY
For the Year Ended December 31, 2006

Provide a summary of affiliated transactions involving asset transfers or the right to use assets.

Name of Affiliate	Description of Asset or Right	Cost/Orig. Cost	Accumulated Depreciation	Net Book Value	Fair Market Value	Purchase Price	Title Passed Yes/No
Purchases from Affiliates:		166,647	72,435	94,212	$ N/A	$ N/A	N/A
Flo-Gas Corporation	Meters	20,447	7,321	13,126	N/A	Transfer	N/A
	Transp Equipment	26,100	8,094	18,006	N/A	Transfer	N/A
	Regulators	242	122	120	N/A	Transfer	N/A
	Misc. Equipment	55,797	24,141	31,656	N/A	Transfer	N/A
	Computer Equipment	16,075	5,758	10,317	N/A	Transfer	N/A
	Lantana Yard	47,986	26,999	20,987	N/A	Transfer	N/A
Sales to Affiliates:		39,301	16,762	22,539	$ N/A	Sales Price	N/A
	Transp Equipment	39,301	16,762	22,539	N/A	Transfer	N/A
	0	0	0	-	N/A	Transfer	N/A

Analysis of Diversification Activity

Employee Transfers

Company: Florida Public Utilities Company

For the Year Ended December 31, 2006

List employees earning more than $30,000 annually transferred to/from the utility to/from an affiliate company.

Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
Flo-Gas Does Not Have Any Transfers				

Analysis of Diversification Activity

Non-Tariffed Services and Products Provided by the Utility

Company: Florida Public Utilities Company

For the Year Ended December 31, 2006

Provide the following information regarding all non-tariffed services and products provided by the utility.

Description of Product or Service (a)	Account No. (b)	Regulated or Non-regulated (c)
None		

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Jim Mesite

(1) Line Number	(2) Account Number	(3) Description	(4) Original Purchase Cost	(5) Test Year Revenues (All Accts. 454)	(6) Expense Amounts	(7) Net Revenues

NONE

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historic Year Ended 12/31/2006
Historic Years 2002 - 2005
Witness: Mark Cutshaw, Doreen Cox

	Year 2002	Year 2003	Year 2004	Year 2005	Year 2006	Average Annual Growth Rate
THE LEVEL AND ANNUAL GROWTH RATES FOR:						
Peak Load MW	154	185	171	164	197	7.19%
Peak Load Per Customer (KW)	5	6	6	5	6	5.84%
Energy Sales (MWH)	741,038	723,823	766,349	814,353	849,124	3.52%
Energy Sales Per Customer	25	25	26	27	28	2.19%
Number of Customers (Average)	29,084	29,365	29,885	30,232	30,623	1.30%
Installed Generating Capacity (MW)	n/a	n/a	n/a	n/a	n/a	n/a
Population of Service Area	n/a	n/a	n/a	n/a	n/a	n/a
End of Year Miles of Distribution Lines	1,047	1,053	1,067	1,073	1,081	0.81%
End of Year Miles of Jurisdictional Transmission Lines	22	22	22	22	22	0.00%

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/05
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.		12/31/2005 Amount	12/31/2005 %Increase	12/31/2005 CPI	12/31/2006 Amount	12/31/2006 %Increase	12/31/2006 CPI
1	Total Company Basis						
2							
3							
4	Gross Payroll	16,785,347	N/A	3.40%	17,122,023	2.01%	3.20%
5	Gross Average Salary	47,450	N/A	3.40%	47,683	0.49%	3.20%
6							
7	Fringe Benefits						
8							
9	Life Insurance	100,682	N/A	3.40%	102,596	1.90%	3.20%
10	Medical Insurance	1,956,576	N/A	3.40%	1,878,220	-4.00%	3.20%
11	Retirement Plan - Pension	1,466,952	N/A	3.40%	1,599,407	9.03%	3.20%
12	Employee Savings Plan	N/A	N/A	3.40%	N/A	N/A	3.20%
13	Federal Insurance Contributions Act	2,416,398	N/A	3.40%	2,458,362	1.74%	3.20%
14	Federal & State Unemployment Taxes	65,840	N/A	3.40%	59,821	-9.14%	3.20%
15	Worker's Compensation	25,085	N/A	3.40%	14,981	-40.28%	3.20%
16	Other (Education, Service Awards,						
17	Physicals, etc.) -SPECIFY						
18	Employee Stock Purchase Plan	60,948	N/A	3.40%	66,564	9.21%	3.20%
19	Sub Total-Fringes	6,092,481	N/A	3.40%	6,179,951	1.44%	3.20%
20							
21	Total Payroll and Fringes	22,877,828	N/A	3.40%	23,301,974	1.85%	3.20%
22							
23	Average Employees	354	N/A	3.40%	359	1.51%	3.20%
24							
25	Payroll and Fringes Per Employee	64,672	N/A	3.40%	64,893	0.34%	3.20%

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historic Years Ended 12/31/2003, 04, 05, 06
Projection Years Ended 12/31/2007, 2008
Witness: Mehrdad Khojasteh

	2002 (000's)	2003 (000's)	2004 (000's)	2005 (000's)	2006 (000's)	2007 (000's)	2008 (000's)
Non-Fuel Operations & Maintenance Expenses (Excluding Conservation, Adjusted for Regulatory Adjustments).	5,491	6,080	6,616	7,276	7,705	8,617	10,081
Percent Change in Non-Fuel Operations & Maintenance Expense Over Previous Year.		10.73%	8.82%	9.98%	5.90%	11.84%	16.99%
Percent Change in CPI Over Previous Year. (1)		2.28%	2.66%	3.39%	3.23%	2.20%	2.30%
Difference Between Change in CPI and Non-Fuel Operations & Maintenance Expense.		8.45%	6.16%	6.59%	2.67%	9.64%	14.69%

(1) CPI projections used for 2007 & 2008

Supporting Schedules: C-6, C-40

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Base Year 12/31/02
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	(1) Function	(2) Test Year Total Company Per Books 2006	(3) O & M Adjustments 2006	(4) Adjusted Test Year O & M 2006	(5) Base Year Adjusted O & M 2002	(6) Compound Multiplier	(7) Historic Year Benchmark (5) x (6)	(8) Unadjusted Benchmark Variance (4) - (7)	(9) Unadjusted Benchmark Variance Excluding:	Adjusted Benchmark Variance
1	Production - Steam									
2										
3	Production - Nuclear									
4										
5	Production - Other	30,606,436	(30,606,436)	-	-		-	-		-
6										
7	Transmission	194,697	-	194,697	65,207	1.3071	85,232	109,465		109,465
8										
9	Distribution	2,828,336	-	2,828,336	2,364,635	1.3071	3,090,814	(262,478)		(262,478)
10										
11	Customer Accounts	1,331,423	-	1,331,423	1,388,756	1.3071	1,815,243	(483,820)		(483,820)
12										
13	Customer Service and									
14	Information	456,161	(456,161)	-						
15										
16	Sales Expenses	144,236	-	144,236	2,708	1.3071	3,540	140,696		140,696
17										
18	Administrative and General	3,208,858	(250)	3,208,608	2,286,653	1.3071	2,988,884	219,724		219,724
19										
20	Total	38,770,147	(31,062,847)	7,707,300	6,107,959		7,983,713	(276,413)	-	(276,413)

Supporting Schedules:C-2, C-7, C-12, C-38, C-39, C-40, C-41

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Function	Adjustment	Explanation
1	Production - Steam	N/A	
2			
3	Production - Nuclear	N/A	
4			
5			
6			
7	Total Production	0	
8			
9	Other Power Supply	(30,606,436)	To remove Purchased Power costs which are recovered through the fuel docket.
10			
11	Transmission	0	
12			
13	Distribution	0	
14			
15	Customer Accounts	0	
16			
17	Customer Service and		
18	Information	(456,161)	To remove Conservation costs which are recovered through the conservation docket.
19			
20	Sales Expenses	0	
21			
22	Administrative & General	(250)	To remove Economic Development Expense from acct. 93023.
23			
24			
25	Total Adjustments	(31,062,847)	

Supporting Schedules: C2 Recap Schedules: C-37

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2002
Witness: Mehrdad Khojasteh

Line No.	Function	Benchmark Year Actual O & M $	Adjustments for Non-Base Rate Expense Recoveries	$	Benchmark Year Adjusted O & M $
1	PRODUCTION - STEAM	0		0	0
2	PRODUCTION - NUCLEAR	0		0	0
3	OTHER POWER SUPPLY EXPENSES	26,497,852	PURCHASED POWER RECOVERY CLAUSE	(26,497,852)	0
4	TRANSMISSION	65,207		0	65,207
5	DISTRIBUTION	2,364,635		0	2,364,635
6	CUSTOMER ACCOUNTS	1,388,756		0	1,388,756
7	CUSTOMER SERVICE AND INFORMATION	488,107	CONSERVATION RECOVERY CLAUSE	(488,107)	0
8	SALES EXPENSE	2,708		0	2,708
9	ADMINISTRATIVE AND GENERAL	2,286,653		0	2,286,653
10	TOTAL	33,093,918		(26,985,959)	6,107,959 (1)

(1) INCLUDES FIGURES AS FILED LAST RATE CASE PLUS FPSC AJUSTMENTS MADE PER ORDER NO. PSC-04-0369-AS-EI.

Supporting Schedules: Recap Schedules: C-37

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Years Ended 12/31/2002, 03, 04, 05
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

	Total Customers			Average CPI-U (1982-1984 = 100)			
Year	Amount	% Increase	Compound Multiplier	Amount	% Increase	Compound Multiplier	Inflation and Growth Compound Multiplier
2002	26,266		1.0000	179.9		1.0000	1.0000
2003	26,797	2.02%	1.0202	184.0	2.28%	1.0228	1.0435
2004	29,891	11.55%	1.1380	188.9	2.66%	1.0500	1.1949
2005	30,243	1.18%	1.1514	195.3	3.39%	1.0856	1.2500
2006	30,636	1.30%	1.1664	201.6	3.23%	1.1206	1.3071

Supporting Schedules: Recap Schedules: C-37

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

FERC ACCOUNTS: 562 - 573 FERC FUNCTIONAL GROUP: TRANSMISSION

	AMOUNT
TEST YEAR ADJUSTED	194,697
BENCHMARK	85,232
VARIANCE TO JUSTIFY	109,465

LINE NO.	JUSTIFICATION NO.	DESCRIPTION	BASE YEAR (PRIOR CASE) ACTUAL O&M	BENCHMARK	HISTORIC BASE YEAR O&M REQUESTED	BENCHMARK VARIANCE
1	T-1	JEA TRANSFORMER LEASE - ACCT 570	0	0	25,680	25,680
2	T-2	GE ENERGY CHARGE - ACCT 570	0	0	53,181	53,181
3	T-3	WOODPECKER DAMAGE TO POLES - ACCT 571	0	0	32,900	32,900

JUSTIFICATION

T-1	LEASE OF TRANSFORMER FROM JEA DUE TO LOSS OF COMPANY TRANSFORMER IN OCTOBER 2005.
T-2	GE ENERGY CHARGE FOR TRANSFORMER OIL FILTERING AND OTHER MAINTENANCE.
T-3	REPAIR OF WOODPECKER NESTING DAMAGE TO TRANSMISSION POLES. THIS HAS BECOME AN INCREASING PROBLEM IN RECENT YEARS.

Supporting Schedules: C-37 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

FERC ACCOUNTS: 911 - 917 FERC FUNCTIONAL GROUP: SALES EXPENSE

	AMOUNT
TEST YEAR ADJUSTED	144,236
BENCHMARK	3,540
VARIANCE TO JUSTIFY	140,696

LINE NO.	JUSTIFICATION NO.	DESCRIPTION	BASE YEAR (PRIOR CASE) ACTUAL O&M	BENCHMARK	HISTORIC BASE YEAR O&M REQUESTED	BENCHMARK VARIANCE
1	S-1	INFORMATIONAL ADV.-PURCH. POWER -ACCT 9134	0	0	120,402	120,402
2	S-2	CUSTOMER SATISFACTION SURVEY - ACCT 916	0	0	12,332	12,332
3	S-3	SAFETY ADVERTISING - ACCT 9133	774	1,012	8,224	7,212
4	S-4	PROMOTIONAL ADVERTISING - ACCT 9132	0	0	1,537	1,537

JUSTIFICATION	
S-1	INFORMATIONAL ADVERTISING RE: INCREASE IN PURCHASED POWER COSTS- VENDOR: CURLEY & PYNN.
S-2	SURVEY OF ELECTRIC CUSTOMERS AND THEIR EXPECTATIONS. AWARENESS OF POWER COSTS INCREASES AND WHERE WE CAN BETTER COMMUNICATE RATE AND CONSERVATION INFORMATION.
S-3	STORM PREPARATION INFORMATIONAL ADVERTISING
S-4	CONSERVATION ITEMS WHICH DID NOT QUALIFY FOR RECOVERY THROUGH THE CONSERVATION RECOVERY CLAUSE.

Supporting Schedules: C-37 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

FERC ACCOUNTS: 920 - 935 FERC FUNCTIONAL GROUP: ADMINISTRATIVE AND GENERAL

	AMOUNT
TEST YEAR ADJUSTED	3,208,608
BENCHMARK	2,988,884
VARIANCE TO JUSTIFY	219,724

LINE NO.	JUSTIFICATION NO.	DESCRIPTION	BASE YEAR (PRIOR CASE) ACTUAL O&M	BENCHMARK	HISTORIC BASE YEAR O&M REQUESTED	BENCHMARK VARIANCE
1	AG-1	PENSION EXPENSE - 9261	(38,649)	(50,518)	408,815	459,333

JUSTIFICATION

AG-1 PENSION EXPENSES HAVE INCREASED SUBSTANTIALLY SINCE THE PREVIOUS HISTORIC TEST YEAR. THE VALUE OF THE PENSION PLAN ASSETS AND THE CORRESPONDING PROJECTED BENEFIT OBLIGATIONS HAS REQUIRED THE INCREASES IN PENSION EXPENSE AS NOTED ABOVE.

Supporting Schedules: C-37 Recap Schedules:

Schedule C-42 HEDGING COSTS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Account No.	Account Title	2006 Base Rates	2006 Cause	2007 Base Rate	2007 Cause	2008 Base Rates	2008 Cause
		Hedging Expense						
					Not Applicable			
		Total Hedging Expense						
		Hedging related capital investment						
		Total Hedging investment						

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Account No.	Account Title	2006 Base Rates	2006 Cause	2007 Base Rates	2007 Cause	2008 Base Rates	2008 Cause
		Security Expense						
			Not Applicable					
		Total Security Expense						
		Security capital investment						
		Total Security investment						

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

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

Type of Data Shown:
Historical Year Ended 12/31/2006
Witness: Doreen Cox

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Description	Percent
1.	Revenue Requirement	100.0000%
2.	Gross Receipts Tax Rate	0.0000%
3.	Regulatory Assessment Rate	0.0720%
4.	Bad Debt Rate	0.1877%
5.	Net Before Income Taxes (1) - (2) - (3) - (4)	99.7403%
6.	State Income Tax Rate	5.5000%
7.	State Income Tax (5) x (6)	5.4857%
8.	Net Before Federal Income Tax (5) - (7)	94.2546%
9.	Federal Income Tax Rate	34.0000%
10.	Federal Income Tax (8) x (9)	32.0465%
11.	Revenue Expansion Factor (8) - (10)	62.2080%
12.	Net Operating Income Multiplier (100% / Line 11)	1.6075

Supporting Schedules: C-11, C-20, C-22

Recap Schedules:

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:31 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: C-MFRS-8-13-07-NoLinks.xls; HC-MFRS-8-13-07-NoLinks.xls

Here are the C-Schedules

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	53,075,623		53,075,623	100%	53,075,623	(36,296,779)	16,778,844
3	Other Operating Revenues	708,456		708,456	100%	708,456	-	708,456
4	Total Operating Revenues	53,784,078		53,784,078	100%	53,784,078	(36,296,779)	17,487,299
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel			-	100%	-	-	-
9	Purchased Power	35,867,580		35,867,580	100%	35,867,580	(35,867,580)	-
10	Other	9,020,368		9,020,368	100%	9,020,368	(403,063)	8,617,304
11	Depreciation & Amortization	2,828,638		2,828,638	100%	2,828,638	(1,836)	2,826,802
12	Decommissioning Expense	-		-	100%	-	-	-
13	Taxes Other Than Income Taxes	4,013,151		4,013,151	100%	4,013,151	(26,133)	3,987,018
14	Income Taxes	(314,573)		(314,573)	100%	(314,573)	691	(313,882)
15	Deferred Income Taxes-Net	507,751		507,751	100%	507,751	-	507,751
16	Investment Tax Credit-Net	(29,538)		(29,538)	100%	(29,538)	-	(29,538)
17	(Gain)/Loss on Disposal of Plant			-	100%	-	-	-
18	Total Operating Expenses	51,893,378		51,893,378	100%	51,893,378	(36,297,922)	15,595,456
19								
20	Net Operating Income	1,890,700		1,890,700	100%	1,890,700	1,143	1,891,843

Supporting Schedules: C-2, C-5, C-7 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	61,786,961		61,786,961	100%	61,786,961	(45,301,999)	16,484,962
3	Other Operating Revenues	702,003		702,003	100%	702,003	-	702,003
4	Total Operating Revenues	62,488,964		62,488,964	100%	62,488,964	(45,301,999)	17,186,965
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel			-	100%	-	-	-
9	Purchased Power	44,852,209		44,852,209	100%	44,852,209	(44,852,209)	-
10	Other	10,498,563		10,498,563	100%	10,498,563	(417,172)	10,081,391
11	Depreciation & Amortization	3,421,139		3,421,139	100%	3,421,139	(2,292)	3,418,847
12	Decommissioning Expense			-	100%	-	-	-
13	Taxes Other Than Income Taxes	4,320,401		4,320,401	100%	4,320,401	(32,618)	4,287,783
14	Income Taxes	(1,361,822)		(1,361,822)	100%	(1,361,822)	862	(1,360,960)
15	Deferred Income Taxes-Net	581,498		581,498	100%	581,498	-	581,498
16	Investment Tax Credit-Net	(27,935)		(27,935)	100%	(27,935)	-	(27,935)
17	(Gain)/Loss on Disposal of Plant			-	100%	-	-	-
18	Total Operating Expenses	62,284,053		62,284,053	100%	62,284,053	(45,303,429)	16,980,624
19								
20	Net Operating Income	204,910		204,910	100%	204,910	1,431	206,341

Supporting Schedules: C-2, C-5, C-7

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.		Jurisdictional Amount Schedule C-1 Col. 5	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:															
2	Sales of Electricity	53,075,623	(36,296,779)												(36,296,779)	16,778,844
3	Other Operating Revenues	708,456	0												-	708,456
4	Total Operating Revenues	53,784,078	(36,296,779)												(36,296,779)	17,487,299
5																
6	Operating Expenses:															
7	Operation & Maintenance:														-	-
8	Fuel (nonrecoverable)	-	-												-	-
9	Purchased Power	35,867,580	(35,867,580)												(35,867,580)	-
10	Other	9,020,368	(403,063)												(403,063)	8,617,304
11	Depreciation & Amortization	2,828,638	(1,836)												(1,836)	2,826,802
12	Decommissioning Expense	-	-												-	-
13	Taxes Other Than Income Taxes	4,013,151	(26,133)												(26,133)	3,987,018
14	Income Taxes	(314,573)	691												691	(313,882)
15	Deferred Income Taxes-Net	507,751	-												-	507,751
16	Investment Tax Credit-Net	(29,538)	-												-	(29,538)
17	(Gain)/Loss on Disposal of Plant	-	-												-	-
18																
19	Total Operating Expenses	51,893,378	(36,297,922)												(36,297,922)	15,595,456
20																
21	Net Operating Income	1,890,700	1,143												1,143	1,891,843

Supporting Schedules: C3 Recap Schedules: C1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.		Jurisdictional Amount Schedule C-1 Col. 5	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:															
2	Sales of Electricity	61,786,961	(45,301,999)												(45,301,999)	16,484,962
3	Other Operating Revenues	702,003	0												-	702,003
4	Total Operating Revenues	62,488,964	(45,301,999)												(45,301,999)	17,186,965
5																
6	Operating Expenses:	-													-	-
7	Operation & Maintenance:	-													-	-
8	Fuel (nonrecoverable)	-	-												-	-
9	Purchased Power	44,852,209	(44,852,209)												(44,852,209)	-
10	Other	10,498,563	(417,172)												(417,172)	10,081,391
11	Depreciation & Amortization	3,421,139	(2,292)												(2,292)	3,418,847
12	Decommissioning Expense	-	-												-	-
13	Taxes Other Than Income Taxes	4,320,401	(32,618)												(32,618)	4,287,783
14	Income Taxes	(1,361,822)	862												862	(1,360,960)
15	Deferred Income Taxes-Net	581,498	-												-	581,498
16	Investment Tax Credit-Net	(27,935)	-												-	(27,935)
17	(Gain)/Loss on Disposal of Plant	-	-												-	-
18																
19	Total Operating Expenses	62,284,053	(45,303,429)												(45,303,429)	16,980,624
20																
21	Net Operating Income	204,910	1,431												1,431	206,341

Supporting Schedules: C3 Recap Schedules: C1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment
1	Operating Revenue - Commission				
2	Operating Revenue - Company	Eliminate Fuel and Conservation Revenues	(36,296,779)	100%	(36,296,779)
3					
4	Other Revenue - Commission				
5	Other Revenue - Company				
6					
7	Provision for Rate Refund - Commission				
8	Provision for Rate Refund - Company				
9					
10	Operating Expense - Commission				
11	Operating Expense - Company	Eliminate Fuel Expenses	(35,867,580)	100%	(35,867,580)
12					
13	Fuel Expense - Commission				
14	Fuel Expense - Company	Eliminate Conservation Expenses	(403,063)	100%	(403,063)
15					
16	Maintenance Expense - Commission				
17	Maintenance Expense - Company				
18					
19	Depreciation Expense - Commission				
20	Depreciation Expense - Company	Eliminate NonUtility Depreciation Expense	(1,836)	100%	(1,836)
21					
22	Taxes Other than Income Exclu GR - Commission				
23	Taxes Other than Income Exclu GR - Company				
24					
25	Taxes Other than Income - Commission				
26	Taxes Other than Income - Company	Eliminate Taxes other than Income	(26,133)	100%	(26,133)
27					
28	Income Taxes - Commission				
29	Income Taxes - Company	Eliminate Income Taxes	691	100%	691
30					
31	Deferred Income Tax - Commission				
32	Deferred Income Tax - Company		0	100%	-

Supporting Schedules: Recap Schedules: C1, C2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh, Cheryl Martin

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment
1	Operating Revenue - Commission				
2	Operating Revenue - Company	Eliminate Fuel and Conservation Revenues	(45,301,999)	100%	(45,301,999)
3					
4	Other Revenue - Commission				
5	Other Revenue - Company				
6					
7	Provision for Rate Refund - Commission				
8	Provision for Rate Refund - Company				
9					
10	Operating Expense - Commission				
11	Operating Expense - Company	Eliminate Fuel Expenses	(44,852,209)	100%	(44,852,209)
12					
13	Fuel Expense - Commission				
14	Fuel Expense - Company	Eliminate Conservation Expenses	(417,172)	100%	(417,172)
15					
16	Maintenance Expense - Commission				
17	Maintenance Expense - Company				
18					
19	Depreciation Expense - Commission				
20	Depreciation Expense - Company	Eliminate NonUtility Depreciation Expense	(2,292)	100%	(2,292)
21					
22	Taxes Other than Income Exclu GR - Commission				
23	Taxes Other than Income Exclu GR - Company				
24					
25	Taxes Other than Income - Commission				
26	Taxes Other than Income - Company	Eliminate Taxes other than Income	(32,618)	100%	(32,618)
27					
28	Income Taxes - Commission				
29	Income Taxes - Company	Eliminate Income Taxes	862	100%	862
30					
31	Deferred Income Tax - Commission				
32	Deferred Income Tax - Company		0	100%	-

Supporting Schedules: Recap Schedules: C1, C2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

							Adjustments						
Account No.	Account Title	Projection Factor	Projection Basis	(1) Per Books	(2) Non-Jurisdictional	(3) Jurisdictional (1)-(2)	(4) Fuel	(5) Conservation	(6) Franchise Fees	(7) Other (Gross Receipts)	(8) Other (Specify)	(9) Total (4) thru (8)	(10) Adjusted Total (3)-(9)
	SALES OF ELECTRICITY												
440	Residential Sales		Billing Determinants	25,001,701	-	25,001,701	15,801,525	166,449	852,671	625,018		17,445,664	7,556,037
442	Commercial Sales		Billing Determinants	20,619,498	-	20,619,498	14,850,206	157,472	807,515	515,467		16,330,660	4,288,838
442	Industrial Sales		Billing Determinants	5,996,020	-	5,996,020	4,964,201	75,998	282,876	149,895		5,472,969	523,050
443	Outdoor Lighting		Billing Determinants	1,123,203		1,123,203	205,905	2,511	37,881	28,079		274,375	848,828
444	Public Street & Highway Lighting		Billing Determinants	335,201	-	335,201	71,586	925	13,070	8,380		93,961	241,241
445	Other Sales to Public Authorities			-	-	-						-	-
446	Sales to Railroads & Railways			-	-	-						-	-
448	Interdepartmental Sales			-	-	-						-	-
	Total Sales to Ultimate Consumers			53,075,623	-	53,075,623	35,893,424	403,355	1,994,012	1,326,839	-	39,617,630	13,457,993
447	Sales for Resale			-	-	-							
	TOTAL SALES OF ELECTRICITY			53,075,623	-	53,075,623	35,893,424	403,355	1,994,012	1,326,839	-	39,617,630	13,457,993
449.1	(Less) Provision for Rate Refunds					-	-	-	-	-	-		
	TOTAL REVENUE NET OF REFUND PROVISION			53,075,623	-	53,075,623	35,893,424	403,355	1,994,012	1,326,839	-	39,617,630	13,457,993
	OTHER OPERATING REVENUES												
450	Forfeited Discounts	99.65	Base Revenues	353,444	-	353,444						-	353,444
451	Miscellaneous Service Revenues	101.20	2	222,539	-	222,539						-	222,539
453	Sales of Water and Water Power				-	-						-	-
454	Rent from Electric Property	102.20	1	116,588	-	116,588						-	116,588
455	Interdepartmental Rents					-						-	-
456	Other Electric Revenues (In Detail)					-						-	-
4561	OVER-RECOVRY:FUEL AD		Direct		-	-	-					-	-
4562	MISC.ELECTRIC REVENU	100.00	9	7,846	-	7,846						-	7,846
4563	Unbilled Revenue		Direct	8,039	-	8,039						-	8,039
4566	OVERRECOVERY: CONSER		Direct		-	-		-				-	-
	TOTAL OTHER OPERATING REVENUES			708,456	-	708,456	-	-	-	-	-	-	708,456
	TOTAL ELECTRIC OPERATING REVENUES			53,784,078	-	53,784,078	35,893,424	403,355	1,994,012	1,326,839	-	39,617,630	14,166,448

Supporting Schedules: C6 Recap Schedules: C1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mark Cutshaw

							Adjustments						
Account No.	Account Title	Projection Factor	Projection Basis	(1) Per Books	(2) Non-Jurisdictional	(3) Jurisdictional (1)-(2)	(4) Fuel	(5) Conservation	(6) Franchise Fees	(7) Other (Gross Receipts)	(8) Other (Specify)	(9) Total (4) thru (8)	(10) Adjusted Total (3)-(9)
	SALES OF ELECTRICITY												
440	Residential Sales	Billing Determinants		29,052,504	-	29,052,504	19,969,427	172,275	829,938	726,284		21,697,924	7,354,580
442	Commercial Sales	Billing Determinants		24,065,255	-	24,065,255	18,441,467	162,984	769,937	601,608		19,975,996	4,089,259
442	Industrial Sales	Billing Determinants		7,103,505	-	7,103,505	6,101,359	78,658	261,809	177,581		6,619,407	484,098
443	Outdoor Lighting	Billing Determinants		1,203,077		1,203,077	276,318	2,598	38,196	30,076		347,188	855,889
444	Public Street & Highway Lighting	Billing Determinants		362,619	-	362,619	95,955	958	13,190	9,065		119,167	243,452
445	Other Sales to Public Authorities				-	-						-	-
446	Sales to Railroads & Railways				-	-						-	-
448	Interdepartmental Sales			-	-	-						-	-
	Total Sales to Ultimate Consumers			61,786,961	-	61,786,961	44,884,526	417,473	1,913,070	1,544,614	-	48,759,683	13,027,278
447	Sales for Resale			-	-	-							
	TOTAL SALES OF ELECTRICITY			61,786,961	-	61,786,961	44,884,526	417,473	1,913,070	1,544,614	-	48,759,683	13,027,278
449.1	(Less) Provision for Rate Refunds					-	-	-	-	-	-		
	TOTAL REVENUE NET OF REFUND PROVISION			61,786,961	-	61,786,961	44,884,526	417,473	1,913,070	1,544,614	-	48,759,683	13,027,278
	OTHER OPERATING REVENUES												
450	Forfeited Discounts	96.80	Base Revenues	342,133	-	342,133						-	342,133
451	Miscellaneous Service Revenues	101.20	2	225,209	-	225,209						-	225,209
453	Sales of Water and Water Power				-	-						-	-
454	Rent from Electric Property	102.30	1	119,269	-	119,269						-	119,269
455	Interdepartmental Rents					-						-	-
456	Other Electric Revenues (In Detail)					-						-	-
4561	OVER-RECOVRY:FUEL AD		Direct		-	-	-					-	-
4562	MISC.ELECTRIC REVENU	100.00	9	7,846	-	7,846						-	7,846
4563	Unbilled Revenue		Direct	7,546	-	7,546						-	7,546
4566	OVERRECOVERY: CONSER		Direct		-	-		-				-	-
	TOTAL OTHER OPERATING REVENUES			702,003	-	702,003	-	-	-	-	-	-	702,003
	TOTAL ELECTRIC OPERATING REVENUES			62,488,964	-	62,488,964	44,884,526	417,473	1,913,070	1,544,614	-	48,759,683	13,729,281

Supporting Schedules: C6 Recap Schedules: C1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/08
Projected Prior Year Ended 12/31/07
Historical Year Ended 12/31/06
Witness: Doreen Cox, Mehrdad Khojasteh

Line No.	Account No.	Account Title	2002 Year 1 Budget (000)	2002 Year 1 Actual (000)	2003 Year 2 Budget (000)	2003 Year 2 Actual (000)	2004 Year 3 Budget (000)	2004 Year 3 Actual (000)	2005 Year 4 Budget (000)	2005 Year 4 Actual (000)	2006 Year 5 Budget (000)	2006 Year 5 Actual (000)	2007 Projected Prior Year (000)	2008 Projected Test Year (000)
1	**BASE REVENUES**													
2														
3	4000.4400	RESIDENTIAL SALES	6,327	6,323	6,317	6,291	7,379	6,997	7,366	7,559	7,447	7,594	7,556	7,355
4	4000.4420	COMMERCIAL SALES	3,970	4,013	3,908	4,053	4,681	3,997	4,810	4,307	4,421	4,300	4,289	4,089
5	4000.4423	INDUSTRIAL	545	453	565	450	572	507	550	556	543	546	523	484
6	4000.4430	OUTDOOR LIGHTING	0	0	0	0	546	749	687	824	773	853	849	856
7	4000.4440	PUBLIC ST&HWY	161	179	268	187	249	205	165	214	206	213	241	244
8	4000.4450	PUBLIC AUTH.	0	0	0	0	0	0	0	0	0	0	0	0
9	4000.4480	INTERDEPT.SALES	39	38	36	12	13	7	0	0	7	0	0	0
10	4000.4490	RATE REFUNDS	0	(30)	0	0	0	0	0	0	0	0	0	0
11														
12	4000.4500	FORFEITED DISC.	104	125	253	351	220	352	364	357	347	355	353	342
13	4000.4510	MISC. SERVICE REVENUE	134	165	132	125	147	200	255	246	269	220	223	225
14	4000.4540	RENT	105	104	106	105	108	106	108	116	123	114	117	119
15	4000.4560	MISC OTHER REVENUE	7	15	13	19	11	2	20	9	5	16	16	15
16														
17	**TOTAL BASE REVENUES**		11,392	11,385	11,598	11,593	13,926	13,122	14,325	14,188	14,141	14,211	14,167	13,729

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/08
Projected Prior Year Ended 12/31/07
Historical Year Ended 12/31/06
Witness: Doreen Cox, Mehrdad Khojasteh

Line No.	Account No.	Account Title	2002 Year 1 Budget (000)	2002 Year 1 Actual (000)	2003 Year 2 Budget (000)	2003 Year 2 Actual (000)	2004 Year 3 Budget (000)	2004 Year 3 Actual (000)	2005 Year 4 Budget (000)	2005 Year 4 Actual (000)	2006 Year 5 Budget (000)	2006 Year 5 Actual (000)	2007 Projected Prior Year (000)	2008 Projected Test Year (000)
18	**OPERATING EXPENSES (LESS FUEL & CONSERVATION)**													
19														
20	4010.5620	STATION EXPENSES	0	13	18	16	24	13	18	11	19	17	42	43
21	4010.5660	MISC. TRANS. EXPS.	18	8	1	2	1	0	1	4	1	0	12	31
22														
23	4010.5800	OP SUPERVISION	239	235	215	247	347	283	318	334	346	307	380	435
24	4010.5820	STATION EXPENSES	13	34	41	41	50	39	50	50	51	47	95	100
25	4010.5830	OVHD LINES/TRANS	76	89	50	63	54	64	76	81	91	113	120	129
26	4010.5840	UNDERGROUND LINE EXP	19	35	24	36	34	28	31	28	31	30	31	33
27	4010.5850	STREET LIGHT EXPENSE	18	28	31	18	28	21	29	14	47	12	13	14
28	4010.5860	METER EXPENSES	188	210	176	229	241	228	247	250	250	256	273	292
29	4010.5870	AREA LIGHT EXP.	66	99	72	101	107	108	78	87	103	93	100	106
30	4010.5880	MISC. DISTR.OFFICE EXP	175	162	157	168	267	177	237	229	230	208	273	312
31	4010.5890	RENTS	18	13	18	6	13	17	39	1	1	1	1	1
32														
33	4010.9010	SUPERVISION	122	97	108	122	190	154	154	173	190	115	123	134
34	4010.9020	METER READING EXP.	173	221	204	242	234	233	253	234	236	277	296	316
35	4010.9030	CUSTOMER RECORDS	784	685	702	730	877	739	878	746	772	758	801	868
36	4010.9040	UNCOLL. ACCOUNTS	79	27	77	66	72	73	78	8	80	87	88	217
37	4010.9050	MISC. CUST. ACCTS. EXP.	56	77	137	86	85	82	97	81	85	94	97	101
38														
39	4010.9130	ADVERTISING	1	3	0	3	4	19	7	22	89	131	164	170
40	4010.9160	MISC. SALES EXPENSE	0	0	0	2	1	2	3	2	28	13	14	14
41														
42	4010.9200	ADM & GENERAL SALARIES	732	848	981	833	886	825	1,011	831	936	960	1,071	1,192
43	4010.9210	OFFICE SUPPLIES & EXP.	196	229	172	187	172	195	206	203	137	152	161	170
44	4010.9230	OUTSIDE SERVICES	73	95	137	156	171	91	216	152	270	197	285	300
45	4010.9240	PROPERTY INSURANCE	164	158	165	162	229	182	160	175	157	175	181	264
46	4010.9250	INJURIES AND DAMAGES	206	362	353	591	436	475	471	427	546	438	591	499
47	4010.9260	EMPLOYEE PENSION/BENEFITS	301	255	573	440	558	768	785	871	881	901	914	1,006
48	4010.9280	REGULATORY EXPS.	4	6	24	9	89	66	117	119	110	131	134	254
49	4010.9302	MISC GENERAL EXPENSES	88	130	94	78	61	87	104	103	95	86	99	102
50	4010.9310	RENTS	4	4	3	5	4	6	9	7	7	8	8	9
51														
52	**TOTAL OPERATION EXPENSES**		3,813	4,123	4,533	4,639	5,235	4,975	5,673	5,243	5,789	5,607	6,367	7,112

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/08
Projected Prior Year Ended 12/31/07
Historical Year Ended 12/31/06
Witness: Doreen Cox, Mehrdad Khojasteh

Line No.	Account No.	Account Title	2002 Year 1 Budget (000)	2002 Year 1 Actual (000)	2003 Year 2 Budget (000)	2003 Year 2 Actual (000)	2004 Year 3 Budget (000)	2004 Year 3 Actual (000)	2005 Year 4 Budget (000)	2005 Year 4 Actual (000)	2006 Year 5 Budget (000)	2006 Year 5 Actual (000)	2007 Projected Prior Year (000)	2008 Projected Test Year (000)
53	**MAINTENANCE EXPENSE**													
54														
55	4020.5700	MAINT STATION EQUIP	39	20	23	32	42	11	72	60	34	99	102	106
56	4020.5710	MAIN OVERHEAD LINES	12	24	12	9	18	9	12	53	12	78	81	84
57	4020.5730	MAINT MISC TRANS. PLT	0	0	0	0	0	0	0	0	0	0	0	0
58														
59	4020.5900	MAINT SUPER/ENG	86	61	89	84	89	150	204	133	138	136	147	163
60	4020.5910	MAINT OF STRUCTURES	2	8	4	3	4	2	20	13	10	10	10	11
61	4020.5920	MAINT OF STATION EQUIP	74	75	112	57	182	60	84	170	106	73	75	78
62	4020.5930	MAINT OF POLES/COND/SER	861	808	676	855	1,021	989	1,076	1,184	1,159	1,125	1,216	1,868
63	4020.5940	MAINT OF U/G LINES	115	137	119	103	124	145	135	133	130	136	151	161
64	4020.5950	MAINT OF TRANSFORMERS	114	87	106	117	130	102	218	96	82	126	135	144
65	4020.5960	MAINT OF STREET LIGHTS	16	19	16	23	20	28	58	30	30	49	52	56
66	4020.5970	MAINT OF METERS	21	38	19	33	30	30	42	28	32	35	38	40
67	4020.5980	MAINT OF MISC DISTR PLT	35	53	37	60	54	70	64	66	65	71	74	77
68														
69	4020.9350	MAINT OF GENERAL PLANT	70	38	122	65	155	50	91	78	188	160	168	181
70														
71	**TOTAL MAINTENANCE EXPENSE**		1,445	1,368	1,335	1,441	1,869	1,646	2,076	2,044	1,986	2,098	2,249	2,969
72														
73	4030.1000	DEPRECIATION EXPENSE	2,225	2,116	2193	2333	2,608	2,323	2,473	2,404	2,476	2,610	2,719	2,933
74														
75	4030.2000	DEPRECIATION EXP. - COMMON	48	71	81	83	101	96	88	116	120	112	108	132
76														
77	4070.3000	AMORTIZATION - STORM HARDENING	0	0	0	0	0	0	0	0	0	0	0	355
78														
79	4080.0000	TAXES OTHER THAN INC. TAXES	3,144	3,289	3,110	2,777	2,964	3,401	3,203	3,958	3,913	3,982	4,011	4,320
80														
81	4090.4100	INCOME TAXES CURRENT/DEF	490	349	269	664	619	604	516	701	303	577	193	(780)
82														
83	4110.0000	INVESTMENT TAX CREDIT	(46)	(56)	(52)	(52)	(47)	(40)	(35)	(35)	(32)	(32)	(29)	(28)
84														
85	**TOTAL OPERATING EXPENSES**		11,119	11,260	11,469	11,885	13,349	13,005	13,994	14,431	14,555	14,954	15,618	17,013

Supporting Schedules: C-5, C-7 Recap Schedules: C1, C5

OPERATION AND MAINTENANCE EXPENSES -- PRIOR YEAR 2007

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

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

Line No.	Account No.	Account Title	Adjustment Basis	Adjustment Factor	Over and Above	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	12 Month Total
1	OPERATING EXPENSES																	
2																		
3	**555-557**	**Other Power Supply Expenses**																
4	555	PURCHASED POWER	Billing Determinants			2.732.628	3.331.037	2.578.653	2.645.833	3,108.065	3.315.527	3.535.784	3.566.175	2.971.190	2.726.914	2.521.665	2.756.882	35.790.353
5	55501	PURCHASED POWER-QUAL	19	0%		-	-	-	-	-	-	-	-	-	-	-	-	-
6	5551	UNDER REC FUEL ADJ	Calculated			234.546	(325.203)	247.468	(91,875)	(396.332)	(262.693)	180.420	(295.616)	395.298	373.758	(189.714)	(139.068)	(269,012)
7	556	SYSTEM CONTROL & LOAD DISP	0	100%		-	-	-	-	-	-	-	-	-	-	-	-	-
8	557	OTHER EXPENSES	0	100%		(565)	5.421	(16.501)	245	44.573	105.507	1.041	26,650	59.797	1.081	39.811	79.179	346.239
9																		
10	**560-567.1**	**Transmission Expenses - Operation**																
11	562	STATION EXPENSES	1	102 2%	25.000	2.434	2.604	2,939	3.860	4.066	6.168	2.456	3,283	3.525	4.266	2.698	4.202	42,501
12	566	MISC TRANSMISSION EXPENSES	13	103 4%	12.000	1.010	1.000	1,000	1.000	1.000	1.000	1.000	1,000	1.105	1.000	1,000	1.000	12.116
13																		
14	**580-589**	**Distribution Expenses - Operation**																
15	580	OPERATION SUPERVISION & ENG	5	105 5%	56.408	32.573	25.183	34.414	28,073	32.589	33.368	27.753	34,631	35,651	27.357	26,869	41.960	380.422
16	581	LOAD DISPATCHING	13	103 4%		-	-	-	-	-	-	-	-	-	-	-	-	-
17	582	STATION EXPENSES	5	105 5%	45.000	7.825	6.058	8.000	8,694	6,744	10.572	6.228	6,970	6.775	8.112	8.067	10,626	94.672
18	5831	OPERATION OF OVERHEA	16	106 8%		2.596	2.471	4,357	3,454	3,307	5.907	3.134	6.300	3.190	9.324	8,721	2.152	54.913
19	5832	REMOVING & RESETTING	16	106 8%		4.198	3.315	4.196	3,010	6,527	5.116	8.282	7,200	8.364	7.339	3,352	4.663	65.562
20	5841	UNDERGROUND LINE EXP	5	105 5%		-	68	716	-	559	263	295	294	504	315	406	302	3,723
21	5842	UNDERGRND LINE EXPEN	5	105 5%		1.540	1.888	3,967	2,028	4,535	4,524	1.589	1,136	2,085	860	1,345	2.007	27,504
22	585	STREET LIGHT/SIGNAL	16	106 8%		494	889	1.250	1,723	1,416	911	397	1,340	918	751	1,792	889	12.770
23	586	METER EXPENSES	16	106 8%		23.648	18.818	24.107	20,069	20,305	23.132	19.957	21,802	25,877	28.470	25.661	21,212	273,056
24	5871	AREA LIGHT EXPENSE	16	106 8%		3.587	5.387	4,747	4.080	3.346	3.572	4.121	4,817	5.365	5.094	4.090	7,378	55.585
25	5872	OTHER CUSTOMER INSTA	16	106 8%		3,041	2.833	4.611	1,544	6,922	4.406	4.266	4.041	3,258	2.926	3.367	2,795	44,010
26	5881	DISTRIBUTION MAPS &	16	106 8%	-	7.381	7.238	8.678	6,908	10,219	10,378	8,168	9.414	6.035	8.744	8,877	13,887	105,926
27	5882	OTHER DIST OFFICE SU	16	106 8%	50.800	11,670	9.638	14.868	12,750	11,444	16.637	12.688	9,086	16,555	7,882	13.261	19,054	155,533
28	5883	MISC DISTRIBUTION OF	16	106 8%		1,605	1,928	461	1,880	488	461	555	559	461	423	742	1,565	11.129
29	589	RENTS	1	102 2%		220	-	-	110	-	-	110	353	-	68	18	173	1,053
30																		
31	**901-905**	**Customer Accounts - Operation**																
32	901	SUPERVISION	5	105 5%	1.428	11,897	387	5,457	5,062	5.201	4.927	4,532	4.961	4,934	7,760	6,896	11.750	73.765
33	9011	SUPERVISION A&G	5	105 5%		-	8.204	4.238	3.173	4,035	4.996	3.265	5,353	4,502	3.253	4.893	3.144	49.056
34	902	METER READING EXPENSE	16	106 8%		22,845	22.476	29.123	21,318	25,415	27.068	23.611	26,563	24.338	24.131	24.849	23,970	295,709
35	903	CUSTOMER RECORDS/COLLECTION	5	105 5%	-	59.992	20.449	46.530	35,493	39,238	47.572	44.634	47.108	44,297	45.136	44.560	49,909	524.917
36	9031	CUSTOMER RECORDS/COL	5	105.5%	1.349	112	41,612	25.588	22,792	22,147	25,524	22.547	20,894	22,692	22,227	20,879	28,794	275.807
37	904	UNCOLLECTIBLE ACCOUNTS	9	100 0%	175	5.200	4.551	4,078	4,391	4,570	5.337	6.101	5,930	6,163	5,052	4.246	31,976	87,590
38	905	MISC CUSTOMER ACCOUNTS	13	103 4%		9.456	4.263	5,703	6,355	6,159	7.879	5.025	6.476	5.999	4.062	6.603	12,785	80.765
39	9051	MISC CUSTOMER ACCNT	13	103 4%		-	1.886	1.464	1.634	1.723	1.491	1.211	1.592	1.409	1.382	1.456	1,555	16.804
40																		
41	**906-910**	**Customer Service and Info - Operation**																
42	9061	UNDERRECOVERY: CONSERVATION	Calculated			(12.464)	7.736	(20,268)	11,065	(17,737)	(3.204)	6.610	(3,122)	(10,101)	1.433	(14.696)	(13,859)	(68,607)
43	907	SUPERVISION	13	103 4%		6.184	6.989	8,129	6,326	7,973	5.716	3.034	9,057	3,175	6.211	5.439	8,221	76.455
44	908	CUSTOMER ASSISTANCE	13	103 4%		16,977	16.298	18,258	12.016	14.787	15.868	15.714	18,921	17,098	19.569	18.652	22.945	207,105
45	909	INFO & INSTRUCTIONAL	13	103 4%		20.794	851	23.319	(1,819)	24.505	15.440	14.726	10,675	24,254	6.180	15.543	10,083	164.550
46	910	MISC CUSTOMER SERVICE	13	103 4%		1.846	1.966	2,135	1.115	1.444	1.673	1.690	1,522	4,077	1.462	1.714	2.917	23,561
47																		
48	**911-917**	**Sales Expenses - Operation**																
49	912	DEMONSTRATING & SELLING	5	105.5%		-	-	-	-	-	-	-	-	-	-	-	-	
50	9131	PROMOTIONAL ADVERTISING	13	103 4%		-	-	-	-	-	-	-	-	-	-	-	-	-
51	9132	CONSERVATION ADVERTISING	13	103 4%		-	-	-	-	-	8.184	-	-	(6,595)	6.595	(6.595)	-	1.589
52	9133	SAFETY ADVERTISING	13	103 4%		143	-	-	150	1.794	1.781	2.488	-	151	-	-	1,998	8.504
53	9134	OTHER INFO/INSTR/CON	13	103.4%	28.800	7.736	7.766	8.355	12.823	10.303	10.291	7.570	27.530	7,684	22.291	15,466	16,332	154.148
54	9135	COMMUNITY AFFAIRS ADVERTISING	13	103 4%		-	-	-	-	-	-	-	-	-	-	-	-	-
55	9136	OTHER ADVERTISING	13	103 4%		-	-	-	-	-	-	-	-	-	-	-	-	-
56	916	MISC. SALES EXPENSES	13	103 4%		116	140	119	123	58	2.356	31	12.769	(2,208)	27	55	114	13.699
57																		
58	**920-933**	**Administrative & General - Operation**																
59	920	ADM & GENERAL SALARIES	5	105 5%	58.302	85,059	85.110	93.667	83,130	92.799	92.854	88.613	94,568	88,423	87.917	90.338	88,891	1.071,369
60	9211	OFFICE SUPPLIES	1	102 2%		595	918	1,488	753	730	1.158	1.214	1.286	886	625	633	582	10,867
61	9212	OFFICE POSTAGE & MAI	1	102 2%		783	833	1.087	794	164	896	35	786	91	782	21	839	7.111
62	9213	OFF COMPUTER SUPP &	1	102 2%		6.371	686	(7.814)	4.982	(3.123)	401	1.005	1,486	2.606	204	965	344	8.113
63	9214	OFFICE UTILITY EXPENSE	1	102 2%		3.099	2.672	3.422	2.040	3.675	3.166	2.255	2.800	2.241	3.586	2.659	2.811	34,425
64	9215	MISC OFFICE EXPENSE	1	102 2%	-	5.431	7.182	8.546	7.604	6.235	6.980	11.302	2.969	7.588	9.484	8.237	11.749	93.308
65	9216	CO TRAINING EXPENSE	1	102 2%	5.200	433	569	790	433	482	536	433	482	444	1.383	494	433	6.913
66	9231	OUTSIDE SERVICES - O	1	102 2%		-	-	3.575	41	-	-	1.803	-	2.099	645	6.755	3,388	18.306
67	9232	LEGAL FEES AND EXPENSES	1	102 2%		2.197	1.357	491	1,308	12.133	6.363	1.866	3.407	1.349	3.221	3.246	3,344	40.283
68	9233	OUTSIDE AUDIT & ACCO	13	103 4%	82.150	18.615	18.615	25.532	19.165	18.751	18.751	16.547	16.547	16,547	6.738	15.978	34,873	226.660
69	924	PROPERTY INSURANCE	FPUC			13.510	13.510	13.510	13,510	13.510	13.510	13.510	13,510	13,949	13.955	13.952	31,304	181.238
70	9251	INJURIES AND DAMAGES	16	106 8%	632	7.404	3.459	15.089	3.752	9.728	14.731	8.292	9.759	11.946	8.872	11.237	10.689	114.957
71	9252	GENERAL LIABILITY	13	103.4%	133000	41.983	41.763	41.467	41.415	42,093	40.333	38.497	41,424	41,412	39.396	39.672	26,139	475.595
72	9261	EMPLOYEE PENSIONS	FPUC			27.245	27.245	27.245	27,245	27.245	27.245	27.245	27,245	28,130	28.143	28.136	63,130	365.497
73	9262	EMPLOYEE BENEFITS- O	FPUC			36.399	36.399	36,399	36,399	36,399	36.399	36.399	36,399	37,582	37.598	37.590	84,341	488,303
74	9263	RETIREE BENEFITS-POS	FPUC			4.025	4.025	4.025	4,025	4,025	4.025	4.025	4.025	4.156	4.158	4,157	9,327	54.000
75	9264	401(K) EXPENSE COMPA	16	106 8%		-	-	523	356	642	513	598	(3,247)	4.454	685	782	852	6.157
76	928	REGULATORY COMMISSION	1	102 2%	-	732	11.016	12.478	9.576	10.635	13.877	9.157	10,880	16.191	8.255	13.638	17,533	133.967
77	9301	INSTITUTIONAL/GOODWILL	13	103 4%		-	-	-	-	-	-	-	-	-	-	-	-	-
78	9302	MISC GENERAL EXPENSE	13	103 4%		3.230	4.984	14.229	4.662	5.534	6.594	2.119	5.593	6.229	4.999	10.271	10,784	79.227
79	93022	INDUSTRY ASSOCIATION	13	103 4%		1.034	(1.034)	1.034	-	85	-	3.420	-	-	-	-	-	4.539

OPERATION AND MAINTENANCE EXPENSES -- PRIOR YEAR 2007

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO : 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

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

Line No.	Account No.	Account Title	Adjustment Basis	Adjustment Factor	Over and Above	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	12 Month Total
80	93023	ECONOMIC DEVELOPMENT	13	103.4%	10.000	833	833	833	833	833	833	833	6.003	833	833	833	833	15.170
81	931	RENTS	1	102.2%		572	593	562	602	656	626	626	598	838	41	1.708	1.067	8.490
82																		
83		**TOTAL OPERATING EXPENSES**				3,480,816	3,506,881	3,388,335	3,058,025	3,304,617	3,757,446	4,250,827	3,882,186	3,985,816	3,652,978	2,923,292	3,446,745	42,637,966
84		**Total Operating Expenses Less Fuel**				514,206	495,626	578,716	503,823	548,311	599,105	533,583	584,977	559,530	551,225	551,531	749,752	6,770,386

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

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

Line No.	Account No.	Account Title	Adjustment Basis	Adjustment Factor	Over and Above	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	12 Month Total
85	**Maintenance Expenses**																	
86																		
87	**541-545.1**	**Hydraulic Power Gen - Maintenance**																
88	554	MAINT OF MISC POWER	13	103 4%		-	-	-	-	-	-	-	-	-	-	-	-	-
89																		
90	**568-574**	**Transmission Expenses - Maintenance**																
91	570	MAINT OF STATION EQUIP	13	103 4%		384	874	3,075	4.880	6.505	2.891	2,587	2.606	2.382	2.426	2,705	71.115	102.430
92	571	MAINT OF OVERHEAD LINES	13	103 4%		110	150	-	2,933	9.687	25.806	8,305	12.768	8,719	5.886	7.539	(1.298)	80,603
93	573	MAINT OF MISC TRANSMISSON	13	103 4%		-	-	-	-	-	-	-	-	-	-	-	461	461
94																		
95	**590-598**	**Distribution Expenses - Maintenance**																
96	590	MAINT SUPERVISION & ENG	5	105.5%	2.856	15.473	17.208	20.088	11.972	9.337	10.353	7.624	9.906	9,384	9.285	7.007	19.037	146.674
97	591	MAINT OF STRUCTURES	13	103 4%		1.082	(156)	21	2.474	(746)	1.268	610	1,378	4,222	(268)	526	-	10,411
98	592	MAINT OF STATION EQUIP	13	103.4%		5.463	2.299	13.391	683	10.300	5.687	3,465	10.148	7.520	231	2.692	13.577	75,455
99	5931	MAINT OF POLES/TOWER	13	103.4%	-	13.392	2.354	10.727	2.452	995	2.755	3.826	2.649	1.330	1.218	839	3.508	46.044
100	5932	MAINT OF OVERHEAD CO	13	103.4%	53.248	61.398	52.002	112.733	48.321	105 902	124.050	93,244	78,372	104,711	79.711	97,583	74.556	1.032.586
101	5933	MAINT OF SERVICES	13	103.4%	-	11.333	6.996	9.447	7.671	11.525	14.052	11,936	15.190	12.201	10.344	10.056	17.003	137.755
102	5941	MAINT OF UNDERGROUND LINES	16	106.8%		669	332	523	263	1.765	450	281	609	586	651	784	1.055	7.968
103	5942	MAINT OF UNDERGROUND LINES	16	106 8%	5.748	12.493	4.798	9,232	5,945	8.754	17.933	37.035	10.205	10.818	7.138	7.594	11.094	143.039
104	5951	MAINT OF LINE TRANSFORMERS	16	106.8%		3.193	3.168	4.322	5.079	6.976	8.683	5.380	4.963	8.956	17.211	8.738	(7.776)	68.893
105	5952	MAINT OF LINE TRANSFORMERS	16	106 8%		-	-	309	-	-	415	8.805	340	31	(883)	(1,988)	423	7.451
106	5953	MAINT OF LINE TRANSFORMERS	16	106.8%		3.361	1.262	4,999	2.423	3.325	10.633	3.876	10.294	4.433	3.917	7.241	2.501	58.267
107	596	MAINT -STREET LIGHT/SIGNALS	16	106.8%		2.746	1.823	5.125	2.077	3.062	2.498	3.878	3.153	1.945	3.100	9.708	13.322	52.438
108	597	MAINT OF METERS	16	106 8%		2.152	2.563	3,368	5.974	2.262	2.954	3.245	2.768	4.243	2.053	2.669	3.395	37.647
109	598	MAINT OF MISC DIST PLANT	13	103.4%		5.678	4.681	5.912	3.033	3.649	5.797	3.869	5.248	5,844	4.933	11,939	13.345	73.927
110	**935**	**Administrative & General - Maintenance**																
111	935	MAINT OF GENERAL PLANT	13	103.4%	2.800	14.071	8.034	28.226	10.071	22.284	11.214	15.619	12.860	8.036	13.394	11.048	13.075	167.932
112																		
113	**TOTAL MAINTENANCE EXPENSES**					152.997	108.388	231,499	116.253	205.582	247.439	213,584	183,457	195,362	160,347	186,679	248,395	2,249,982
114																		
115																		
116																		
117																		
118																		
119																		
120																		
121																		
122	**Other Operating Expenses**																	
123																		
124	4030.1	DEPRECIATION EXPENSE - ELECTRIC	Direct			222.040	222.710	223.530	223.886	224.295	226.662	227.421	228.303	228,941	230.421	230.949	231.538	2.720.692
125	4030.1	DEPR ADJ - NONREGULATED ELECTRIC	Direct															
126	4030.2	DEPR EXP-COMMON	Direct			8.241	8.241	8,243	8.575	8.604	8.969	9,060	9.119	9,320	9.443	9.889	10.242	107.946
127	**403 - Depreciation Expenses**					230.281	230.951	231,773	232.461	232.899	235.631	236,481	237.422	238,261	239,864	240.838	241.780	2,828,638
128																		
129	4070.3	Amortization - Storm Hardening	Direct			-	-	-	-	-	-	-	-	-	-	-	-	-
130	**407 - Storm Hardening**					-	-	-	-	-	-	-	-	-	-	-	-	-
131																		
132	4080 1	AD VALOREM TAXES	13	103 4%		45.718	45.718	45,718	45.718	45.718	45.718	45.718	45.718	45.718	45.718	37.088	37.088	531.358
133	4080 2	STATE GROSS RECEIPTS	Pass-Through			109.600	97.869	90.971	85.461	90.831	102.708	119.260	112.935	116.828	97.125	81.319	91.611	1,196,518
134	4080 3	FPSC ASSESSMENT	Direct			3.012	3.173	2.955	2.778	3.038	3.393	4.058	3.738	3.670	3.088	2.379	2.933	38.214
135	4080 4	EMERGENCY EXCISE TAX	9	100.0%		-	-	-	-	-	(8.261)	-	-	-	-	-	-	(8.261)
136	4080 5	FEDERAL UNEMPLOYMENT	5	105.5%		2.841	917	(237)	(794)	(779)	(1.052)	64	135	73	43	74	120	1.405
137	4080 6	STATE UNEMPLOYMENT T	5	105.5%		4.246	660	(401)	(1.292)	(1.266)	(1.693)	103	217	117	69	118	194	1.073
138	4080 7	F I C A	16	106.8%		20.269	18.798	34.560	18.521	19.768	17.882	19.839	35.204	19.643	18.605	19.121	15.988	258.198
139	4080 8	MISCELLANEOUS TAXES	13	103.4%		-	-	-	-	-	-	-	324	310	-	-	-	634
140	4080 11	FRANCHISE TAX	Pass-Through			165.307	168.573	154.315	144.349	153.678	172.227	195.482	189.452	195.131	163.082	137.034	155.384	1.994.012
141	**408 - Taxes Other Than Income Taxes**					350.994	335.708	327,882	294.740	310.988	330.921	384.526	387.724	381.489	327.729	277.133	303.318	4.013.151
142																		
143	4090 1	I/T -FEDERAL- UTIL O	Direct			(47.642)	(17.729)	(16,675)	(31.397)	4.881	32.569	(53,645)	(47.759)	(35,302)	(40.964)	(2,304)	(1.913)	(257.878)
144	4090 2	I/T -STATE - UTIL O	Direct			(10.480)	(3.980)	(3.678)	(6.903)	1 108	7.603	(12,048)	(10.530)	(7.810)	(9.019)	(504)	(453)	(56.695)
145	**409 - Income Taxes**					(58.122)	(21.709)	(20.353)	(38.299)	5.990	40.171	(65,693)	(58.289)	(43.111)	(49,983)	(2,808)	(2.367)	(314.573)
146																		
147	4100.1	DEFERRED I/T-FEDERAL	Direct			161.756	(52.016)	170.335	130.690	(185.508)	(431.022)	129.199	43.449	132.614	266.330	(33.320)	90.378	422,887
148	4100.2	DEFERRED I/T-STATE	Direct			32.457	(10.446)	34.197	26.213	(37.239)	(86.488)	25.932	8.729	26.609	53.454	(6.708)	18.154	84.864
149	4100 3	DEFERRED I/T AMORTIZ	Direct			-	-	-	-	-	-	-	-	-	-	-	-	-
150	4100.4	DEFERRED I/T AMORTIZ	Direct			-	-	-	-	-	-	-	-	-	-	-	-	-
151	**410 - Deferred Income Taxes**					194.213	(62.462)	204.532	156.903	(222.746)	(517.510)	155.132	52,178	159.224	319.784	(40.028)	108.531	507.751
152																		
153	4110.4	INVEST TAX CREDIT- U	Direct			(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(29.538)
154	**411 - Investment Tax Credit**					(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(2.461)	(29.538)
155																		-
156	**TOTAL OTHER OPERATING EXPENSES**					714.905	480.026	741,372	643.343	324.668	86.752	707.983	616.573	733,401	834.933	472,673	648.800	7,005,430
157																		
158	**TOTAL EXPENSES INCLUDING FUEL**					4,348.718	4.095.295	4.361.207	3.817.622	3.834.867	4.091.637	5,172,395	4.682.216	4.914.579	4.648.258	3,582,645	4,343.940	51,893,378

Supporting Schedules: C1, C6 Recap Schedules: C1 Supporting Schedules: C1, C6 Recap Schedules: C1

OPERATION AND MAINTENANCE EXPENSES -- PRIOR YEAR 2007

OPERATION AND MAINTENANCE EXPENSES -- PRIOR YEAR 2007

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

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

Line No.	Account No.	Account Title	Adjustment Basis	Adjustment Factor	Over and Above	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	12 Month Total

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness Mehrdad Khojasteh

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

Line No	Account No	Account Title	Adjustment Basis	Adjustment Factor		Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	12 Month Total
1	OPERATING EXPENSES																	
2																		
3	555-557	**Other Power Supply Expenses**																
4	555	PURCHASED POWER	Billing Determinants			3,414,137	4,161,787	3,221,760	3,305,695	3,883,206	4,142,408	4,417,596	4,455,567	3,712,196	3,408,998	3,150,559	3,444,439	44,716,349
5	55501	PURCHASED POWER-QUAL	19	0%		-	-	-	-	-	-	-	-	-	-	-	-	-
6	5551	UNDER REC FUEL ADJ.	Calculated			296,157	(401,650)	308,154	(111,924)	(481,034)	(298,428)	229,756	(359,075)	512,559	470,646	(224,496)	(151,044)	(210,378)
7	556	SYSTEM CONTROL & LOAD DISP	0	100%		-	-	-	-	-	-	-	-	-	-	-	-	-
8	557	OTHER EXPENSES	0	100%		(565)	5,421	(16,501)	245	44,573	105,507	1,041	26,650	59,797	1,081	39,811	79,179	346,239
9																		
10	560-567.1	**Transmission Expenses - Operation**																
11	562	STATION EXPENSES	1	102.3%	25,575	2,490	2,683	3,006	3,948	4,160	6,310	2,513	3,359	3,606	4,364	2,760	4,299	43,478
12	566	MISC TRANSMISSION EXPENSES	13	103.5%	30,960	2,591	2,580	2,580	2,580	2,580	2,580	2,580	2,580	2,689	2,580	2,580	2,580	31,080
13																		
14	580-589	**Distribution Expenses - Operation**																
15	580	OPERATION SUPERVISION & ENG	5	105.5%	93,828	37,224	29,428	39,166	32,477	37,241	38,063	32,140	39,396	40,472	31,721	31,207	47,128	435,662
16	581	LOAD DISPATCHING	13	103.5%		-	-	-	-	-	-	-	-	-	-	-	-	-
17	582	STATION EXPENSES	5	105.5%	47,475	8,256	6,392	8,440	9,172	7,115	11,153	6,571	7,353	7,147	8,559	8,511	11,211	99,878
18	5831	OPERATION OF OVERHEA	16	106.8%		2,773	2,639	4,654	3,689	3,531	8,309	3,347	6,729	3,407	9,958	9,314	2,298	58,647
19	5832	REMOVING & RESETTING	16	106.8%		4,484	3,540	4,482	3,214	6,970	5,464	8,846	7,690	8,932	7,838	3,580	4,980	70,021
20	5841	UNDERGROUND LINE EXP	5	105.5%		-	71	756	-	590	277	312	311	532	333	429	318	3,928
21	5842	UNDERGRND LINE EXPEN	5	105.5%		1,625	1,992	4,185	2,139	4,785	4,773	1,676	1,199	2,199	907	1,419	2,117	29,017
22	585	STREET LIGHT/SIGNAL	16	106.8%		528	949	1,335	1,840	1,512	973	424	1,431	981	802	1,914	949	13,638
23	586	METER EXPENSES	16	106.8%		25,256	20,098	25,746	21,433	21,686	24,705	21,314	23,285	27,636	30,406	27,406	22,654	291,623
24	5871	AREA LIGHT EXPENSE	16	106.8%		3,831	5,753	5,070	4,357	3,574	3,815	4,402	5,144	5,729	5,441	4,369	7,879	59,365
25	5872	OTHER CUSTOMER INSTA	16	106.8%		3,247	3,026	4,924	1,649	7,392	4,705	4,556	4,316	3,480	3,125	3,596	2,985	47,003
26	5881	DISTRIBUTION MAPS &	16	106.8%	20,909	9,625	9,472	11,010	9,120	12,656	12,826	10,466	11,797	8,188	11,081	11,223	16,574	134,038
27	5882	OTHER DIST OFFICE SU	16	106.8%	54,254	12,463	10,294	15,880	13,617	12,223	17,768	13,550	9,704	17,681	8,418	14,163	20,350	166,109
28	5883	MISC DISTRIBUTION OF	16	106.8%		1,714	2,059	493	2,007	521	493	593	597	493	452	793	1,671	11,885
29	589	RENTS	1	102.3%		225	-	-	113	-	-	113	361	-	70	19	177	1,077
30																		
31	901-905	**Customer Accounts - Operation**																
32	901	SUPERVISION	5	105.5%	5,791	12,908	765	6,114	5,697	5,844	5,555	5,138	5,591	5,562	8,544	7,633	12,754	82,107
33	9011	SUPERVISION A&G	5	105.5%		-	8,655	4,471	3,348	4,257	5,271	3,445	5,647	4,749	3,431	5,162	3,317	51,755
34	902	METER READING EXPENSE	16	106.8%		24,398	24,004	31,104	22,768	27,143	28,909	25,217	28,370	25,993	25,772	26,539	25,600	315,817
35	903	CUSTOMER RECORDS/COLLECTION	5	105.5%	-	63,291	21,574	49,089	37,446	41,396	50,189	47,089	49,699	46,734	47,619	47,011	52,654	553,788
36	9031	CUSTOMER RECORDS/COLLECTION	5	105.5%	25,415	2,118	45,900	28,994	26,045	25,365	28,927	25,786	24,042	25,939	25,449	24,027	32,377	314,968
37	904	UNCOLLECTIBLE ACCOUNTS	9	100.0%	129,249	15,956	15,307	14,834	15,147	15,326	18,093	16,857	16,686	16,919	15,808	15,002	42,732	216,664
38	905	MISC CUSTOMER ACCOUNTS	13	103.5%		9,787	4,412	5,902	6,577	6,374	8,155	5,201	6,703	6,209	4,204	6,834	13,233	83,591
39	9051	MISC CUSTOMER ACCOUNTS	13	103.5%		-	1,952	1,515	1,691	1,783	1,543	1,253	1,648	1,459	1,431	1,507	1,610	17,392
40																		
41	906-910	**Customer Service and Info - Operation**																
42	9061	UNDERRECOVERY CONSERVATION	Calculated			(12,900)	8,007	(20,978)	11,452	(18,356)	(3,316)	6,841	(3,232)	(10,455)	1,483	(15,210)	(14,344)	(71,007)
43	907	SUPERVISION	13	103.5%		6,401	7,233	8,414	6,547	8,252	5,916	3,140	9,374	3,287	8,429	5,629	8,509	79,131
44	908	CUSTOMER ASSISTANCE	13	103.5%		17,571	16,868	18,897	12,437	15,305	16,423	16,264	19,583	17,697	20,254	19,305	23,749	214,354
45	909	INFO & INSTRUCTIONAL	13	103.5%		21,522	881	24,135	(1,882)	25,362	15,980	15,242	11,049	25,102	6,397	16,087	10,435	170,309
46	910	MISC CUSTOMER SERVICE	13	103.5%		1,910	2,034	2,210	1,154	1,495	1,732	1,749	1,575	4,220	1,513	1,774	3,019	24,385
47																		
48	911-917	**Sales Expenses - Operation**																
49	912	DEMONSTRATING & SELLING	5	105.5%		-	-	-	-	-	-	-	-	-	-	-	-	
50	9131	PROMOTIONAL ADVERTISING	13	103.5%		-	-	-	-	-	-	-	-	-	-	-	-	
51	9132	CONSERVATION ADVERTISING	13	103.5%		-	-	-	-	-	8,471	-	-	(6,826)	6,826	(6,826)	-	1,645
52	9133	SAFETY ADVERTISING	13	103.5%		148	-	-	155	1,857	1,843	2,575	-	156	-	-	2,068	8,801
53	9134	OTHER INFO/INSTR/CON	13	103.5%	29,808	8,007	8,038	8,647	13,272	10,663	10,652	7,835	28,494	7,953	23,071	16,007	16,904	159,543
54	9135	COMMUNITY AFFAIRS ADVERTISING	13	103.5%		-	-	-	-	-	-	-	-	-	-	-	-	-
55	9136	OTHER ADVERTISING	13	103.5%		-	-	-	-	-	-	-	-	-	-	-	-	-
56	916	MISC SALES EXPENSES	13	103.5%		120	144	123	127	60	2,439	32	13,216	(2,285)	28	57	118	14,179
57																		
58	920-933	**Administrative & General - Operation**																
59	920	ADM & GENERAL SALARIES	5	105.5%	123,161	94,874	94,929	103,957	92,840	103,041	103,099	98,624	104,907	98,424	97,890	100,444	98,918	1,191,947
60	9211	OFFICE SUPPLIES	1	102.3%		608	939	1,522	771	746	1,185	1,242	1,315	906	640	647	595	11,117
61	9212	OFFICE POSTAGE & MAI	1	102.3%		801	852	1,112	812	167	917	36	804	93	800	22	858	7,275
62	9213	OFF COMPUTER SUPP &	1	102.3%		6,518	702	(7,994)	5,097	(3,195)	410	1,028	1,520	2,666	209	987	352	8,299
63	9214	OFFICE UTILITY EXPENSE	1	102.3%		3,170	2,733	3,500	2,087	3,760	3,239	2,306	2,865	2,293	3,669	2,720	2,875	35,217
64	9215	MISC OFFICE EXPENSE	1	102.3%	5,200	5,989	7,780	9,176	8,212	6,812	7,574	11,996	3,471	8,196	10,136	8,860	12,452	100,654
65	9216	CO TRAINING EXPENSE	1	102.3%	5,486	457	596	822	457	507	562	457	507	468	1,428	519	457	7,238
66	9231	OUTSIDE SERVICES - O	1	102.3%		-	-	3,657	42	-	-	1,844	-	2,147	660	6,911	3,466	18,727
67	9232	LEGAL FEES AND EXPENSES	1	102.3%		2,248	1,388	502	1,338	12,412	6,509	1,909	3,486	1,380	3,295	3,321	3,421	41,210
68	9233	OUTSIDE AUDIT & ACCO	13	103.5%	90,675	19,737	19,737	26,897	20,306	19,878	19,878	17,597	17,597	17,597	7,445	17,008	36,565	240,243
69	924	PROPERTY INSURANCE	FPUC			19,642	19,642	19,642	19,642	19,642	19,642	19,642	19,642	20,280	20,289	20,284	45,512	263,498
70	9251	INJURIES AND DAMAGES	16	106.8%	21,890	9,675	5,462	17,883	5,775	12,157	17,501	10,624	12,190	14,526	11,243	13,769	13,184	143,989
71	9252	GENERAL LIABILITY	13	103.5%	-	31,982	31,754	31,448	31,393	32,095	30,274	28,373	31,403	31,390	29,304	29,590	15,583	354,586
72	9261	EMPLOYEE PENSIONS	FPUC			29,946	29,946	29,946	29,946	29,946	29,946	29,946	29,946	30,919	30,932	30,926	69,388	401,730
73	9262	EMPLOYEE BENEFITS- O	FPUC			40,548	40,548	40,548	40,548	40,548	40,548	40,548	40,548	41,866	41,885	41,875	93,956	543,969
74	9263	RETIREE BENEFITS-POS	FPUC			4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,156	4,158	4,157	9,327	54,000
75	9264	401(K) EXPENSE COMPA	16	106.8%		-	-	559	380	686	547	639	(3,487)	4,756	731	835	910	6,576
76	928	REGULATORY COMMISSION	1	102.3%	117,235	10,518	21,039	22,534	19,566	20,649	23,965	19,137	20,900	26,332	18,214	23,721	27,706	254,283
77	9301	INSTITUTIONAL/GOODWILL	13	103.5%		-	-	-	-	-	-	-	-	-	-	-	-	-
78	9302	MISC GENERAL EXPENSE	13	103.5%		3,343	5,158	14,727	4,825	5,728	6,825	2,193	5,789	6,447	5,174	10,630	11,161	82,000
79	93022	INDUSTRY ASSOCIATION	13	103.5%		1,070	(1,070)	1,070	-	88	-	3,540	-	-	-	-	-	4,698
80	93023	ECONOMIC DEVELOPMENT	13	103.5%	10,350	863	863	863	863	863	863	863	6,213	863	863	863	863	15,701
81	931	RENTS	1	102.3%		585	606	575	616	671	641	641	612	857	42	1,747	1,092	8,685
82																		
83	TOTAL OPERATING EXPENSES					4,283,898	4,319,921	4,155,581	3,756,893	4,056,632	4,612,630	5,242,667	4,771,108	4,906,700	4,492,044	3,579,529	4,204,118	52,381,723
84	**Total Operating Expenses Less Fuel**					574,169	554,363	642,168	562,877	609,887	663,143	594,273	647,967	622,148	613,319	613,655	831,544	7,529,514
85	**Maintenance Expenses**																	
86																		
87	541-545.1	**Hydraulic Power Gen - Maintenance**																
88	554	MAINT OF MISC POWER	13	103.5%		-	-	-	-	-	-	-	-	-	-	-	-	-
89																		
90	568-574	**Transmission Expenses - Maintenance**																

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION

Type of Data Shown
Projected Test Year Ended 12/31/2008
Witness Mehrdad Khojasteh

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO 070304-EI

Line No	Account No	Account Title	Adjustment Basis	Adjustment Factor
1	OPERATING EXPENSES			
2				
3	**555-557**	**Other Power Supply Expenses**		
4	555	PURCHASED POWER	Billing Determinants	
5	55501	PURCHASED POWER-QUAL	19	0%
6	5551	UNDER REC FUEL ADJ.	Calculated	
7	556	SYSTEM CONTROL & LOAD DISP	0	100%
8	557	OTHER EXPENSES	0	100%
9				
10	**560-567.1**	**Transmission Expenses - Operation**		
11	562	STATION EXPENSES	1	102 3%
12	566	MISC TRANSMISSION EXPENSES	13	103 5%
13				
14	**580-589**	**Distribution Expenses - Operation**		
15	580	OPERATION SUPERVISION & ENG	5	105 5%
16	581	LOAD DISPATCHING	13	103 5%
17	582	STATION EXPENSES	5	105 5%
18	5831	OPERATION OF OVERHEA	16	106.8%
19	5832	REMOVING & RESETTING	16	106 8%
20	5841	UNDERGROUND LINE EXP	5	105 5%
21	5842	UNDERGRND LINE EXPEN	5	105.5%
22	585	STREET LIGHT/SIGNAL	16	106 8%
23	586	METER EXPENSES	16	106 8%
24	5871	AREA LIGHT EXPENSE	16	106 8%
25	5872	OTHER CUSTOMER INSTA	16	106 8%
26	5881	DISTRIBUTION MAPS &	16	106.8%
27	5882	OTHER DIST OFFICE SU	16	106.8%
28	5883	MISC DISTRIBUTION OF	16	106 8%
29	589	RENTS	1	102 3%
30				
31	**901-905**	**Customer Accounts - Operation**		
32	901	SUPERVISION	5	105 5%
33	9011	SUPERVISION A&G	5	105 5%
34	902	METER READING EXPENSE	16	106 8%
35	903	CUSTOMER RECORDS/COLLECTION	5	105 5%
36	9031	CUSTOMER RECORDS/COLLECTION	5	105 5%
37	904	UNCOLLECTIBLE ACCOUNTS	9	100 0%
38	905	MISC CUSTOMER ACCOUNTS	13	103.5%
39	9051	MISC CUSTOMER ACCOUNTS	13	103 5%
40				
41	**906-910**	**Customer Service and Info - Operation**		
42	9061	UNDERRECOVERY CONSERVATION	Calculated	
43	907	SUPERVISION	13	103 5%
44	908	CUSTOMER ASSISTANCE	13	103 5%
45	909	INFO & INSTRUCTIONAL	13	103.5%
46	910	MISC CUSTOMER SERVICE	13	103 5%
47				
48	**911-917**	**Sales Expenses - Operation**		
49	912	DEMONSTRATING & SELLING	5	105 5%
50	9131	PROMOTIONAL ADVERTISING	13	103 5%
51	9132	CONSERVATION ADVERTISING	13	103 5%
52	9133	SAFETY ADVERTISING	13	103 5%
53	9134	OTHER INFO/INSTR/CON	13	103 5%
54	9135	COMMUNITY AFFAIRS ADVERTISING	13	103 5%
55	9136	OTHER ADVERTISING	13	103 5%
56	916	MISC SALES EXPENSES	13	103 5%
57				
58	**920-933**	**Administrative & General - Operation**		
59	920	ADM & GENERAL SALARIES	5	105 5%
60	9211	OFFICE SUPPLIES	1	102 3%
61	9212	OFFICE POSTAGE & MAI	1	102 3%
62	9213	OFF COMPUTER SUPP &	1	102 3%
63	9214	OFFICE UTILITY EXPENSE	1	102 3%
64	9215	MISC OFFICE EXPENSE	1	102 3%
65	9216	CO TRAINING EXPENSE	1	102 3%
66	9231	OUTSIDE SERVICES - O	1	102 3%
67	9232	LEGAL FEES AND EXPENSES	1	102 3%
68	9233	OUTSIDE AUDIT & ACCO	13	103 5%
69	924	PROPERTY INSURANCE	FPUC	
70	9251	INJURIES AND DAMAGES	16	106 8%
71	9252	GENERAL LIABILITY	13	103 5%
72	9261	EMPLOYEE PENSIONS	FPUC	
73	9262	EMPLOYEE BENEFITS- O	FPUC	
74	9263	RETIREE BENEFITS-POS	FPUC	
75	9264	401(K) EXPENSE COMPA	16	106 8%
76	928	REGULATORY COMMISSION	1	102 3%
77	9301	INSTITUTIONAL/GOODWILL	13	103 5%
78	9302	MISC GENERAL EXPENSE	13	103 5%
79	93022	INDUSTRY ASSOCIATION	13	103 5%
80	93023	ECONOMIC DEVELOPMENT	13	103 5%
81	931	RENTS	1	102 3%
82				
83	**TOTAL OPERATING EXPENSES**			
84	**Total Operating Expenses Less Fuel**			
85	**Maintenance Expenses**			
86				
87	**541-545.1**	**Hydraulic Power Gen - Maintenance**		
88	554	MAINT OF MISC POWER	13	103 5%
89				
90	**568-574**	**Transmission Expenses - Maintenance**		

OPERATION AND MAINTENANCE EXPENSES -- PROJECTED TEST YEAR 2008

FLORIDA PUBLIC SERVICE COMMISSION

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh

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

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO 070304-EI

Line No.	Account No.	Account Title				Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	12 Month Total
91	570	MAINT OF STATION EQUIP	13	103 5%		397	904	3,183	5,051	6,733	2,992	2,678	2,697	2,466	2,511	2,800	73,604	106,015
92	571	MAINT OF OVERHEAD LINES	13	103 5%		113	155	-	3,036	10,026	28,709	8,596	13,215	9,024	6,092	7,803	(1,343)	83,425
93	573	MAINT OF MISC TRANSMISSON	13	103 5%		-	-	-	-	-	-	-	-	-	-	-	477	477
94																		
95	590-598	**Distribution Expenses - Maintenance**																
96	590	MAINT SUPERVISION & ENG	5	105 5%	11,581	17,038	18,868	21,907	13,344	10,565	11,637	8,757	11,165	10,614	10,509	8,106	20,798	163,309
97	591	MAINT OF STRUCTURES	13	103 5%		1,119	(162)	21	2,561	(772)	1,312	631	1,427	4,370	(277)	545	-	10,776
98	592	MAINT OF STATION EQUIP	13	103 5%		5,854	2,379	13,860	707	10,660	5,886	3,586	10,503	7,783	239	2,786	14,053	78,096
99	5931	MAINT OF POLES/TOWER	13	103 5%	219,833	32,181	20,756	29,422	20,857	19,349	21,170	22,279	21,061	19,696	19,580	19,187	21,951	267,489
100	5932	MAINT OF OVERHEAD CO	13	103 5%	439,372	95,569	85,844	148,701	82,034	141,630	160,414	128,530	113,137	140,397	114,523	133,020	109,187	1,452,986
101	5933	MAINT OF SERVICES	13	103 5%	5,000	12,146	7,658	10,194	8,356	12,345	14,961	12,771	16,139	13,045	11,123	10,824	18,015	147,576
102	5941	MAINT OF UNDERGROUND LINES	16	106 8%		714	355	559	281	1,885	480	300	650	626	696	837	1,127	8,510
103	5942	MAINT OF UNDERGROUND LINES	16	106 8%	6,139	13,342	5,124	9,860	6,349	9,349	19,153	39,553	10,899	11,554	7,623	8,110	11,848	152,766
104	5951	MAINT OF LINE TRANSFORMERS	16	106 8%		3,410	3,383	4,616	5,425	7,451	9,273	5,745	5,300	9,565	18,381	9,333	(8,305)	73,578
105	5952	MAINT OF LINE TRANSFORMERS	16	106 8%		-	-	330	-	-	444	9,403	363	33	(943)	(2,123)	452	7,958
106	5953	MAINT OF LINE TRANSFORMERS	16	106 8%		3,590	1,348	5,339	2,588	3,551	11,356	4,139	10,994	4,735	4,184	7,733	2,671	62,229
107	596	MAINT -STREET LIGHT/SIGNALS	16	106 8%		2,933	1,947	5,474	2,219	3,270	2,668	4,142	3,367	2,077	3,311	10,368	14,228	56,003
108	597	MAINT OF METERS	16	106 8%		2,298	2,737	3,598	6,381	2,416	3,155	3,465	2,956	4,532	2,192	2,850	3,626	40,207
109	598	MAINT OF MISC DIST PLANT	13	103 5%		5,876	4,845	6,119	3,139	3,777	5,999	4,005	5,431	6,049	5,106	12,356	13,812	76,514
110	935	**Administrative & General - Maintenance**																-
111	935	MAINT OF GENERAL PLANT	13	103 5%	10,223	15,174	8,925	29,824	11,034	23,675	12,217	16,776	13,920	8,928	14,473	12,045	14,143	181,134
112																		
113	TOTAL MAINTENANCE EXPENSES					211,556	165,068	293,006	173,362	265,909	309,826	275,357	243,225	255,493	219,322	246,582	310,344	2,969,049
114																		
115																		
116																		
117																		
118																		
119																		
120																		
121																		
122	**Other Operating Expenses**																	
123																		
124	4030 1	DEPRECIATION EXPENSE - ELECTRIC	Direct			239,855	240,449	241,107	241,776	243,113	244,326	245,717	246,362	247,151	247,602	248,344	249,231	2,935,033
125	4030 1	DEPR ADJ - NONREGULATED ELECTRIC	Direct															
126	4030 2	DEPR EXP-COMMON	Direct			10,324	10,370	10,535	10,666	10,885	10,960	11,046	11,114	11,273	11,298	11,516	11,519	131,506
127	**403 - Depreciation Expenses**					250,179	250,819	251,642	252,442	253,998	255,286	256,763	257,476	258,424	258,900	259,860	260,750	3,066,539
128																		
129	4070 3	Amortization - Storm Hardening	Direct			29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	354,600
130	**407 - Storm Hardening**					29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	29,550	354,600
131																		
132	4080 1	AD VALOREM TAXES	13	103 5%		47,318	47,318	47,318	47,318	47,318	47,318	47,318	47,318	47,318	47,318	38,386	38,386	549,956
133	4080 2	STATE GROSS RECEIPTS	Pass-Through			127,589	127,593	118,600	111,416	118,417	133,901	155,480	147,234	152,310	126,623	106,016	119,434	1,544,614
134	4080 3	FPSC ASSESSMENT	Direct			3,310	3,487	3,248	3,053	3,338	3,729	4,460	4,108	4,033	3,393	2,614	3,224	41,997
135	4080 4	EMERGENCY EXCISE TAX	9	100 0%		-	-	-	-	-	(8,261)	-	-	-	-	-	-	(8,261)
136	4080 5	FEDERAL UNEMPLOYMENT	5	105 5%		2,997	967	(250)	(838)	(821)	(1,110)	68	142	77	46	78	127	1,483
137	4080 6	STATE UNEMPLOYMENT T	5	105 5%		4,480	697	(423)	(1,363)	(1,336)	(1,786)	109	229	124	72	125	205	1,132
138	4080 7	F I C A.	16	106 8%		21,647	20,076	36,911	19,781	21,112	19,097	21,188	37,598	20,978	19,870	20,422	17,075	275,755
139	4080 8	MISCELLANEOUS TAXES	13	103 5%		-	-	-	-	-	-	-	335	321	-	-	-	656
140	4080 11	FRANCHISE TAX	Pass-Through			158,597	161,730	148,051	138,489	147,440	165,235	187,547	181,761	187,210	156,462	131,472	149,076	1,913,070
141	**408 - Taxes Other Than Income Taxes**					365,938	361,868	353,454	317,856	335,468	358,124	416,171	418,728	412,370	353,784	299,112	327,526	4,320,401
142																		
143	4090 1	I/T -FEDERAL- UTIL O	Direct			(212,305)	(79,005)	(74,307)	(139,913)	21,753	145,137	(239,059)	(212,827)	(157,315)	(182,548)	(10,267)	(8,527)	(1,149,183)
144	4090 2	I/T -STATE - UTIL O	Direct			(39,307)	(14,929)	(13,795)	(25,889)	4,157	28,514	(45,187)	(39,496)	(29,291)	(33,826)	(1,890)	(1,701)	(212,639)
145	**409 - Income Taxes**					(251,612)	(93,934)	(88,102)	(165,802)	25,910	173,651	(284,246)	(252,323)	(186,606)	(216,374)	(12,157)	(10,228)	(1,361,822)
146																		
147	4100 1	DEFERRED I/T-FEDERAL	Direct			185,842	(59,761)	195,698	150,150	(213,130)	(495,202)	148,437	49,919	152,361	305,986	(38,281)	103,835	485,855
148	4100 2	DEFERRED I/T-STATE	Direct			36,580	(11,773)	38,541	29,542	(41,969)	(97,473)	29,226	9,838	29,989	60,244	(7,561)	20,459	95,643
149	4100 3	DEFERRED I/T AMORTIZ	Direct			-	-	-	-	-	-	-	-	-	-	-	-	-
150	4100 4	DEFERRED I/T AMORTIZ	Direct			-	-	-	-	-	-	-	-	-	-	-	-	-
151	**410 - Deferred Income Taxes**					222,422	(71,534)	234,239	179,692	(255,098)	(592,675)	177,663	59,757	182,350	366,230	(45,841)	124,294	581,498
152																		
153	4110 4	INVEST TAX CREDIT- U	Direct			(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(27,935)
154	**411 - Investment Tax Credit**					(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(27,935)
155																		-
156	TOTAL OTHER OPERATING EXPENSES					614,149	474,441	778,455	611,410	387,500	221,609	593,573	510,860	693,761	789,762	528,196	729,565	6,933,281
157																		
158	TOTAL EXPENSES INCLUDING FUEL					5,109,603	4,959,431	5,227,042	4,541,665	4,710,041	5,144,066	6,111,596	5,525,193	5,855,953	5,501,129	4,354,307	5,244,027	62,284,053

Supporting Schedules C1 C6

Supporting Schedules C1, C6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION

Type of Data Shown
Projected Test Year Ended 12/31/2008
Witness Mehrdad Khojasteh

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO 070304-EI

Line No	Account No	Account Title		
91	570	MAINT OF STATION EQUIP	13	103.5%
92	571	MAINT OF OVERHEAD LINES	13	103.5%
93	573	MAINT OF MISC TRANSMISSON	13	103.5%
94				
95	**590-598**	**Distribution Expenses - Maintenance**		
96	590	MAINT SUPERVISION & ENG	5	105.5%
97	591	MAINT OF STRUCTURES	13	103.5%
98	592	MAINT OF STATION EQUIP	13	103.5%
99	5931	MAINT OF POLES/TOWER	13	103.5%
100	5932	MAINT OF OVERHEAD CO	13	103.5%
101	5933	MAINT OF SERVICES	13	103.5%
102	5941	MAINT OF UNDERGROUND LINES	16	106.8%
103	5942	MAINT OF UNDERGROUND LINES	16	106.8%
104	5951	MAINT OF LINE TRANSFORMERS	16	106.8%
105	5952	MAINT OF LINE TRANSFORMERS	16	106.8%
106	5953	MAINT OF LINE TRANSFORMERS	16	106.8%
107	596	MAINT -STREET LIGHT/SIGNALS	16	106.8%
108	597	MAINT OF METERS	16	106.8%
109	598	MAINT OF MISC DIST PLANT	13	103.5%
110	**935**	**Administrative & General - Maintenance**		
111	935	MAINT OF GENERAL PLANT	13	103.5%
112				
113	**TOTAL MAINTENANCE EXPENSES**			
114				
115				
116				
117				
118				
119				
120				
121				
122	**Other Operating Expenses**			
123				
124	4030 1	DEPRECIATION EXPENSE - ELECTRIC	Direct	
125	4030 1	DEPR ADJ - NONREGULATED ELECTRIC	Direct	
126	4030 2	DEPR EXP-COMMON	Direct	
127	**403 - Depreciation Expenses**			
128				
129	4070 3	Amortization - Storm Hardening	Direct	
130	**407 - Storm Hardening**			
131				
132	4080 1	AD VALOREM TAXES	13	103.5%
133	4080 2	STATE GROSS RECEIPTS	Pass-Through	
134	4080 3	FPSC ASSESSMENT	Direct	
135	4080 4	EMERGENCY EXCISE TAX	9	100.0%
136	4080 5	FEDERAL UNEMPLOYMENT	5	105.5%
137	4080 6	STATE UNEMPLOYMENT T	5	105.5%
138	4080 7	F I C A	16	106.8%
139	4080 8	MISCELLANEOUS TAXES	13	103.5%
140	4080 11	FRANCHISE TAX	Pass-Through	
141	**408 - Taxes Other Than Income Taxes**			
142				
143	4090 1	I/T -FEDERAL - UTIL O	Direct	
144	4090 2	I/T -STATE - UTIL O	Direct	
145	**409 - Income Taxes**			
146				
147	4100 1	DEFERRED I/T-FEDERAL	Direct	
148	4100 2	DEFERRED I/T-STATE	Direct	
149	4100 3	DEFERRED I/T AMORTIZ	Direct	
150	4100 4	DEFERRED I/T AMORTIZ	Direct	
151	**410 - Deferred Income Taxes**			
152				
153	4110 4	INVEST TAX CREDIT- U	Direct	
154	**411 - Investment Tax Credit**			
155				
156	**TOTAL OTHER OPERATING EXPENSES**			
157				
158	**TOTAL EXPENSES INCLUDING FUEL**			

Supporting Schedules C1 C6

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

Line No.	(1) Account Number	(2) Account	(3) Test Year Ended 12/31/2008	(4) Prior Year Ended 12/31/2007	(5) Increase / (Decrease) Dollars (3)-(4)	(6) Percent (5)/(4) (%)	(7) Reason(s) for Change
1	**OPERATING EXPENSES (LESS FUEL & CONSERVATION)**						
2							
3	4010.562	STATION EXPENSES	43,478	42,501	978	2.30%	
4	4010.566	MISC. TRANS. EXPS.	31,080	12,116	18,964	156.52%	$424 - Projection factor 13. $18,540 - Contractor inspections of the transmission system(storm hardening).
5							
6	4010.580	OP SUPERVISION	435,662	380,422	55,240	14.52%	$20,923 - Projection factor 5. $25,750 - Travel and PURC costs in the utility collaborative research projects(storm hardening). $8,567 - Salary survey adjustment to bring salaries up to market.
7	4010.581	LOAD DISPATCHING	-	-	-		
8	4010.582	STATION EXPENSES	99,878	94,672	5,207	5.50%	
9	4010.5831	OPERATION OF OVERHEAD LINES	58,647	54,913	3,734	6.80%	
10	4010.5832	REMOV.& RESET. TRANSFORMERS	70,021	65,562	4,458	6.80%	
11							
12	4010.5841	UNDERGROUND LINE EXP-DUCT	3,928	3,723	205	5.50%	
13	4010.5842	UNDERGRND LINE EXP-BURIED	29,017	27,504	1,513	5.50%	
14	4010.585	STREET LIGHT EXPENSE	13,638	12,770	868	6.80%	
15	4010.586	METER EXPENSES	291,623	273,056	18,568	6.80%	
16	4010.5871	AREA LIGHT EXPENSE	59,365	55,585	3,780	6.80%	
17	4010.5872	OTHER CUSTOMER INSTALL EXP	47,003	44,010	2,993	6.80%	
18	4010.5881	DISTRIBUTION MAPS & RECORDS	134,038	105,926	28,112	26.54%	$7,203 - Projection factor 16. $20,909 - Additional employee to handle joint use audits(storm hardening).
19	4010.5882	OTHER DIST OFFICE EXPENSE	166,109	155,533	10,576	6.80%	
20	4010.5883	MISC DIST. OFFICE LABOR	11,885	11,129	757	6.80%	
21	4010.589	RENTS	1,077	1,053	24	2.30%	
22							
23	4010.901	SUPERVISION	82,107	73,765	8,342	11.31%	$4,057 - Projection factor 5. $4,285 - Salary survey adjustment to bring salaries up to market.
24	4010.9011	SUPERVISION A&G	51,755	49,056	2,698	5.50%	
25	4010.902	METER READING EXPENSES	315,817	295,709	20,108	6.80%	
26	4010.903	CUSTOMER REC/COLL. EXPENSE	553,788	524,917	28,871	5.50%	
27	4010.9031	CUSTOMER REC/COLL.EXP-A&G	314,968	275,807	39,161	14.20%	$17,098 - New position to meet SOX 404 internal control requirements. $15,169 - Projection factor 5. $5,967 - Postage increase in 2008. $612 - Salary survey adjustment to bring salaries up to market. $315 - Lockbox service agreement.
28	4010.904	UNCOLLECTIBLE ACCOUNTS	216,664	87,590	129,074	147.36%	$129,074 - Increased write-offs due to significant increases in base and fuel(purchased power) rates in 2008.
29	4010.905	MISC CUSTOMER ACCOUNTS EXP	83,591	80,765	2,827	3.50%	
30	4010.9051	MISC CUSTOMER ACCOUNTS EXP A&G	17,392	16,804	588	3.50%	
32							
33	4010.912	DEMONSTRATING & SELL EXP	-	-	-		
34	4010.9131	PROMOTIONAL ADVERTISING	-	-	-		
35	4010.9132	CONSERVATION ADVERTISING	1,645	1,589	56	3.50%	
36	4010.9133	SAFETY ADVERTISING	8,801	8,504	298	3.50%	
37	4010.9134	OTHER INFO/INSTR/CONSUMER ADV	159,543	154,148	5,395	3.50%	
38	4010.9135	COMMUNITY AFFAIRS ADVERTISING	-	-	-		
39	4010.9136	OTHER ADVERTISING	-	-	-		
40	4010.916	MISC. SALES EXPENSE	14,179	13,699	479	3.50%	
41							
42	4010.920	ADM & GENERAL SALARIES	1,191,947	1,071,369	120,578	11.25%	$58,925 - Projection factor 5. $32,880 New position-Compliance Acct. for special audits including inventory, cash, etc. $28,773 - Salary survey adjustment to bring salaries up to market.
43	4010.9211	OFFICE SUPPLIES	11,117	10,867	250	2.30%	
44	4010.9212	OFFICE POSTAGE & MAILING SUPP	7,275	7,111	164	2.30%	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

Line No.	(1) Account Number	(2) Account	(3) Test Year Ended 12/31/2008	(4) Prior Year Ended 12/31/2007	(5) Increase / (Decrease) Dollars (3)-(4)	(6) Percent (5)/(4) (%)	(7) Reason(s) for Change
45	4010.9213	OFF COMPUTER SUPP & EXP	8,299	8,113	187	2.30%	
46	4010.9214	OFFICE UTILITY EXPENSE	35,217	34,425	792	2.30%	
47	4010.9215	MISC OFFICE EXPENSE	100,654	93,308	7,346	7.87%	
48	4010.9216	CO TRAINING EXPENSE-TRACKED	7,238	6,913	325	4.71%	
49	4010.9231	OUTSIDE SERVICES - OTHER	18,727	18,306	421	2.30%	
50	4010.9232	OUTSIDE SERVICES LEGAL	41,210	40,283	927	2.30%	
51	4010.9233	OUTSIDE AUDIT & ACCOUNT FEES	240,243	226,660	13,583	5.99%	
52	4010.924	PROPERTY INSURANCE	263,498	181,238	82,260	45.39%	$82,260 - Annual increase in Storm Damage Reserve requested this docket.
53	4010.9251	INJURIES AND DAMAGES-SAFETY	143,989	114,957	29,032	25.25%	$10,000 - Incremental expense - New position to improve employee and public safety. $7,817 - Projection factor 16. $1,897 - Salary survey adjustment to bring salaries up to market. $9,318 - New position - Corp. Services Administrator.
54	4010.9252	GENERAL LIABILITY	354,586	475,595	(121,009)	-25.44%	$(133,000) - Law suit recorded in 2007-removed for 2008. $11,991 - Projection factor 13.
55	4010.9261	EMPLOYEE PENSIONS /BENEFITS	401,730	365,497	36,233	9.91%	
56	4010.9262	EMPLOYEE BENEFITS- MEDICAL	543,969	488,303	55,667	11.40%	$55,667 - Medical insurance estimates from AON Consulting.
57	4010.9263	RETIREE BENEFITS-POST RETMT.	54,000	54,000	-	0.00%	
58	4010.9264	401(K) EXPENSE COMPANY MATCH	6,576	6,157	419	6.80%	
59	4010.928	REGULATORY COMM. EXPS.	254,283	133,967	120,316	89.81%	$97,244 - Current electric rate case. $19,991 - Personnel at EOC during emergencies. $3,081 - Projection factor 1.
60	4010.9301	INSTITUTIONAL/GOODWILL ADV	-	-	-		
61	4010.9302	MISC GENERAL EXPENSES	82,000	79,227	2,773	3.50%	
62	4010.93022	INDUSTRY ASSOCIATION DUES	4,698	4,539	159	3.50%	
63	4010.93023	ECONOMIC DEVELOPMENT EXP	15,701	15,170	531	3.50%	
64	4010.931	RENTS	8,685	8,490	195	2.30%	
65							
66	TOTAL OPERATION EXPENSES		7,112,341	6,367,321	745,020		
67							
68	**MAINTENANCE EXPENSES (LESS FUEL & CONSERVATION)**						
69							
70	4020.570	MAINT STATION EQUIP	106,015	102,430	3,585	3.50%	
71	4020.571	MAINT OVERHEAD LINES	83,425	80,603	2,821	3.50%	
72	4020.573	MAINT MISC TRANS. PLT.	477	461	16	3.50%	
73							
74	4020.590	MAINT SUPER/ENG.	163,309	146,674	16,635	11.34%	$8,067 - Projection factor 5. $8,568 - Salary survey adjustment to bring salaries up to market.
75	4020.591	MAINT OF STRUCTURES	10,776	10,411	364	3.50%	
76	4020.592	MAINT OF STATION EQUIP	78,096	75,455	2,641	3.50%	
77	4020.5931	MAINT OF POLES/TOWERS/FIX.	267,489	46,044	221,445	480.94%	$219,833 - New employee and contractor expense to handle pole inspections(storm hardening). $1,612 - Projection factor 13.
78	4020.5932	MAINT OF OVERHEAD COND.	1,452,986	1,032,586	420,401	40.71%	$352,260 - Three additional tree trimming crews(storm hardening). $27,000 - Develop and implement Post Storm Data Collection & Forensic Review(storm hardening). $36,140 - Projection factor 1. $5,000 - Position upgrade to lineman.
79	4020.5933	MAINT OF SERVICES	147,576	137,755	9,821	7.13%	
80	4020.5941	MAINT OF UNDERGRND LINE-DUCT	8,510	7,968	542	6.80%	
81	4020.5942	MAINT OF UNDERGRND LINE-BURIED	152,766	143,039	9,727	6.80%	
82	4020.5951	MAINT OF LINE TRANSF-O/H	73,578	68,893	4,685	6.80%	
83	4020.5952	MAINT OF LINE TRANSF-DUCT	7,958	7,451	507	6.80%	
84	4020.5953	MAINT OF LINE TRANSF-BURIED	62,229	58,267	3,962	6.80%	
85	4020.596	MAINT OF STREET LIGHTS	56,003	52,438	3,566	6.80%	
86	4020.597	MAINT OF METERS	40,207	37,647	2,560	6.80%	
87	4020.598	MAINT OF MISC DISTR PLT	76,514	73,927	2,587	3.50%	
88							

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

	(1)	(2)	(3)	(4)	(5) Increase / (Decrease)	(6)	(7)
Line No.	Account Number	Account	Test Year Ended 12/31/2008	Prior Year Ended 12/31/2007	Dollars (3)-(4)	Percent (5)/(4) (%)	Reason(s) for Change
89	4020.935	MAINT OF GENERAL PLANT	181,134	167,932	13,202	7.86%	
90							
91	TOTAL MAINTENANCE EXPENSES		2,969,049	2,249,982	719,067		
92							
93	4030	DEPRECIATION EXPENSE ELECTRIC	2,935,033	2,720,692	214,341	7.88%	
94							
95	4030.2	DEPRECIATION EXPENSE - COMMON	131,506	107,946	23,560	21.83%	$23,560 - Increases in Common Plant(General Office) balances due to plant additions in 2007 and 2008 shown in B schedules.
96							
97	4070.3	AMORTIZATION - STORM HARDENING	354,600	0	354,600	0.00%	$354,600 - Allowance for storm damage reserve.
98							
99	4080	TAXES OTHER THAN INCOME TAXES	4,320,401	4,010,760	309,641	7.72%	
100							
101	4090	INCOME TAXES - CURRENT	(1,361,822)	(314,573)	(1,047,249)	332.91%	Income taxes are a fallout of all revenue and expense adjustments.
102							
103	4100	INCOME TAXES - DEFERRED	581,498	507,751	73,747	14.52%	Income taxes are a fallout of all revenue and expense adjustments.
104							
105	4110	INVESTMENT TAX CREDIT	(27,935)	(29,538)	1,603	-5.43%	
106							
107	TOTAL OPERATING EXPENSES		18,272,922	15,856,506	2,416,416		

Supporting Schedules: C-7 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Historic Year Ended 12/31/2006
Witness: Mehrdad Khojasteh

Line No.	Account	Sub-Account	(1) Jurisdictional Admisintrative Expenses Excluding Recoverable Conservation	(2) Historical Year Ended 12/31/2006	(3) Projected Test Year Ended 12/31/2008	(4) Difference (3)-(2)	(5) Percent Increase/(Decrease) (4)/(2)
1							
2	Customer Accounts Expense	901-905		1,331,423	1,636,082	304,659	22.88%
3							
4	Sales Expenses	911-916		144,236	184,168	39,932	27.69%
5							
6	Administrative and General Expenses	920-935		3,208,858	3,976,775	767,917	23.93%
7							
8	Total Administrative Expenses	901-935		4,684,517	5,797,025	1,112,508	23.75%
9							
10	Average Number of Customers			30,636	31,425	789	2.58%
11							
12	Administrative Expenses Per Customer			153	184	31	20.27%

Supporting Schedules: C6, C7 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

Line No	Description	Electric Utility	Jurisdictional Factor	Jurisdictional Amount
1				
2	Total Miscellaneous General			
3	Expenses of $100,000 or Less			
4				
5	**ACCOUNT 930.2**			
6	9302 MISC. GENERAL EXPENS	79,227	100%	79,227
7	93022 INDUSTRY ASSOCIATION	4,539	100%	4,539
8	93023 ECONOMIC DEVELOPMENT	15,170	100%	15,170
9				
10	Miscellaneous General Expenses			
11	Exceeding $100,000 (Specify)	-	100%	-
12				
13				
14	Total Miscellaneous General Expenses	98,936		98,936
15				
16	Average Number of Customers	31,425		31,425
17				
18	Miscellaneous General Expenses Per Customer	3.15		3.15

Supporting Schedules: Recap Schedules: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh

Line No	Description	Electric Utility	Jurisdictional Factor	Jurisdictional Amount
1	Total Miscellaneous General			
2	Expenses of $100,000 or Less			
3				
4	**ACCOUNT 930.2**			
5	9302 MISC. GENERAL EXPENS	82,000	100%	82,000
6	93022 INDUSTRY ASSOCIATION	4,698	100%	4,698
7	93023 ECONOMIC DEVELOPMENT	15,701	100%	15,701
8				
9	Miscellaneous General Expenses			
10	Exceeding $100,000 (Specify)	-	100%	-
11				
12				
13	Total Miscellaneous General Expenses	102,399		102,399
14				
15	Average Number of Customers	30,636		30,636
16				
17	Miscellaneous General Expenses Per Customer	3.34		3.34

Supporting Schedules: Recap Schedules: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

Line No.	Account/ Sub-Account Number	Account/ Sub-Account Title	Electric Utility 2007	Jurisdictional Factor	Jurisdictional Amount
1	ACCOUNT 909				
2	909	INFO & INSTRUCTIONAL	164,550	100%	164,550
3					
4	Total Account 909		164,550		164,550
5					
6					
7					
8	ACCOUNT 913				
9	9131	PROMOTIONAL ADVERTISING	-	100%	-
10	9132	CONSERVATION ADVERTISING	1,589	100%	1,589
11	9133	SAFETY ADVERTISING	8,504	100%	8,504
12	9134	OTHER INFO/INSTR/CON	154,148	100%	154,148
13	9135	COMMUNITY AFFAIRS ADVERTISING	-	100%	-
14	9136	OTHER ADVERTISING	-	100%	-
15					
16	Total Account 913		164,241		164,241
17					
18	ACCOUNT 930.1				
19	9301	INSTITUTIONAL/GOODWILL	-	100%	-
20					
21	Total Account 930.1		-		-
22					
23					
24	Total Advertising Expenses		328,790		328,790
25					
26	Average Number of Customers		31,004		31,004
27					
28	Advertising Expenses per Customer		10.60		10.60

Supporting Schedules: Recap Schedules: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008

Witness: Mehrdad Khojasteh

Line No.	Account/ Sub-Account Number	Account/ Sub-Account Title	Electric Utility 2008	Jurisdictional Factor	Jurisdictional Amount
1	ACCOUNT 909				
2	909	INFO & INSTRUCTIONAL	170,309	100%	170,309
3					
4	Total Account 909		170,309		170,309
5					
6					
7					
8	ACCOUNT 913				
9	9131	PROMOTIONAL ADVERTISING	-	100%	-
10	9132	CONSERVATION ADVERTISING	1,645	100%	1,645
11	9133	SAFETY ADVERTISING	8,801	100%	8,801
12	9134	OTHER INFO/INSTR/CON	159,543	100%	159,543
13	9135	COMMUNITY AFFAIRS ADVERTISING	-	100%	-
14	9136	OTHER ADVERTISING	-	100%	-
15					
16	Total Account 913		169,989		169,989
17					
18	ACCOUNT 930.1				
19	9301	INSTITUTIONAL/GOODWILL	-	100%	-
20					
21	Total Account 930.1		-		-
22					
23					
24	Total Advertising Expenses		340,298		340,298
25					
26	Average Number of Customers		31,371		31,371
27					
28	Advertising Expenses per Customer		10.85		10.85

Supporting Schedules: Recap Schedules: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

Line No.			Electric Utility	Jurisdictional Factor	Jurisdictional Amount
	93022 Industry Association		4,539	100%	4,539
1	Details	Southeastern Electric Exchange Inv 2057	3,420	100%	3,420
2	Details	Florida Electric Power Coordinating Group	1,034	100%	1,034
3	Details	32% of Florida Institute of Certified Public Accountants	85	100%	85
4					
5	Total Industry Association Dues		4,539	100%	4,539
6					
7					
8					
9					
10					
11	Average Number of Customers		31,004	100%	31,004
12					
13	Dues Per Customer		0.15	100%	0.15
14					
15	Lobby Expenses Included in Industry Association Dues				

Supporting Schedules: Recap Schedules: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh

Line No.			Electric Utility	Jurisdictional Factor	Jurisdictional Amount
	93022 Industry Association		4,697	100%	4,697
1	Details	Southeastern Electric Exchange Inv 2057	3,540	100%	3,540
2	Details	Florida Electric Power Coordinating Group	1,070	100%	1,070
3	Details	32% of Florida Institute of Certified Public Accountants	88	100%	88
4					
5	Total Industry Association Dues		4,697	100%	4,697
6					
7					
8					
9					
10					
11	Average Number of Customers		31,371	100%	31,371
12					
13	Dues Per Customer		0.15	100%	0.15
14					
15	Lobby Expenses Included in Industry Association Dues				

Supporting Schedules: Recap Schedules: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh

Line No.	Type of Service or Vendor	Description of Service(s)	Account(s) Charged	Test Year Costs	Electric Projected Year Costs	Electric Accounts Charged
1	Accounting					
2	Aon Consulting Inc.	Actuarial work - pension and 401K	2420.3	76,000	23,560	9233
3	Crowe, Chizek, and Company	Sarbanes Oxley 404/Internal audit	2420.3	154,100	47,771	9233
4	BDO Seidman LLP	External audits - quarterly & annual	2420.3	519,400	161,014	9233
5						
6	Financial					
7	Laurits R. Christiansen Assoc.	Purchased Power and Regulatory matters	557/928/1860.1	125,000	125,000	557/928/1860.1
8						
9						
10	Engineering					
11	Blasland, Bouck & Lee	Environmental Assessment - former MGP gas sites	2530.31	50,000	0	
12						
13						
14						
15	Legal					
16	Bryan Cave LLP	SEC corporate and securities matters	2420.31	44,000	13,640	9232
17	Jackson Lewis LLP	Various human resource legal matters and fees	2420.31	51,300	15,903	9232
18	Messer, Caparello & Self	General regulatory, territorial and power contract issues	various	107,500	88,800	928/557/9232/
19						1860.1
20	Reed Smith LLP	Fuel Docket	557	58,600	58,600	557
21	Akerman, Senterfitt & Eidson	General business issues	various	10,000	500	9232
22	Akerman, Senterfitt, Attorneys	General business, employment and manufactured gas plant issues	various	164,700	7,600	9232
23						
24						
25						
26	Safety					
27	Charles Shelton	Electric Safety Consultant	9251	57,800	57,800	9251
28						
29						
30						
31	Total Outside Professional Services				600,188	

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

Line No.	Account/ Sub-Account Number	Account/ Sub-Account Title	Amount 2007
1	4260.11	CHARITABLE CONTRIBUTIONS	11,362
2	4260.13	CIVIC AND SOCIAL	2,604
3			
4	**Total Civic and Charitable Contributions**		13,966
5			
6	4260.4	Lobbying & Other Political Expenses	171
7			
8			
9			
10	**Total Lobbying and Other Political Expenses and Charitable / Civic contributions**		14,136

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh

Line No.	Account/ Sub-Account Number	Account/ Sub-Account Title	Amount 2008
1	4260.11	CHARITABLE CONTRIBUTIONS	11,628
2	4260.13	CIVIC AND SOCIAL	2,665
3			
4	**Total Civic and Charitable Contributions**		14,294
5			
6	4260.4	Lobbying & Other Political Expenses	175
7			
8			
9			
10	**Total Lobbying and Other Political Expenses and Charitable / Civic contributions**		14,468

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

(1) Line No.	(2) Account/ Sub-account No.	(3) Plant Account Title	(4) Annual Amort/Recovery Expense	(5) Expense Account
1				
2				
3		NONE		
4				
5				
6				
7				
8				
9				
10	AMORTIZATION/RECOVERY AMOUNTS FOR ALL ACCOUNTS AND SUB-ACCOUNTS ARE INCLUDED ON SCHEDULE B-9.			

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Total Amount of Amortization/Recovery: $7,092,000 [$ 354,600 per year, $ 29,550 per month]
Effective Date: 1/1/08
Amortization/Recovery Period: 20 Years
Reason: Amortization of Storm Hardening Project. Costs recovered through Base Rates. Contribution to be charged to construction accounts with offsetting charge to amortization expense. See complete explanation in Testimony.

(1) Line No.	(2) Account/ Sub-account No.	(3) Plant Account Title	(4) Annual Amort/Recovery Expense	(5) Expense Account
1	1010.355	Transmission Poles	354,600	4070.3
2				
3				
4				
5				
6				
7				
8				
9				
10	ALL ADDITIONAL AMORTIZATION/RECOVERY AMOUNTS FOR OTHER ACCOUNTS AND SUB-ACCOUNTS ARE INCLUDED ON SCHEDULE B-9.			

Supporting Schedules: Recap Schedules:

FLOPIDA PUBLIC SEPVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of taxes other than income taxes for the historical base year, historical base year + 1, and the test year. For each tax, indicate the amount charged to operating expenses. Complete columns 5, 6 and 7 for the historical base year and test year only.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

		(1)	(2)	(3)	(4)	(5)	(6)	(7)
						Jurisdictional		Jurisdictional
Line No.	Type of Tax	Rate	Tax Basis ($)	Total Amount	Amount Charged to Operating Expenses	Factor	Amount	Amount Charged to Operating Expenses
1	Federal Unemployment	0.008	3,019,705	24,158	1,405	100%	24,158	1,405
2								
3	State Unemployment	0.0129	3,019,705	38,954	1,073	100%	38,954	1,073
4								
5	FICA	0.0765	Payroll	2,593,572	258,198	100%	2,593,572	258,198
6								
7	Federal Vehicle	N/A	N/A	N/A	N/A	100%		
8								
9	State Intangible	N/A	N/A	N/A	N/A	100%		
10								
11	Utility Assessment Fee	0.00072	53,075,623	38,214	38,214	100%	38,214	38,214
12								
13	Property	Various	32,942,277	531,358	513,886	100%	531,358	513,886
14								
15	Gross Receipts	0.025	53,075,623	1,326,891	1,326,891	100%	1,326,891	1,326,891
16								
17	Franchise Fee	Various	Base, Fuel & Conservation Revenues	1,994,012	1,994,012	100%	1,994,012	1,994,012
18								
19	Occupational License	N/A	N/A	N/A	N/A	100%		
20								
21	Other (Specify)							
22	Emergency Excise Tax	N/A	ACRS Depreciation	(8,261)	(8,261)	100%	(8,261)	(8,261)
23	Miscellaneous taxes	Various	Various	634	634	100%	634	634
24								
25								
26								
27	Total			6,539,532	4,126,052		6,539,532	4,126,052

Supporting Schedules: C7, C21 Recap Schedules: C1

FLOPIDA PUBLIC SEPVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of taxes other than income taxes for the historical base year, historical base year + 1, and the test year. For each tax, indicate the amount charged to operating expenses. Complete columns 5, 6 and 7 for the historical base year and test year only.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh

Line No.	Type of Tax	(1) Rate	(2) Tax Basis ($)	(3) Total Amount	(4) Amount Charged to Operating Expenses	(5) Jurisdictional FactoP	(6) Jurisdictional Amount	(7) Jurisdictional Amount Charged to Operating Expenses
1	Federal Unemployment	0.008	3,185,789	25,486	1,483	100%	25,486	1,483
2								
3	State Unemployment	0.0129	3,185,789	41,097	1,132	100%	41,097	1,132
4								
5	FICA	0.0765	Payroll	2,736,218	275,755	100%	2,736,218	275,755
6								
7	Federal Vehicle	N/A	N/A	N/A	N/A	100%		
8								
9	State Intangible	N/A	N/A	N/A	N/A	100%		
10								
11	Utility Assessment Fee	0.00072	61,786,961	44,487	44,487	100%	44,487	44,487
12								
13	Property	Various	34,457,622	549,956	549,956	100%	549,956	549,956
14								
15	Gross Receipts	0.025	61,786,961	1,544,674	1,544,674	100%	1,544,674	1,544,674
16								
17	Franchise Fee	Various	Base, Fuel & Conservation Revenues	1,913,070	1,913,070	100%	1,913,070	1,913,070
18								
19	Occupational License	N/A	N/A	N/A	N/A	100%		
20								
21	Other (Specify)							
22	Emergency Excise Tax	N/A	ACRS Depreciation	(8,261)	(8,261)	100%	(8,261)	(8,261)
23	Miscellaneous taxes	Various	Various	656	613	100%	656	613
24								
25								
26								
27	Total			6,847,383	4,322,908		6,847,383	4,322,908

Supporting Schedules: C7, C21 Recap Schedules: C1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Doreen Cox, Mehrdad Khojasteh

Line No.			GROSS RECEIPTS TAX HISTORICAL BASE YEAR 2006	HISTORICAL BASE YEAR + 1 2007	PROJECTED TEST YEAR 2008
1		TOTAL OPERATING REVENUES	48,527,214	53,784,078	62,488,964
2					
3		ADJUSTMENTS:			
4		Overrecoveries	(369,812)	-	-
5		Other Operating Revenues	(688,664)	(692,571)	(686,611)
6		Unbilled Revenues	(8,373)	(8,039)	(7,546)
7		Misc Electric Revenues	(7,847)	(7,846)	(7,846)
8		Uncollectibles	(58,025)		
9		Interdepartmental	(2,971)		
10					
11		TOTAL ADJUSTMENTS	(1,135,692)	(708,456)	(702,003)
12					
13		ADJUSTED OPERATING REVENUES	47,391,522	53,075,623	61,786,961
14					
15		Gross Receipts Tax			
16		TAX RATE	2.50%	2.50%	2.50%
17		TAX AMOUNT	1,184,787	1,326,891	1,544,674
18		Adjustments	78,418	-	-
19	4080.2	State Gross Receipts	1,184,787	1,326,891	1,544,674
20					
21		Regulatory Assessment Fee			
22		TAX RATE	0.0720%	0.0720%	0.0720%
23		TAX AMOUNT	34,122	38,214	44,487
24		Adjustments	286	0	0
25	4080.3	FPSC Assessment	34,408	38,214	44,487

Supporting Schedules: Recap Schedules: C7, C20

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

		CURRENT TAX			DEFERRED TAX		
LINE NO.	DESCRIPTION	STATE	FEDERAL	TOTAL	STATE	FEDERAL	TOTAL
1	NET UTILITY OPERATING INCOME	$ 1,893,091	$ 1,893,091				
2	ADD INCOME TAX ACCOUNTS	163,641	163,641				
3	LESS INTEREST CHARGES (FROM C-23)	1,567,647	1,567,647				
4							
5	TAXABLE INCOME PER BOOKS	$ 489,085	$ 489,085				
6							
7	TEMPORARY ADJUSTMENTS TO TAXABLE INCOME (LIST)						
8	ADD: BOOK DEPRECIATION	(2,991,269)	(2,991,269)		2,991,269	2,991,269	
9	LESS: TAX DEPRECIATION	2,450,742	2,450,742		(2,450,742)	(2,450,742)	
10	UNRECOVERED PURCHASE POWER/GAS	12,280	12,280		(12,280)	(12,280)	
11	OUTSIDE AUDIT FEES	1,224	1,224		(1,224)	(1,224)	
12	ORDINARY LOSS ON ACRS PROPERTY	211,200	211,200		(211,200)	(211,200)	
13	COST OF REMOVAL-ADR PROPERTY	24,840	24,840		(24,840)	(24,840)	
14	CONSERVATION PROGRAM COSTS	43,610	43,610		(43,610)	(43,610)	
15	SELF INSURANCE RESERVE	(43,896)	(43,896)		43,896	43,896	
16	TAXABLE CONTRIBUTIONS	(118,761)	(118,761)		118,761	118,761	
17	PENSION COSTS	(395,708)	(395,708)		395,708	395,708	
18	VACATION PAY	(9,677)	(9,677)		9,677	9,677	
19	UNCOLLECTIBLES	11,347	11,347		(11,347)	(11,347)	
20	LOSS ON REACQUIRED DEBT	(5,593)	(5,593)		5,593	5,593	
21	MISC DEFERRAL	-	-		-	-	
22	GENERAL LIABILITY	(147,034)	(147,034)		147,034	147,034	
23	RATE CASE EXPENSE	(84,760)	(84,760)		84,760	84,760	
24	NONDEDUCTIBLE ESPP COMPENSATION EXPENSE	(17,972)	(17,972)		-	-	
25	STORM RESERVE	(129,237)	(129,237)		129,237	129,237	
26	CAPITALIZED INTEREST	(91,470)	(91,470)		91,470	91,470	
27	ELECTRIC CONSULTANT FEES	-	-		-	-	
28	TOTAL TEMPORARY DIFFERENCES	$ (1,280,134)	$ (1,280,134)		$ 1,262,162	$ 1,262,162	
29							
30	PERMANENT ADJUSTMENTS TO TAXABLE INCOME (LIST)						
31	NONDEDUCTIBLE MEALS-CORPORATE	(1,730)	(1,730)				
32	NONDEDUCTIBLE MEALS-OTHER	(2,869)	(2,869)				
33	State Exemption	1,320					
34	TOTAL PERMANENT ADJUSTMENTS	$ (3,279)	$ (4,599)				
35							
36	STATE TAXABLE INCOME (L5+L28+L34)	$ 1,772,498			$ (1,262,162)		
37	STATE INCOME TAX (5.5% OR APPLICABLE RATE OF L36)	$ 97,487			$ (69,419)		
38	ADJUSTMENTS TO STATE INCOME TAX (LIST)						
39							
40	Prior Period Tax adjustment	(154,283)			154,283		
41	Interest Sync and adjustment tax	101					
42							
43	TOTAL ADJUSTMENTS TO STATE INCOME TAX	$ (154,182)			$ 154,283		
44							
45	STATE INCOME TAX	$ (56,695)			84,864		

SUPPORTING SCHEDULES: RECAP SCHEDULES: C7

SCHEDULE C-22 (2007)

STATE AND FEDERAL INCOME TAX CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Mehrdad Khojasteh

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
46	FEDERAL TAXABLE INCOME (L5+L28+L34-L37state)		$ 1,676,331			$ (1,192,743)	
47	FEDERAL INCOME TAX (34% OR APPLICABLE RATE)		$ 569,952			$ (405,533)	
48							
49	ADJUSTMENTS TO FEDERAL INCOME TAX						
50							
51	Prior Period Tax adjustment		(828,420)			828,420	
52	Interest Sync and adjustment tax		590				
53							
54							
55							
56							
57	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAX		$ (827,830)			$ 828,420	
58							
59	FEDERAL INCOME TAX		$ (257,878)			$ 422,887	
60							
61							
62							
63	TOTAL FEDERAL AND STATE INCOME TAXES			$ (314,573)			$ 507,751
64							
65	ITC AMORTIZATION			$ (29,538)			
66							
67							
68							
69							
70							
71	**SUMMARY OF INCOME TAX EXPENSE:**						
72		STATE	FEDERAL	TOTAL			
73	CURRENT TAX EXPENSE	(56,695)	(257,878)	(314,573)			
74	DEFERRED INCOME TAXES	84,864	422,887	507,751			
75	INVESTMENT TAX CREDITS, NET			(29,538)			
76	TOTAL INCOME TAX PROVISION	28,169	165,009	163,640			

SUPPORTING SCHEDULES: C23

RECAP SCHEDULES: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

Type of Data Shown
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
1	NET UTILITY OPERATING INCOME	$ 204,910	$ 204,910				
2	ADD INCOME TAX ACCOUNTS	(808,259)	(808,259)				
3	LESS INTEREST CHARGES (FROM C-23)	1,489,405	1,489,405				
4							
5	TAXABLE INCOME PER BOOKS	$ (2,092,754)	$ (2,092,754)				
6							
7	TEMPORARY ADJUSTMENTS TO TAXABLE INCOME (LIST)						
8	ADD BOOK DEPRECIATION	(4,420,232)	(4,420,232)		4,420,232	4,420,232	
9	LESS TAX DEPRECIATION	3,736,516	3,736,516		(3,736,516)	(3,736,516)	
10	UNRECOVERED PURCHASE POWER/GAS	54,057	54,057		(54,057)	(54,057)	
11	OUTSIDE AUDIT FEES	(943)	(943)		943	943	
12	ORDINARY LOSS ON ACRS PROPERTY	211,200	211,200		(211,200)	(211,200)	
13	COST OF REMOVAL-ADR PROPERTY	24,840	24,840		(24,840)	(24,840)	
14	CONSERVATION PROGRAM COSTS	52,996	52,996		(52,996)	(52,996)	
15	SELF INSURANCE RESERVE	(22,728)	(22,728)		22,728	22,728	
16	TAXABLE CONTRIBUTIONS	(122,220)	(122,220)		122,220	122,220	
17	PENSION COSTS	(352,683)	(352,683)		352,683	352,683	
18	VACATION PAY	(12,694)	(12,694)		12,694	12,694	
19	UNCOLLECTIBLES	(14,498)	(14,498)		14,498	14,498	
20	LOSS ON REACQUIRED DEBT	(7,953)	(7,953)		7,953	7,953	
21	MISC DEFERRAL	-	-		-	-	
22	GENERAL LIABILITY	(46,803)	(46,803)		46,803	46,803	
23	RATE CASE EXPENSE	(84,758)	(84,758)		84,758	84,758	
24	NONDEDUCTIBLE ESPP COMPENSATION EXPENSE	(17,972)	(17,972)		-	-	
25	STORM RESERVE	(129,237)	(129,237)		129,237	129,237	
26	CAPITALIZED INTEREST	(91,470)	(91,470)		91,470	91,470	
27	ELECTRIC CONSULTANT FEES	-	-		-	-	
28	TOTAL TEMPORARY DIFFERENCES	$ (1,244,582)	$ (1,244,582)		$ 1,226,610	$ 1,226,610	
29							
30	PERMANENT ADJUSTMENTS TO TAXABLE INCOME (LIST)						
31	NONDEDUCTIBLE MEALS-CORPORATE	(1,730)	(1,730)				
32	NONDEDUCTIBLE MEALS-OTHER	(2,869)	(2,869)				
33	State Exemption	1,320					
34	TOTAL PERMANENT ADJUSTMENTS	$ (3,279)	$ (4,599)				
35							
36	STATE TAXABLE INCOME (L5+L28+L34)	$ (844,893)			$ (1,226,610)		
37	STATE INCOME TAX (5.5% OR APPLICABLE RATE OF L36)	$ (46,469)			$ (67,464)		
38	ADJUSTMENTS TO STATE INCOME TAX (LIST)						
39							
40	Prior Period Tax adjustment	(166,296)			166,296		
41	Interest Sync and adjustment tax	126					
42	FASB 109 Amortization ARAM				(3,189)		
43	TOTAL ADJUSTMENTS TO STATE INCOME TAX	$ (166,170)			$ 163,107		
44							
45	STATE INCOME TAX	$ (212,639)			95,643		

SUPPORTING SCHEDULES: RECAP SCHEDULES: C7

SCHEDULE C-22 **(2008)**

STATE AND FEDERAL INCOME TAX CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Mehrdad Khojasteh

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
46	FEDERAL TAXABLE INCOME (L5+L28+L34-L37state)		$ (797,104)			$ (1,159,146)	
47	FEDERAL INCOME TAX (34% OR APPLICABLE RATE)		$ (271,015)			$ (394,110)	
48							
49	ADJUSTMENTS TO FEDERAL INCOME TAX						
50							
51	Prior Period Tax adjustment		(878,904)			878,904	
52	Interest Sync and adjustment tax		736			-	
53	FASB 109 amortization ARAM					1,061	
54							
55							
56							
57	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAX		$ (878,168)			$ 879,965	
58							
59	FEDERAL INCOME TAX		$ (1,149,183)			$ 485,855	
60							
61							
62							
63	TOTAL FEDERAL AND STATE INCOME TAXES			$ (1,361,822)			$ 581,498
64							
65	ITC AMORTIZATION			$ (27,935)			
66							
67							
68							
69							
70							
71	**SUMMARY OF INCOME TAX EXPENSE:**						
72		STATE	FEDERAL	TOTAL			
73	CURRENT TAX EXPENSE	(212,639)	(1,149,183)	(1,361,822)			
74	DEFERRED INCOME TAXES	95,643	485,855	581,498			
75	INVESTMENT TAX CREDITS, NET			(27,935)			
76	TOTAL INCOME TAX PROVISION	(116,996)	(663,328)	(808,259)			

SUPPORTING SCHEDULES: C-23

RECAP SCHEDULES: C7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/08
Historical Year Ended 12/31/06
Witness: Mehrdad Khojasteh

Line No.	Name of Company or Related Party	Relation to Utility	Type of Service Provided or Received	Effective Contract Date	Charges During year: Amount 2006	Charges During year: Amount 2008 Projected*	Acct. No.	Allocation Method Used to Allocate Charges Between Companies
1	Flo-gas Corporation	Wholly-Owned Subsidiary	Materials & Supplies		139,282	149,032	146	Actual use of materials
2								
3	Flo-gas Corporation	Wholly-Owned Subsidiary	Transportation		172,127	184,176	146	Actual use of vehicles and various allocation basis
4								
5	Flo-gas Corporation	Wholly-Owned Subsidiary	Shared expenses charged to clearing accounts		738,899	790,622	146	Various allocation basis
6								
7	Flo-gas Corporation	Wholly-Owned Subsidiary	Labor		3,181,787	3,630,419	146	Actual use of personnel and various allocation basis
8			TOTAL NET AMOUNT		4,232,095	4,754,249		

9
10 All transactions are allocated if they affect the affiliated operations of Flo-Gas Corporation. The basis depends on the nature of the transaction with the bulk of the allocations
11 in the corporate office building and Administrative & General expenses. The primary allocation factors are as follows:
12 * Projections based on inflation, payroll and customer factors.
13

Line No.	NATURE	ALLOCATION BASIS
14	NATURE	ALLOCATION BASIS
15		
16	Corporate Office Structure	Use study and utility plant in service
17		
18	Property Insurance	Utility plant in service
19		
20	A & G Salaries	Utility Plant in Service
21		
22	Customer Accounts Expense	Customers
23		
24	Pensions and Employee Benefits	Payroll base
25		
26	Outside Professional Services &	Adjusted gross profit
27	General Liability Insurance	
28		

29 Through the allocation process all charges affecting the affiliated company have benn eliminated from the historic and projected test years.
30 All the various allocation factors are available in Special Job 61-227 at our Corporate Office.

Supporting Schedules: C-31 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Prior Years 2004 - 2006
Witness: Doreen Cox

	2004 Year	2005 Year	2006 Year	2007 Year	2008 Year
SUMMARY OF OTHER O&M EXPENSES (DOLLARS PER CUSTOMER)					
Power Production Expense					
Transmission Expenses	1.09	4.25	6.36	7.68	8.43
Distribution Expenses	85.09	96.82	92.32	102.73	128.14
Customer Account Expenses	42.85	40.53	43.46	45.31	52.15
Customer Service Expenses	12.80	15.66	14.89	13.00	13.30
Sales Expenses	0.72	0.79	4.71	5.74	5.87
Administration & General Expenses	91.87	98.20	104.74	116.53	126.77
Total Other O & M Expenses	234.42	256.24	266.47	290.99	334.67
GROWTH INDICES					
Consumer Price Index	188.90	195.30	201.60	205.97	210.64
Average Customer	29,891	30,243	30,636	30,999	31,370
CPI Percent Increase	2.66%	3.39%	3.23%	2.17%	2.27%
Average Customer Percent Increase	1.77%	1.18%	1.30%	1.18%	1.20%
Index Percent CPI x Customer Growth	4.48%	4.61%	4.57%	3.38%	3.49%
Average Customer Increase	520	352	393	363	371
DOLLAR AMOUNTS, IN CURRENT DOLLARS AND ANNUAL GROWTH RATES FOR:					
O & M Expense Less Fuel per KWH Sold	0.00914	0.00952	0.00961	0.01086	0.01346
Capital Cost per Installed Kilowatt of Capacity	n/a	n/a	n/a	n/a	n/a
Revenue per KWH Sold	0.01721	0.01725	0.01674	0.01705	0.01760
AVERAGE NUMBER OF CUSTOMERS					
Residential	22,878	23,119	23,464	23,756	24,058
Commercial	4,036	4,097	4,131	4,178	4,226
Industrial	2	2	2	2	2
Outdoor Lights	2,947	2,995	3,007	3,044	3,065
Street Lighting	22	19	19	19	19
Interdepartmental	6	11	13	0	0
Total	29,891	30,243	30,636	30,999	31,370
KWh Sales	766,348,960	814,352,781	849,123,616	830,949,543	780,004,211

Supporting Schedules: C-7 Recap Schedules: C-34

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/07
Witness: Mehrdad Khojasteh

Line No.		12/31/2006 Amount	12/31/2006 %Increase	12/31/2006 CPI	12/31/2007 Amount	12/31/2007 %Increase	12/31/2007 CPI
1	Total Company Basis						
2							
3							
4	Gross Payroll	17,122,023	2.01%	3.20%	18,366,785	7.27%	2.17%
5	Gross Average Salary	47,683	0.49%	3.20%	49,569	3.96%	2.17%
6							
7	Fringe Benefits						
8							
9	Life Insurance	102,596	1.90%	3.20%	104,510	1.87%	2.17%
10	Medical Insurance	1,878,220	-4.00%	3.20%	2,067,500	10.08%	2.17%
11	Retirement Plan - Pension	1,599,407	9.03%	3.20%	1,690,000	5.66%	2.17%
12	Employee Savings Plan	N/A	N/A	3.20%	N/A	N/A	2.17%
13	Federal Insurance Contributions Act	2,458,362	1.74%	3.20%	2,500,326	1.71%	2.17%
14	Federal & State Unemployment Taxes	59,821	-9.14%	3.20%	53,802	-10.06%	2.17%
15	Worker's Compensation	14,981	-40.28%	3.20%	20,033	33.72%	2.17%
16	Other (Education, Service Awards,						
17	Physicals, etc.) -SPECIFY						
18	Employee Stock Purchase Plan	66,564	9.21%	3.20%	72,180	8.44%	
19	Sub Total-Fringes	6,179,951	1.44%	3.20%	6,508,351	5.31%	2.17%
20							
21	Total Payroll and Fringes	23,301,974	1.85%	3.20%	24,875,136	6.75%	2.17%
22							
23	Average Employees	359	1.51%	3.20%	364	1.37%	2.17%
24							
25	Payroll and Fringes Per Employee	64,893	0.34%	3.20%	68,338	5.31%	2.17%
26							

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 070304-EI

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

Type of Data Shown:
Prior Year Ended 12/31/07
Projected Test Year Ended 12/31/08
Witness: Mehrdad Khojasteh

Line No.		12/31/2007 Amount	12/31/2007 %Increase	12/31/2007 CPI	12/31/2008 Amount	12/31/2008 %Increase	12/31/2008 CPI
1	Total Company Basis						
2							
3							
4	Gross Payroll	18,366,785	7.27%	2.17%	19,602,448	6.30%	2.27%
5	Gross Average Salary	49,569	3.96%	2.17%	51,541	3.83%	2.27%
6							
7	Fringe Benefits						
8							
9	Life Insurance	104,510	1.87%	2.17%	106,424	1.80%	2.27%
10	Medical Insurance	2,067,500	10.08%	2.17%	2,282,263	9.41%	2.27%
11	Retirement Plan - Pension	1,690,000	5.66%	2.17%	1,860,000	9.14%	2.27%
12	Employee Savings Plan	N/A	N/A	2.17%	N/A	N/A	2.27%
13	Federal Insurance Contributions Act	2,500,326	1.71%	2.17%	2,542,290	N/A	2.27%
14	Federal & State Unemployment Taxes	53,802	-10.06%	2.17%	47,783	-12.60%	2.27%
15	Worker's Compensation	20,033	33.72%	2.17%	17,507	-14.43%	2.27%
16	Other (Education, Service Awards,						
17	Physicals, etc.) -SPECIFY						
18	Employee Stock Purchase Plan	72,180	8.44%	0.00%	77,796		
19	Sub Total-Fringes	6,508,351	5.31%	2.17%	6,934,063	6.14%	2.27%
20							
21	Total Payroll and Fringes	24,875,136	6.75%	2.17%	19,602,448	-26.90%	2.27%
22							
23	Average Employees	364	1.37%	2.17%	359	-1.37%	2.27%
24							
25	Payroll and Fringes Per Employee	68,338	5.31%	2.17%	54,590	-25.18%	2.27%

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Doreen Cox

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Description	Percent
1	Revenue Requirement	100.0000%
2		
3	Gross Receipts Tax Rate	0.0000%
4		
5	Regulatory Assessment Rate	0.0720%
6		
7	Bad Debt Rate	0.2000%
8		
9	Net Before Income Taxes	
10	(1) - (2) - (3) - (4)	99.7280%
11		
12	State Income Tax Rate	5.5000%
13		
14	State Income Tax (5) x (6)	5.4850%
15		
16	Net Before Federal Income Tax (5) - (7)	94.2430%
17		
18	Federal Income Tax Rate	34.0000%
19		
20	Federal Income Tax (8) x (9)	32.0426%
21		
22	Revenue Expansion Factor (8) - (10)	62.2004%
23		
24	Net Operating Income Multiplier	1.6077
25	(100% / Line 11)	

Supporting Schedules:

Recap Schedules:

Projection Factors

		2006-2007	2007-2008	2006-2008
0	No Change	100	100	100
1	Inflation	102.2	102.3	104.6
5	Payroll	105.5	105.5	111.3
2	Customer Growth	101.2	101.2	102.4
6	Sales (KWH) - No Price	100.2	100.9	101.1
13	Inflation & Customer Growth	103.4	103.5	107.0
21	Inflation & Payroll	107.8	107.9	116.3
16	Payroll & Customer Growth	106.8	106.8	114.1
20	Direct	Direct	Direct	Direct
9	Revenues	100	100	100
19	Zero Balance	0	0	0

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Name	Size	Type	Date Modified	Location
RE Rate case schedules (21).msg	506 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
RE Rate case schedules (22).msg	678 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
RE Rate case schedules (23).msg	2,005 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
RE Rate case schedules (24).msg	1,708 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
RE Rate case schedules.msg	678 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
RE rate case.msg	48 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
RE Ratio Analysis.msg	57 KB	Outlook Item	10/16/2007 2:26 PM	Files Currently on the CD
RE Retail Bond Coupon Rates for Dec 2006.msg	50 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
RE Revised C-11 (16).msg	40 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Revised C-11 (17).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Revised C-11 (18).msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Revised C-11.msg	39 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (23).msg	39 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (24).msg	40 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (25).msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (26).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (27).msg	41 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (29).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Short-term debt (36).msg	39 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Short-term debt (37).msg	40 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Short-term debt (38).msg	35 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Short-term debt (39).msg	36 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Short-term debt (40).msg	41 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Short-term debt (42).msg	36 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Short-term debt.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE st.msg	26 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE SUMMER GLEN IR 21319.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Summer Glenn and Lauderhill System Data.msg	50 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Testimony.msg	200 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
RE Update (41).msg	35 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
RE Update (42).msg	39 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
RE Update (57).msg	35 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Update (59).msg	39 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Update on cost of capital.msg	29 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Update On Schedule D-2 (20).msg	31 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 08:53 AM

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:22 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: B-MFRS-8-13-07-NolLinks.xls; HB-MFRS-8-13-08-NoLinks.xls

Here are the B Schedules

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite, Cheryl Martin

Line No.		(1) Plant in Service	(2)* Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	72,376,983	(32,199,482)	40,177,500	1,461,603	-	-	41,639,104	(1,682,506)	-	39,956,598
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%		100%	100%	
3	Jurisdictional Per Books	72,376,983	(32,199,482)	40,177,500	1,461,603	-	-	41,639,104	(1,682,506)	-	39,956,598
4	Adjustments:										
5	Non-regulated Propane Operations	(67,783)	33,370	(34,413)	(7,343)	-	-	(41,756)		-	(41,756)
6	Eliminate Interest Bearing Cash Per 2003 Rate Case Proceeding								(24,312)		(24,312)
7	Eliminate 1/2 Deferred Rate Case Expense Per 2003 Rate Case Proceeding								(116,540)		(116,540)
8	Eliminate Fuel Under-Recover Per 2003 Rate Case Proceeding								(1,716,749)		(1,716,749)
9											
10											
11											
12											
13	Total Adjustments	$ (67,783)	$ 33,370	$ (34,413)	$ (7,343)	$ -	$ -	$ (41,756)	$ (1,857,601)	$ -	$ (1,899,357)
14											
15	Adjusted Jurisdictional	$ 72,309,200	$ (32,166,112)	$ 40,143,087	$ 1,454,260	$ -	$ -	$ 41,597,348	$ (3,540,107)	$ -	$ 38,057,241
16											
17	* Includes Account 2520 - Customer Advances for Construction										

Supporting Schedules: B-2 (2006), B-3 (2006), B-7 (2006), B-9 (2006)

Recap Schedules: B-2 (2006)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite, Cheryl Martin

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1	PLANT				
2	Commission Adjustment:				
3	Allocate Various Items of General	Non-Regulated Propane Operations at			
4	Plant Accounts to Propane; based	Fernandina Beach Location - Per			
5	on Customers and/or Square Footage	2003 Rate Case Proceeding			
6	Measurements	"			
7	(Accounts 3890, 3900, 3911, 3912,	"			
8	3913, and 391305)	"			
9	Plant-in-Service	"	(67,783)	100%	(67,783)
10	Reserve	"	33,370	100%	33,370
11	CWIP	"	(7,343)	100%	(7,343)
12	Total	"	(41,756)		(41,756)
13					
14					
15	Company Adjustment:				
16	None				
17					
18					
19					
20	WORKING CAPITAL				
21	Commission Adjustment:				
22	Eliminate Interest Bearing Cash	Per 2003 Rate Case Proceeding	(24,312)	100%	(24,312)
23	Eliminate 1/2 Deferred Rate Case Expense	Per 2003 Rate Case Proceeding	(116,540)	100%	(116,540)
24	Eliminate Fuel Under-Recover	Per 2003 Rate Case Proceeding	(1,716,749)	100%	(1,716,749)
25			(1,857,601)		(1,857,601)
26	Company Adjustment:				
27	None				
28					
29					
30					
31					
32					
33					

Supporting Schedules: B-3 (2006)
Recap Schedules: B-1 (2006), B-3 (2006), B-4 (2006)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(1) Dec 2005	(2) Jan 2006	(3) Feb 2006	(4) Mar 2006	(5) Apr 2006	(6) May 2006	(7) Jun 2006	(8) Jul 2006	(9) Aug 2006	(10) Sep 2006	(11) Oct 2006	(12) Nov 2006	(13) Dec 2006	(14) 13 MONTH AVERAGE
1		ASSETS AND OTHER DEBITS														
2		UTILITY PLANT:														
3	1010	PLANT IN SERVICE	68.757,206	69,065,318	70,153,707	70,483,807	70,380,007	70,457,036	70,702,893	71,166,510	71,307,955	71,455,264	71,571,897	71,992,722	72,747,156	70,787,806
4	1070	CWIP	2,090,808	2,002,341	1,090,386	1,011,854	1,284,452	1,351,900	1,350,144	1,164,548	1,317,408	1,552,979	1,581,913	1,318,249	778,241	1,376,556
5	1080	PLANT RESERVE	(29,761,890)	(29,988,364)	(30,208,766)	(30,388,495)	(30,378,592)	(30,537,663)	(30,714,841)	(30,892,332)	(31,110,821)	(31,339,987)	(31,542,571)	(31,800,699)	(31,928,074)	(30,814,853)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	1,626,095	1,634,228	1,649,179	1,640,573	1,572,565	1,568,430	1,576,285	1,579,263	1,579,263	1,579,285	1,582,628	1,532,764	1,538,742	1,589,177
7	1190	ALLOCATED COMMON PLANT RESERVE	(578,414)	(590,993)	(600,326)	(604,808)	(541,263)	(544,550)	(548,051)	(556,332)	(565,069)	(573,807)	(582,545)	(523,008)	(515,604)	(563,444)
8	1070	ALLOCATED COMMON CWIP	57,295	63,706	48,929	57,959	59,536	95,325	114,189	104,553	105,046	105,046	107,584	98,021	88,431	85,048
9																
10		OTHER PROPERTY AND INVESTMENTS														
11	1280.1	OTHER SPECIAL FUNDS	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
12																
13		CURRENT AND ACCRUED ASSETS.														
14	1310, 1340	CASH AND DEPOSITS	208,878	469,064	455,435	580,049	289,291	205,433	346,810	(27,368)	54,370	224,684	453,012	259,078	14,933	271,821
15	1340.1	SPECIAL DEPOSITS-ELECT	-	-	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	268,938
16	1350.1	WORKING FUNDS- PETTY	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
17	1350.10	WORKING FUNDS- PETTY	135	135	135	135	135	135	135	135	243	135	135	135	135	143
18	1420, 1430	ACCOUNTS RECEIVABLE-	3,668,372	3,679,978	3,627,054	2,993,283	3,169,088	3,114,897	3,578,500	4,127,565	3,707,383	3,955,657	3,189,329	2,756,950	3,203,486	3,443,965
19	1440	ALLOW. FOR UNCOLL.AC	(29,335)	(26,756)	(26,972)	(28,208)	(31,486)	(32,171)	(36,083)	(40,005)	(28,456)	(31,743)	(35,253)	(30,205)	(69,678)	(34,335)
20	1540.1	MATERIALS & SUPPLIES	821,965	815,013	832,509	854,233	839,171	819,018	841,516	843,451	872,718	930,753	959,791	946,471	1,042,109	878,363
21	1630.3	STORES EXPENSE	-	-	-	-	-	-	-	-	(1,300)	-	(34,074)	(13,697)	-	(3,775)
22	1650.2, 5	PREPAID EXP - INSURANCE	233,568	212,271	190,972	169,681	148,385	127,088	90,540	52,993	258,746	234,476	280,258	257,743	235,228	191,688
23	1650.4	PREPAID EXP - OTHER	42,260	35,789	29,856	24,323	83,376	52,771	50,429	106,053	107,498	102,857	92,336	44,951	43,168	62,744
24	1650.41	PREPAID EXP.-MAINTENANCE	28,412	26,044	23,676	21,309	18,941	16,573	14,206	11,838	9,471	7,103	4,735	2,368	29,264	16,457
25	1730.1	UNBILLED REVENUES	415.764	325,115	322,495	326,217	340,571	455,075	532,192	526,607	618,265	472,305	392,234	431,787	424,137	429,443
26	1820.2	REG ASSET-RET PLANS	-	-	-	-	-	-	-	-	-	-	-	-	103,740	7,980
27	1840.7	CLEARING ACCOUNT--REFUNDS	-	-	-	-	-	(73)	-	43	43	43	43	43	-	11
28	1850.1	TEMPORARY SERVICES	21,285	22,156	22,754	24,755	24,735	24,796	25,742	27,280	28,660	29,864	31,183	31,456	12,836	25,192
29																
30		DEFERRED DEBITS.														
31	1860.1	DEFERRED DEBITS - OTHER	31,491	31,082	30,675	64,476	63,468	62,460	61,450	60,442	59,710	58,426	57,418	56,410	48,400	52,762
32	1860.1	DEFERRED DEBITS - RATE CASE	275,458	268,395	261,332	254,269	247,206	240,143	233,080	226,017	218,954	211,891	204,828	197,765	190,702	233,080
33	1860.3	MISC DEF'D DR-UNDIST	-	7,667	8,853	18,632	22,149	32,850	-	3,718	15,742	19,456	22,644	31,302	-	14,078
34	1860.21	DEFERRED DEBITS - UNDERRECOVERY FUEL	1.611,846	1,493,295	1,691,503	1,557,183	1,557,272	1,826,006	2,005,274	1,870,954	1,900,595	1,766,275	1,631,955	1,697,897	1,707,678	1,716,749
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	685,959	687,356	675,400	670,410	674,098	675,126	689,127	688,408	684,220	673,921	657,285	665,930	666,281	676,425
36	1900	ACCUMULATED DEFERRED TAXES	997,076	977,628	990,452	999,831	1,011,900	1,020,732	1,030,005	1,039,398	1,037,289	1,030,952	1,031,516	1,024,085	1,048,453	1,018,409
37																
38		TOTAL ASSETS AND OTHER DEBITS.	51.215.434	51,221,667	51,598,274	51,060,503	51,164,040	51,360,373	52,272,578	52,412,775	52,506,968	52,794,871	51,987,316	51,307,554	51.738,800	51,741,627
39																

Schedule B-3 (2006) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
1		ASSETS AND OTHER DEBITS								
2		UTILITY PLANT:								
3	1010	PLANT IN SERVICE	RB	70,787,806	Direct	100%	70,787,806	(67,783)		70,720,023
4	1070	CWIP	RB	1,376,556	Direct	100%	1,376,556	(7,343)		1,369,213
5	1080	PLANT RESERVE	RB	(30,814,853)	Direct	100%	(30,814,853)	33,370		(30,781,483)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	RB	5,378,140	Plant/Customers	30% / 29%	1,589,177	-		1,589,177
7	1190	ALLOCATED COMMON PLANT RESERVE	RB	(1,925,391)	Plant/Customers	30% / 29%	(563,444)	-		(563,444)
8	1070	ALLOCATED COMMON CWIP	RB	291,425	Plant/Customers	30% / 29%	85,048	-		85,048
9										
10		OTHER PROPERTY AND INVESTMENTS								
11	1280.1	OTHER SPECIAL FUNDS	RB, WC	10,000	Adjusted. Gross Profit	32%	3,200	-		3,200
12										
13		CURRENT AND ACCRUED ASSETS.								
14	1310, 1340	CASH AND DEPOSITS	RB, WC	849,440	Adjusted. Gross Profit	32%	271,821	(24,312)	Eliminate Interest Bearing Cash	247,509
15	1340.1	SPECIAL DEPOSITS-ELECT	RB, WC	268,938	Direct	100%	268,938	-	-	268,938
16	1350.1	WORKING FUNDS- PETTY	RB, WC	8,000	Direct	100%	8,000	-	-	8,000
17	1350.10	WORKING FUNDS- PETTY	RB, WC	531	Payroll	27%	143	-	-	143
18	1420, 1430	ACCOUNTS RECEIVABLE-	RB, WC	3,443,963	DIRECT	100%	3,443,963	-	-	3,443,963
19	1440	ALLOW. FOR UNCOLL AC	RB, WC	(34,335)	Direct	100%	(34,335)	-	-	(34,335)
20	1540.1	MATERIALS & SUPPLIES	RB, WC	878,363	Direct	100%	878,363	-	-	878,363
21	1630.3	STORES EXPENSE	RB, WC	(3,775)	Direct	100%	(3,775)	-	-	(3,775)
22	1650.2, 5	PREPAID EXP - INSURANCE	RB, WC	599,027	Adjusted. Gross Profit	32%	191,688	-	-	191,688
23	1650.4	PREPAID EXP - OTHER	RB, WC	196,074	Adjusted. Gross Profit	32%	62,744	-	-	62,744
24	1650.41	PREPAID EXP.-MAINTENANCE	RB, WC	51,428	Adjusted. Gross Profit	32%	16,457	-	-	16,457
25	1730.1	UNBILLED REVENUES	RB, WC	429,443	Direct	100%	429,443	-	-	429,443
26	1820.2	REG ASSET-RET PLANS	RB, WC	29,556	Payroll	27%	7,980	-	-	7,980
27	1840.7	CLEARING ACCOUNT-- REFUNDS	RB, WC	34	Adjusted. Gross Profit	32%	11	-	-	11
28	1850.1	TEMPORARY SERVICES	RB, WC	25,192	Direct	100%	25,192	-	-	25,192
29										
30		DEFERRED DEBITS.								
31	1860.1	DEFERRED DEBITS - OTHER	RB, WC	52,762	Direct	100%	52,762	-		52,762
32	1860.1	DEFERRED DEBITS - RATE CASE	RB, WC	233,080	Direct	100%	233,080	(116,540)	Eliminate 1/2 Rate Case Deferral	116,540
33	1860.3	MISC DEF'D DR-UNDIST	RB, WC	14,078	Direct	100%	14,078	-	-	14,078
34	1860.21	DEFERRED DEBITS - UNDERRECOVERY FUEL	RB, WC	1,716,749	Direct	100%	1,716,749	(1,716,749)	Eliminate Under-Recovery of Fuel	-
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	CS	2,056,762	Allocated Consolidated Equity	33%	676,425	(32,133)	Allocated Equity Adjustment	644,292
36	1900	ACCUMULATED DEFERRED TAXES	CS	1,018,408	Direct	100%	1,018,408	-	-	1,018,408
37										
38		TOTAL ASSETS AND OTHER DEBITS					51,741,625	(1,931,490)		49,810,135
39										

Schedule B-3 (2006) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS |

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(1) Dec 2005	(2) Jan 2006	(3) Feb 2006	(4) Mar 2006	(5) Apr 2006	(6) May 2006	(7) Jun 2006	(8) Jul 2006	(9) Aug 2006	(10) Sep 2006	(11) Oct 2006	(12) Nov 2006	(13) Dec 2006	(14) 13 MONTH AVERAGE
40		LIABILITIES AND OTHER CREDITS														
41		PROPRIETARY CAPITAL														
42	2010.1	COMMON STOCK ISSUED	(3,037,817)	(3,044,007)	(2,991,059)	(2,968,959)	(2,985,289)	(2,989,845)	(3,051,850)	(3,048,664)	(3,030,118)	(2,984,505)	(2,910,835)	(2,949,116)	(2,950,673)	(2,995,595)
43	2040.1	PREFERRED STOCK ISSUED-$1	(195,988)	(196,388)	(192,972)	(191,546)	(192,599)	(192,893)	(196,894)	(196,688)	(195,491)	(192,549)	(187,796)	(190,266)	(190,366)	(193,264)
44	2070.1	PREM ON CAPITAL STOCK	(1,796,558)	(1,800,219)	(1,768,906)	(1,755,836)	(1,765,494)	(1,768,188)	(1,804,858)	(1,802,973)	(1,792,005)	(1,765,030)	(1,721,461)	(1,744,101)	(1,745,021)	(1,771,588)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	(326,647)	(327,313)	(321,619)	(319,243)	(320,999)	(321,489)	(328,156)	(327,813)	(325,819)	(320,915)	(312,993)	(317,109)	(317,277)	(322,107)
46	2140.1	CAPITAL STOCK EXPENSE	130,659	130,925	128,648	127,697	128,400	128,595	131,262	131,125	130,328	128,366	125,197	126,844	126,911	128,843
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	(10,746,685)	(10,768,583)	(10,581,272)	(10,503,091)	(10,560,862)	(10,576,977)	(10,796,330)	(10,785,059)	(10,719,449)	(10,558,088)	(10,297,469)	(10,432,896)	(10,438,401)	(10,597,320)
48	2170.1	COMMON STOCK REACQUIRED	979,941	981,938	964,858	957,729	962,997	964,466	984,468	983,440	977,457	962,744	938,979	951,328	951,830	966,321
49																
50		LONG TERM DEBT														
51	2210.1	BONDS	(17,279,626)	(17,314,832)	(17,013,657)	(16,887,949)	(16,980,841)	(17,006,749)	(17,359,448)	(17,341,327)	(17,235,832)	(16,976,379)	(16,557,328)	(16,775,083)	(16,783,934)	(17,039,460)
52																
53		OTHER NON-CURRENT LIABILITIES														
54	2280.11	ELECTRIC STORM RESERVE	(1,506,886)	(1,516,003)	(1,526,138)	(1,536,273)	(1,546,408)	(1,556,543)	(1,562,801)	(1,572,936)	(1,583,071)	(1,588,954)	(1,599,089)	(1,609,224)	(1,636,118)	(1,564,650)
55	2280.31	PENSIONS RESERVE	(194,759)	(233,459)	(269,009)	(306,134)	(343,259)	(380,384)	(417,509)	(454,634)	(399,959)	(451,139)	(480,389)	(509,639)	(814,231)	(404,193)
56	2280.32	MEDICAL POST-RETIREMENT	(621,566)	(627,092)	(632,684)	(638,182)	(643,877)	(649,388)	(654,751)	(660,362)	(665,902)	(650,008)	(653,231)	(655,845)	(596,913)	(642,292)
57	2280.34	401(K) ACCRUAL COMPANY SH	200	271	353	-	62	-	-	-	-	-	-	-	-	68
58	2280.201	ACCRUED LIABILITY INS	(94,762)	(94,384)	(93,991)	(92,808)	(89,375)	(86,914)	(84,016)	(81,998)	(73,724)	(70,194)	(65,927)	(59,207)	(58,062)	(80,412)
59																

FLORIDA PUBLIC SERVICE COMMISSION

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
40		LIABILITIES AND OTHER CREDITS								
41		PROPRIETARY CAPITAL								
42	2010.1	COMMON STOCK ISSUED	CS	(9,241,725)	Allocated Consolidated Equity	32%	(2,995,595)	100,575	Allocated Equity Adjustment	(2,895,020)
43	2040.1	PREFERRED STOCK ISSUED-$1	CS	(600,000)	Allocated Consolidated Equity	32%	(193,264)	5,311	Allocated Equity Adjustment	(187,953)
44	2070.1	PREM ON CAPITAL STOCK	CS	(5,472,569)	Allocated Consolidated Equity	32%	(1,771,588)	57,278	Allocated Equity Adjustment	(1,714,310)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	CS	(952,375)	Allocated Consolidated Equity	34%	(322,107)	23,770	Allocated Equity Adjustment	(298,337)
46	2140.1	CAPITAL STOCK EXPENSE	CS	428,441	Allocated Consolidated Equity	30%	128,843	5,368	Allocated Equity Adjustment	134,211
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	CS	(32,709,674)	Allocated Consolidated Equity	32%	(10,597,320)	350,841	Allocated Equity Adjustment	(10,246,479)
48	2170.1	COMMON STOCK REACQUIRED	CS	3,004,181	Allocated Consolidated Equity	32%	966,321	(25,245)	Allocated Equity Adjustment	941,076
49										
50		LONG TERM DEBT								
51	2210.1	BONDS	CS	(52,500,000)	Allocated Consolidated Equity	32%	(17,039,460)	593,556	Allocated Equity Adjustment	(16,445,904)
52										
53		OTHER NON-CURRENT LIABILITIES								
54	2280.11	ELECTRIC STORM RESERVE	RB, WC	(1,564,650)	DIRECT	100%	(1,564,650)	-	-	(1,564,650)
55	2280.31	PENSIONS RESERVE	RB, WC	(1,497,011)	Payroll	27%	(404,193)	-	-	(404,193)
56	2280.32	MEDICAL POST-RETIREMENT	RB, WC	(2,007,164)	Adj. Gross Profit	32%	(642,292)	-	-	(642,292)
57	2280.34	401(K) ACCRUAL COMPANY SH	RB, WC	253	Payroll	27%	68	-	-	68
58	2280.201	ACCRUED LIABILITY INS	RB, WC	(251,289)	Adj. Gross Profit	32%	(80,412)	-	-	(80,412)
59										

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(1) Dec 2005	(2) Jan 2006	(3) Feb 2006	(4) Mar 2006	(5) Apr 2006	(6) May 2006	(7) Jun 2006	(8) Jul 2006	(9) Aug 2006	(10) Sep 2006	(11) Oct 2006	(12) Nov 2006	(13) Dec 2006	(14) 13 MONTH AVERAGE
60		CURRENT AND ACCRUED LIABILITIES														
61	2310.1	NOTES PAYABLE	(1,077,935)	(1,080,131)	(1,061,343)	(1,053,502)	(1,059,296)	(1,060,913)	(1,082,915)	(1,081,784)	(1,075,203)	(1,059,018)	(1,032,877)	(1,046,461)	(1,047,013)	(1,062,953)
62	2320.	ACCOUNTS PAYABLE - FUEL	(2,437,949)	(2,316,675)	(2,829,932)	(2,183,772)	(2,243,795)	(2,634,160)	(2,808,393)	(2,996,631)	(3,024,777)	(2,520,776)	(2,312,588)	(2,142,845)	(2,341,685)	(2,522,614)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	(1,232,780)	(900,632)	(790,012)	(948,218)	(815,693)	(572,806)	(818,506)	(709,693)	(990,466)	(915,748)	(1,055,386)	(780,181)	(914,573)	(880,361)
64	2320.	ACCOUNTS PAYABLE - OTHER	(194,985)	(187,372)	(203,350)	(208,167)	(172,179)	(250,972)	(272,383)	(231,635)	(119,449)	(161,535)	(194,559)	(232,529)	(287,359)	(208,960)
65	2350.1	CUSTOMER DEPOSITS	(2,075,368)	(2,082,190)	(2,098,737)	(2,107,316)	(2,114,464)	(2,119,052)	(2,114,509)	(2,126,739)	(2,132,502)	(2,132,453)	(2,156,869)	(2,194,168)	(2,322,227)	(2,136,661)
66	2360.1	TAXES ACCRUED - AD VALOREM	-	(44,215)	(88,429)	(132,645)	(176,859)	(221,074)	(265,289)	(309,504)	(353,719)	(397,933)	(442,148)	35,868	-	(184,304)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	(105,972)	(124,865)	(137,169)	(112,570)	(102,488)	(93,964)	(93,960)	(93,532)	(97,184)	(99,851)	(94,586)	(98,550)	(115,386)	(105,391)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	(58,751)	(17,076)	(33,687)	(49,165)	(60,276)	(69,993)	(78,664)	(8,019)	(15,861)	(23,900)	(31,796)	(39,545)	(50,691)	(41,340)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	(822)	(7,788)	(11,905)	(18,803)	(5,353)	7,024	(1,207)	(243)	(564)	(724)	(164)	(381)	(630)	(3,197)
70	2360	TAXES ACCRUED - INCOME TAX	(40,893)	(360,317)	(711,453)	(815,037)	(867,577)	(945,656)	(306,935)	(384,817)	(489,649)	(610,581)	(687,762)	(779,410)	(481,758)	(575,527)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	(94,134)	(103,369)	(98,899)	(10,698)	(20,486)	(30,725)	(40,290)	(51,127)	(60,857)	(70,830)	(79,580)	(89,866)	(99,032)	(65,376)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	(214,409)	(236,877)	(337,114)	(439,517)	(461,759)	(223,340)	(212,914)	(235,247)	(337,142)	(439,243)	(461,802)	(222,866)	(134,950)	(304,398)
73	2380	DIVIDENDS DECLARED - PREFERRED	(2,280)	-	-	-	-	-	-	-	-	-	-	-	(2,280)	(351)
74	2410	WITHHOLDING TAXES PAYABLE	-	294	24	(13,616)	(12,433)	21,268	-	-	-	-	-	-	-	(343)
75	2410	TAX COLLECTIONS PAYABLE	(258,514)	(282,421)	(280,114)	(268,596)	(245,307)	(269,136)	(313,420)	(335,874)	(312,065)	(336,588)	(286,244)	(239,204)	(268,716)	(284,323)
76	2420	EMPLOYEE FUND	54	(214)	(1,124)	(998)	(1,054)	(946)	(1,110)	(1,043)	(934)	(889)	(768)	(863)	(1,138)	(848)
77	2420	ACCRUED VACATION	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(323,504)	(292,994)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	(37,512)	(20,276)	(33,967)	(47,095)	(52,599)	(56,366)	(65,968)	(70,801)	(71,072)	(69,904)	(62,193)	(50,587)	(41,655)	(52,307)
79																
80		DEFERRED CREDITS.														
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	(688,489)	(686,661)	(681,206)	(705,290)	(707,647)	(734,167)	(920,912)	(943,869)	(955,292)	(945,524)	(900,611)	(904,922)	(900,810)	(821,185)
82	2530.1	OTHER DF CR-CASHIER	-	(6)	1	2	11	(20)	53	58	239	(27)	62	413	-	60
83	2530.21	OVER RECOVERY-FUEL	(1,152,894)	(1,204,101)	(1,108,026)	(1,112,490)	(1,016,415)	(920,340)	(824,265)	(798,533)	(702,458)	(1,015,467)	(1,037,614)	(941,539)	(845,464)	(975,354)
84	2530.61	OVER RECOVERY-CONSERVATION	(107,034)	(94,858)	(102,393)	(82,249)	(93,242)	(76,924)	(73,560)	(80,019)	(79,344)	(71,437)	(71,563)	(57,569)	(44,652)	(79,603)
85	2550.1	INVEST TAX CREDIT	(157,283)	(154,589)	(151,895)	(149,201)	(146,507)	(143,813)	(141,119)	(138,425)	(135,731)	(133,037)	(130,343)	(127,649)	(124,961)	(141,119)
86																
87		ACCUMULATED DEFERRED INCOME TAXES.														
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	(6,296,537)	(6,217,731)	(6,249,645)	(6,196,513)	(6,160,627)	(6,237,537)	(6,404,978)	(6,366,958)	(6,348,902)	(7,032,304)	(6,935,132)	(6,939,934)	(6,938,060)	(6,486,528)
89																
90		TOTAL LIABILITIES AND OTHER CREDITS	(51,215,433)	(51,221,668)	(51,598,275)	(51,060,503)	(51,164,041)	(51,360,373)	(52,272,579)	(52,412,776)	(52,506,969)	(52,794,872)	(51,987,317)	(51,307,554)	(51,738,799)	(51,741,628)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility

Schedule B-3 (2006) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
60		CURRENT AND ACCRUED LIABILITIES								
61	2310.1	NOTES PAYABLE	CS	(3,309,077)	Allocated Consolidated Equity	32%	(1,062,953)	26,367	Allocated Equity Adjustment	(1,036,586)
62	2320.	ACCOUNTS PAYABLE - FUEL	RB, WC	(2,522,614)	DIRECT	100%	(2,522,614)	-	-	(2,522,614)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	RB, WC	(2,751,127)	Adj. Gross Profit	32%	(880,361)	-	-	(880,361)
64	2320.	ACCOUNTS PAYABLE - OTHER	RB, WC	(752,298)	Adjusted Gross Profit / Payroll	32% / 27%	(208,959)	-	-	(208,959)
65	2350.1	CUSTOMER DEPOSITS	CS	(2,136,661)	DIRECT	100%	(2,136,661)	-	-	(2,136,661)
66	2360.1	TAXES ACCRUED - AD VALOREM	RB, WC	(184,304)	DIRECT	100%	(184,304)	-	-	(184,304)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	RB, WC	(270,232)	REG GROSS PROFIT	39%	(105,390)	-	-	(105,390)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	RB, WC	(129,188)	Adj. Gross Profit	32%	(41,340)	-	-	(41,340)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	RB, WC	(11,840)	Payroll	27%	(3,197)	-	-	(3,197)
70	2360	TAXES ACCRUED - INCOME TAX	RB, WC	(1,798,521)	Adj. Gross Profit	32%	(575,526)	-	-	(575,526)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	RB, WC	(65,376)	DIRECT	100%	(65,376)	-	-	(65,376)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	RB, WC	(981,931)	Plant	31%	(304,399)	-	-	(304,399)
73	2380	DIVIDENDS DECLARED - PREFERRED	RB, WC	(1,096)	Adj. Gross Profit	32%	(351)	-	-	(351)
74	2410	WITHHOLDING TAXES PAYABLE	RB, WC	(1,272)	Payroll	27%	(343)	-	-	(343)
75	2410	TAX COLLECTIONS PAYABLE	RB, WC	(284,322)	DIRECT	100%	(284,322)	-	-	(284,322)
76	2420	EMPLOYEE FUND	RB, WC	(848)	DIRECT	100%	(848)	-	-	(848)
77	2420	ACCRUED VACATION	RB, WC	(1,085,164)	Payroll	27%	(292,994)	-	-	(292,994)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	RB, WC	(163,460)	Adj. Gross Profit	32%	(52,308)	-	-	(52,308)
79										-
80		DEFERRED CREDITS.								-
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	RB	(821,185)	DIRECT	100%	(821,185)	-	-	(821,185)
82	2530.1	OTHER DF CR-CASHIER	RB, WC	60	DIRECT	100%	60	-	-	60
83	2530.21	OVER RECOVERY-FUEL	RB, WC	(975,354)	DIRECT	100%	(975,354)	-	-	(975,354)
84	2530.61	OVER RECOVERY-CONSERVATION	RB, WC	(79,603)	DIRECT	100%	(79,603)	-	-	(79,603)
85	2550.1	INVEST TAX CREDIT	CS	(141,119)	DIRECT	100%	(141,119)	-	-	(141,119)
86										
87		ACCUMULATED DEFERRED INCOME TAXES.								
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	CS	(6,486,527)	DIRECT	100%	(6,486,527)	793,669	-	(5,692,858)
89										
90		TOTAL LIABILITIES AND OTHER CREDITS		(51,828,807)			(51,741,625)	1,931,490		(49,810,135)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS =

Supporting Schedules: B-8 (2006), B10 (2006) — Recap Schedules: B-1 (2006), B2-2 (2006), B-4 (2006)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide 13-month average system balance sheets by primary account for the most recent two historical calendar years not including the historical test year if provided elsewhere.

Type of Data Shown:
Historic Year Ended 12/31/2005
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Account No.	Account Name	2005	2006
1		ASSETS AND OTHER DEBITS		
2				
3		UTILITY PLANT:		
4	1010	PLANT IN SERVICE	65,535,303	70,720,023
5	1070	CWIP	3,812,779	1,369,213
6	1080	PLANT RESERVE	(29,076,380)	(30,781,483)
7	1180	ALLOCATED COMMON PLANT IN SERVICE	1,617,663	1,589,177
8	1190	ALLOCATED COMMON PLANT RESERVE	(583,211)	(563,444)
9	1070	ALLOCATED COMMON CWIP	28,589	85,048
10				
11		OTHER PROPERTY AND INVESTMENTS		
12	1280.1	OTHER SPECIAL FUNDS	3,200	3,200
13				
14				
15	1310, 1340	CASH AND DEPOSITS	130,818	247,509
16	1340.1	SPECIAL DEPOSITS-ELECT	-	268,938
17	1350.1	WORKING FUNDS- PETTY	6,231	8,000
18	1350.10	WORKING FUNDS- PETTY	140	143
19	1420, 1430	ACCOUNTS RECEIVABLE-	3,614,975	3,443,963
20	1440	ALLOW. FOR UNCOLL.AC	(97,568)	(34,335)
21	1540.1	MATERIALS & SUPPLIES	800,517	878,363
22	1630.3	STORES EXPENSE	85	(3,775)
23	1650.2, 5	PREPAID EXP - INSURANCE	215,270	254,432
24	1650.41	PREPAID EXP.-MAINTENANCE	13,634	16,457
25	1730.1	UNBILLED REVENUES	437,017	429,443
26	1820.2	REG ASSET-RET PLANS	-	7,980
27	1840.7	CLEARING ACCOUNT--REFUNDS	178	11
28	1850.1	TEMPORARY SERVICES	20,427	25,192
29				
30		DEFERRED DEBITS.		
31	1860.1	DEFERRED DEBITS - OTHER	353,254	169,302
32				
33	1860.3	MISC DEF'D DR-UNDIST	14,513	14,078
34	1860.21	DEFERRED DEBITS - UNDERRECOVERY FUEL	1,658,615	-
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	688,560	644,292
36	1900	ACCUMULATED DEFERRED TAXES	498,489	1,018,408
37				-
38		TOTAL ASSETS AND OTHER DEBITS.	49,832,258	49,810,135
39				

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide 13-month average system balance sheets by primary account for the most recent two historical calendar years not including the historical test year if provided elsewhere.

Type of Data Shown:
Historic Year Ended 12/31/2005
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Account No.	Account Name	2005	2006
40		LIABILITIES AND OTHER CREDITS		
41				
42		PROPRIETARY CAPITAL		
43	2010.1	COMMON STOCK ISSUED	(2,572,294)	(2,895,020)
44	2040.1	PREFERRED STOCK ISSUED-$1	(191,500)	(187,953)
45	2070.1	PREM ON CAPITAL STOCK	(2,062,313)	(1,714,310)
46	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	(535,806)	(298,337)
47	2140.1	CAPITAL STOCK EXPENSE	136,744	134,211
48	2160.1	UNAPPROPRIATED RETAINED EARNINGS	(10,060,788)	(10,246,479)
49	2170.1	COMMON STOCK REACQUIRED	1,305,857	941,076
50				
51		LONG TERM DEBT		
52	2210.1	BONDS	(16,034,860)	(16,445,904)
53				
54		OTHER NON-CURRENT LIABILITIES.		
55	2280.11	ELECTRIC STORM RESERVE	(1,559,228)	(1,564,650)
56	2280.31	PENSIONS RESERVE	(4,422)	(404,193)
57	2280.32	MEDICAL POST-RETIREMENT	(586,070)	(642,292)
58	2280.34	401(K) ACCRUAL COMPANY SH	20	68
59	2280.201	ACCRUED LIABILITY INS	(104,480)	(80,412)
60				
61		CURRENT AND ACCRUED LIABILITIES		
62	2310.1	NOTES PAYABLE	(998,673)	(1,036,586)
63	2320.	ACCOUNTS PAYABLE - FUEL	(2,432,298)	(2,522,614)
64	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	(836,272)	(880,361)
65	2320.	ACCOUNTS PAYABLE - OTHER	(328,544)	(208,959)
66	2350.1	CUSTOMER DEPOSITS	(2,017,756)	(2,136,661)
67	2360.1	TAXES ACCRUED - AD VALOREM	(189,354)	(184,304)
68	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	(228,527)	(105,390)
69	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	(43,585)	(41,340)
70	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	(4,158)	(3,197)
71	2360	TAXES ACCRUED - INCOME TAX	(406,926)	(575,526)
72	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	(61,842)	(65,376)
73	2370	INTEREST ACCRUED-NOTES AND LOANS	(390,039)	(304,399)
74	2380	DIVIDENDS DECLARED - PREFERRED	(876)	(351)
75	2410	WITHHOLDING TAXES PAYABLE	(6,156)	(343)
76	2410	TAX COLLECTIONS PAYABLE	(323,079)	(284,322)
77	2420	EMPLOYEE FUND	(1,611)	(848)
78	2420	ACCRUED VACATION	(286,504)	(292,994)
79	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	(44,904)	(52,308)
80				
81		DEFERRED CREDITS.		
82	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	(608,099)	(821,185)
83	2530.1	OTHER DF CR-CASHIER	98	60
84	2530.21	OVER RECOVERY-FUEL	(677,071)	(975,354)
85	2530.61	OVER RECOVERY-CONSERVATION	(134,597)	(79,603)
86	2550.1	INVEST TAX CREDIT	(174,775)	(141,119)
87				
88		ACCUMULATED DEFERRED INCOME TAXES.		
89	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	(7,367,570)	(5,692,858)
90				
91		TOTAL LIABILITIES AND OTHER CREDITS	(49,832,258)	(49,810,135)

Supporting Schedules: B-3 (2006) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Electric Plant in Service:				
2	Intangible				
3	Production:				
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	74,148	74,148	74,148	100%
10	Structure and Improvements	22,007	22,007	22,007	100%
11	Station Equipment	2,414,632	2,414,632	2,414,632	100%
12	Towers & Fixtures	224,665	224,665	224,665	100%
13	Poles & Fixtures	2,346,420	2,346,420	2,346,420	100%
14	O.H. Conductor and Devices	1,858,642	1,858,642	1,858,642	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	6,788	6,788	6,788	100%
17	Total Transmission	6,947,302	6,947,302	6,947,302	100%
18	Distribution:				
19	Land and Land Rights	32,878	32,878	32,878	100%
20	Structure and Improvements	96,042	96,042	96,042	100%
21	Station Equipment	5,673,433	5,673,433	5,673,433	100%
22	Poles and Fixtures	8,717,909	8,717,909	8,717,909	100%
23	O.H. Conductors	9,425,756	9,425,756	9,425,756	100%
24	U.G. Conduits	2,447,327	2,447,327	2,447,327	100%
25	U.G. Conductors	4,639,024	4,639,024	4,639,024	100%
26	Line Transformers	12,830,071	12,830,071	12,830,071	100%
27	Services	8,005,494	8,005,494	8,005,494	100%
28	Meters	3,335,843	3,335,843	3,335,843	100%
29	Installed on Customer Premises	1,936,496	1,936,496	1,936,496	100%
30	Street Lighting	1,177,470	1,177,470	1,177,470	100%
31	Total Distribution	58,317,743	58,317,743	58,317,743	100%
32	General Plant	5,522,761	5,522,761	5,522,761	100%
33	Total Electric Gross Plant	70,787,806	70,787,806	70,787,806	100%
34	Allocated Common Plant	1,589,177	1,589,177	1,589,177	100%
35	Adjustments	(67,783)	(67,783)	(67,783)	100%
36	Total Gross Plant	72,309,200	72,309,200	72,309,200	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Accumulated Depreciation:				
2	Intangible				
3	Production:				
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	(33,164)	(33,164)	(33,164)	100%
10	Structure and Improvements	(10,036)	(10,036)	(10,036)	100%
11	Station Equipment	(581,595)	(581,595)	(581,595)	100%
12	Towers & Fixtures	(164,973)	(164,973)	(164,973)	100%
13	Poles & Fixtures	(787,408)	(787,408)	(787,408)	100%
14	O.H. Conductor and Devices	(545,184)	(545,184)	(545,184)	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	(3,785)	(3,785)	(3,785)	100%
17	Total Transmission	(2,126,145)	(2,126,145)	(2,126,145)	100%
18	Distribution:				
19	Land and Land Rights	(4,744)	(4,744)	(4,744)	100%
20	Structure and Improvements	(29,563)	(29,563)	(29,563)	100%
21	Station Equipment	(1,184,368)	(1,184,368)	(1,184,368)	100%
22	Poles and Fixtures	(3,895,313)	(3,895,313)	(3,895,313)	100%
23	O.H. Conductors	(4,816,713)	(4,816,713)	(4,816,713)	100%
24	U.G. Conduits	(524,944)	(524,944)	(524,944)	100%
25	U.G. Conductors	(1,517,784)	(1,517,784)	(1,517,784)	100%
26	Line Transformers	(7,172,886)	(7,172,886)	(7,172,886)	100%
27	Services	(3,620,890)	(3,620,890)	(3,620,890)	100%
28	Meters	(1,773,897)	(1,773,897)	(1,773,897)	100%
29	Installed on Customer Premises	(632,764)	(632,764)	(632,764)	100%
30	Street Lighting	(438,848)	(438,848)	(438,848)	100%
31	Total Distribution	(25,612,714)	(25,612,714)	(25,612,714)	100%
32	General Plant	(3,075,994)	(3,075,994)	(3,075,994)	100%
33	Total Electric Accumulated Depreciation	(30,814,853)	(30,814,853)	(30,814,853)	100%
34	Allocated Common Reserve	(563,444)	(563,444)	(563,444)	100%
35	Customer Advances for Construction	(821,185)	(821,185)	(821,185)	100%
36	Adjustments	33,370	33,370	33,370	100%
37	Total Accumulated Reserve	(32,166,112)	(32,166,112)	(32,166,112)	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	NET PLANT IN SERVICE	40,143,088	40,143,088	40,143,088	100%
2	CWIP:				
3	Production	-	-	-	
4	Transmission	12,803	12,803	12,803	100%
5	Distribution	1,067,683	1,067,683	1,067,683	100%
6	Customer Accounts	-	-	-	
7	General	296,070	296,070	296,070	100%
8	Customer Services	-	-	-	
9	Allocated Common	85,048	85,048	85,048	100%
10	Adjustments	(7,343)	(7,343)	(7,343)	100%
11	Total CWIP	1,454,261	1,454,261	1,454,261	100%
12	CWIP - NOT BEARING INTEREST				
13	Production				
14	Transmission				
15	Distribution				
16	Total CWIP Not Bearing Interest				
17	PLANT HELD FOR FUTURE USE				
18	UNAMORTIZED NUCLEAR SITE				
19	WORKING CAPITAL				
20	Net of Current Assets and Current Liabilities	1,687,010	1,687,010	1,687,010	100%
21	Preliminary Survey and Investigation Charges	-	-	-	
22	Prepayments	270,889	270,889	270,889	100%
23	Clearing Accounts	-	-	-	
24	Unamortized Deferred O & M	-	-	-	
25	Injuries and Damages Reserve	(1,645,062)	(1,645,062)	(1,645,062)	100%
26	Property Insurance Reserves				
27	Other Deferred Credits & Debits	(1,995,343)	(1,995,343)	(1,995,343)	100%
28	Adjustments	(1,857,601)	(1,857,601)	(1,857,601)	100%
29	Total Working Capital	(3,540,107)	(3,540,107)	(3,540,107)	100%
30					
31	Total Adjusted Rate Base	38,057,242	38,057,242	38,057,242	100%

Supporting Schedules: B-3 (2006), B-8(2006), B-10(2006) Recap Schedules: B-1 (2006), B-2 (2006)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
		Transmission Plant							
1	352	STRUCTURES AND IMPROVEMENTS	2.0%	22,006	-	-	-	22,006	22,007
2	353	STATION EQUIPMENT	2.3%	2,414,632	-	-	-	2,414,632	2,414,632
3	354	TOWERS AND FIXTURES	2.2%	224,665	-	-	-	224,665	224,665
4	355	POLES AND FIXTURES	3.8%	2,334,273	12,582	-	15,369	2,362,224	2,346,420
5	356	OVERHEAD CONDUCTORS AND DEVICES	3.2%	1,825,626	51,100	-	-	1,876,726	1,858,642
6	359	ROADS AND TRAILS	3.9%	6,788	-	-	-	6,788	6,788
7								-	-
8		Total Transmission Plant		6,827,990	63,682	-	15,369	6,907,041	6,873,153
9									
10									
11		Distribution Plant							
12									
13	361	STRUCTURES & IMPROVEMENTS	2.2%	96,042	-	-	-	96,042	96,042
14	362	STATION EQUIPMENT	3.0%	5,140,457	669,480	-	-	5,809,937	5,673,433
15	364	POLES, TOWERS, & FIXTURES	4.2%	8,513,073	479,429	(44,233)	(18,800)	8,929,469	8,717,909
16	365	OVERHEAD CONDUCTORS & DEVICES	3.8%	9,221,904	439,465	(17,263)	-	9,644,106	9,425,756
17	370	METERS	3.6%	3,282,840	202,560	(150,813)	-	3,334,587	3,335,843
18	3601	LAND RIGHTS	1.9%	21,388	-	-	-	21,388	21,388
19	3662	UNDERGROUND CONDUIT - BURIED	2.0%	2,372,922	206,847	(4,474)	-	2,575,295	2,447,327
20	3672	UNDERGROUND COND & DEVICES - BURIED	2.9%	4,410,932	468,540	(24,009)	-	4,855,463	4,639,024
21	3681	LINE TRANSFORMERS - OVERHEAD	4.2%	6,859,712	231,161	(42,121)	-	7,048,752	6,942,955
22	3683	LINE TRANSFORMERS - BURIED	4.2%	5,816,534	196,008	(35,715)	-	5,976,827	5,887,118
23	3691	OVERHEAD SERVICES	3.8%	3,964,464	200,360	(4,221)	-	4,160,603	4,057,492
24	3693	UNDERGROUND SERVICES - BURIED	3.8%	3,857,485	194,953	(4,108)	-	4,048,330	3,948,002
25	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	6.1%	1,203,134	188,375	(29,454)	2,253	1,364,308	1,271,529
26	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	6.1%	629,198	98,514	(15,404)	1,178	713,486	664,967
27	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	5.6%	619,468	36,608	(11,040)	-	645,036	632,805
28	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	5.6%	533,186	31,509	(9,502)	-	555,193	544,665
29								-	-
30		Total Distribution Plant		56,542,739	3,643,809	(392,357)	(15,369)	59,778,822	58,306,255

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
31		General Plant							
32									
33	390	STRUCTURES AND IMPROVEMENTS	2.0%	1,416,136	25,070	-	-	1,441,206	1,434,312
34	396	POWER OPERATED EQUIPMENT	6.3%	111,618	-	-	82,717	194,335	124,344
35	397	COMMUNICATION EQUIPMENT	20.0%	155,351	-	(11,320)	-	144,031	95,794
36	398	MISCELLANEOUS EQUIPMENT	14.3%	16,987	3,235	-	(3,234)	16,988	18,231
37	399	MISCELLANEOUS TANGIBLE	20.0%	10,000	-	-	-	10,000	10,000
38	3911	OFFICE FURNITURE	14.3%	7,369	-	-	-	7,369	7,369
39	3912	OFFICE MACHINES	20.0%	28,052	-	(2,218)	-	25,834	27,447
40	3913	COMPUTER EQUIPMENT	20.0%	197,390	28,758	(42,068)	36,544	220,624	214,686
41	391305	SOFTWARE	20.0%	321,670	360,744	-	-	682,414	615,634
42	3931	STORES EQUIPMENT-FIXED	14.3%	106,918	-	-	-	106,918	106,918
43	3932	STORES EQUIPMENT-PORTABLE	14.3%	761	-	-	-	761	761
44	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	14.3%	35,928	-	-	-	35,928	35,928
45	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	14.3%	97,180	4,897	(3,330)	3,234	101,981	98,350
46	3951	LABORATORY EQUIPMENT-FIXED	14.3%	63,666	-	-	-	63,666	63,666
47	3952	LABORATORY EQUIPMENT-PORTABLE	14.3%	32,090	-	-	-	32,090	32,089
48	3973	COMMUNICATION EQUIPMENT						-	53,553
49									
50		Total General Plant		2,601,116	422,704	(58,936)	119,261	3,084,145	2,939,080
51									
52									
53		Transportation Equipment							
54									
55	3921	PASSENGER CARS	9.2%	96,020	-	-	-	96,020	96,020
56	3922	LIGHT TRUCKS & VANS	11.3%	515,969	43,751	(39,342)	39,487	559,865	512,040
57	3923	HEAVY TRUCKS	9.5%	1,912,786	354,425	(220,070)	-	2,047,141	1,799,630
58	3924	TRAILERS	4.0%	102,903	8,108	-	-	111,011	103,527
59									
60		Total Transportation Equipment		2,627,679	406,284	(259,412)	39,487	2,814,037	2,511,217
61									
62		TOTAL DEPRECIABLE PLANT IN SERVICE		68,599,524	4,536,479	(710,705)	158,748	72,584,045	70,629,706
63									
64									
65		NON-DEPRECIABLE PLANT							
66									
67	3501	LAND		56,519	-	-	-	56,519	56,519
68	350	LAND RIGHTS		17,629	-	-	-	17,629	17,629
69	360	DISTRIBUTION PLANT-LAND		11,072	5,431	-	-	16,503	11,490
70	389	GENERAL PLANT-LAND		72,462	-	-	-	72,462	72,462
71									
72		TOTAL NON-DEPRECIABLE PLANT		157,682	5,431	-	-	163,113	158,100
73									
74		TOTAL ELECTRIC PLANT IN SERVICE		68,757,206	4,541,910	(710,705)	158,748	72,747,158	70,787,806

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
75		Total Common Plant							
76									
77	303	MISC INTANGIBLE PLANT	0.0%	1,833	-	-	-	1,833	1,833
78	389	LAND	0.0%	341,926	-	-	-	341,926	341,926
79	390	STRUCTURES & IMPROVEMENTS	2.5%	2,092,535	73,955	(52,388)	-	2,114,102	2,100,342
80	3911	OFFICE FURNITURE	4.8%	29,474	4,599	(513)	4,360	37,920	35,693
81	3912	OFFICE EQUIPMENT	7.5%	150,689	-	(8,348)	-	142,341	144,909
82	3913	COMPUTER SORTWARE & EQUIPMENT	11.1%	753,806	158,826	(374,612)	(45,919)	492,101	582,072
83	391305	SOFTWARE	11.1%	1,865,961	33,083	(129,519)	(52,467)	1,717,058	1,844,442
84	3921	TRANSPORTATION - AUTOMOBILES	11.3%	93,106	32,553	-	(41,532)	84,127	81,023
85	3922	TRANSPORTATION - PICKUPS & VANS	8.2%	49,436	75,233	-	-	124,669	111,612
86	397	COMMUNICATION EQUIPMENT	7.8%	113,896	-	-	3,059	116,955	114,254
87	398	MISCELLANEOUS EQUIPM	6.0%	2,190	4,586	-	-	6,776	2,543
88	399	MISC-TANGIBLE ASSETS	20.0%	12,789	10,180	-	-	22,969	17,491
89									
90		Common Plant		5,507,641	393,015	(565,380)	(132,499)	5,202,777	5,378,140
91									
92		AS ALLOCATED (Electric Division)							
93			Allocation Percent						
94									
95	303	MISC INTANGIBLE PLANT	30.0%	550	-	-	-	550	550
96	389	LAND	30.0%	102,578	-	-	-	102,578	102,578
97	390	STRUCTURES & IMPROVEMENTS	30.0%	627,761	22,187	(15,716)	-	634,231	630,103
98	3911	OFFICE FURNITURE	30.0%	8,842	1,380	(154)	1,308	11,376	10,708
99	3912	OFFICE EQUIPMENT	30.0%	45,207	-	(2,504)	-	42,702	43,473
100	3913	COMPUTER SORTWARE & EQUIPMENT	29.0%	218,604	46,060	(108,637)	(13,317)	142,709	168,801
101	391305	SOFTWARE	29.0%	541,129	9,594	(37,561)	(15,215)	497,947	534,888
102	3921	TRANSPORTATION - AUTOMOBILES	30.0%	27,932	9,766	-	(12,460)	25,238	24,307
103	3922	TRANSPORTATION - PICKUPS & VANS	30.0%	14,831	22,570	-	-	37,401	33,484
104	397	COMMUNICATION EQUIPMENT	30.0%	34,169	-	-	918	35,087	34,276
105	398	MISCELLANEOUS EQUIPM	30.0%	657	1,376	-	-	2,033	763
106	399	MISC-TANGIBLE ASSETS	30.0%	3,837	3,054	-	-	6,891	5,247
107									
108		Total Allocated Common Plant		1,626,095	115,985	(164,573)	(38,766)	1,538,742	1,589,177
109									
110									
111		TOTAL PLANT BALANCE		70,383,301	4,657,895	(875,278)	119,982	74,285,900	72,376,982
112									

113 Note: Electric Depreciation rates per Docket No. 020853-EI, Order NO. PSC-03-1473-PAA-EI. Amortization per Rule 25 6.0142,List of Retirement Units (Electrical Plant). Common Depreciation rates per Docket No. 040352-GU, Order NO. PSC-04-1045-PAA-GU.

Supporting Schedules:B-3 (2006), B-8 (2006) Recap Schedules: B-1 (2006), B-3 (2006),

Schedule B-8 (2006)
FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13-Month Average
1		Transmission Plant														
2	352	STRUCTURES AND IMPROVEMENTS	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007
3	353	STATION EQUIPMENT	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632	2,414,632
4	354	TOWERS AND FIXTURES	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665
5	355	POLES AND FIXTURES	2,334,273	2,334,273	2,334,273	2,334,273	2,334,273	2,334,273	2,349,642	2,349,642	2,349,642	2,362,223	2,362,223	2,362,223	2,362,223	2,346,420
6	356	OVERHEAD CONDUCTORS AND DEVICES	1,825,626	1,859,999	1,859,999	1,859,999	1,859,999	1,859,999	1,859,999	1,859,999	1,859,999	1,859,999	1,859,999	1,859,999	1,876,726	1,858,642
7	359	ROADS AND TRAILS	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788
8		Total Transmission Plant	6,827,991	6,862,364	6,862,364	6,862,364	6,862,364	6,862,364	6,877,733	6,877,733	6,877,733	6,890,314	6,890,314	6,890,314	6,907,041	6,873,153
9																
10		Distribution Plant														
11	361	STRUCTURES & IMPROVEMENTS	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042
12	362	STATION EQUIPMENT	5,140,456	5,140,456	5,766,378	5,766,378	5,766,378	5,766,378	5,766,378	5,766,378	5,766,378	5,766,378	5,766,378	5,766,378	5,809,935	5,673,433
13	364	POLES, TOWERS, & FIXTURES	8,513,071	8,561,668	8,598,975	8,618,824	8,645,818	8,685,649	8,686,471	8,768,422	8,790,097	8,821,372	8,845,958	8,867,032	8,929,466	8,717,909
14	365	OVERHEAD CONDUCTORS & DEVICES	9,221,903	9,272,965	9,302,206	9,320,847	9,336,697	9,358,053	9,377,439	9,507,188	9,521,647	9,540,478	9,558,478	9,572,824	9,644,105	9,425,756
15	370	METERS	3,282,841	3,302,812	3,306,111	3,316,896	3,316,778	3,290,907	3,368,628	3,376,503	3,373,784	3,375,024	3,374,186	3,346,896	3,334,588	3,335,843
16	3601	LAND RIGHTS	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388
17	3662	UNDERGROUND CONDUIT - BURIED	2,372,921	2,378,658	2,396,203	2,418,282	2,419,761	2,424,385	2,440,478	2,463,081	2,466,975	2,470,385	2,475,011	2,513,823	2,575,294	2,447,327
18	3672	UNDERGROUND COND & DEVICES - BURIED	4,410,932	4,455,961	4,553,890	4,589,663	4,595,151	4,600,718	4,626,782	4,684,210	4,707,591	4,718,077	4,722,516	4,786,355	4,855,464	4,639,024
19	3681	LINE TRANSFORMERS - OVERHEAD	6,860,176	6,884,242	6,891,211	6,902,859	6,926,832	6,934,223	6,951,718	6,938,910	6,954,182	6,964,530	6,979,047	6,987,232	7,083,258	6,942,955
20	3683	LINE TRANSFORMERS - BURIED	5,816,073	5,824,607	5,825,303	5,852,633	5,861,361	5,866,961	5,874,242	5,933,429	5,937,408	5,940,441	5,931,967	5,925,784	5,942,323	5,887,118
21	3691	OVERHEAD SERVICES	3,996,876	4,004,474	4,020,484	4,028,478	4,037,907	4,045,328	4,056,700	4,066,751	4,079,872	4,089,741	4,097,089	4,104,534	4,119,162	4,057,492
22	3693	UNDERGROUND SERVICES - BURIED	3,825,073	3,843,538	3,861,156	3,881,790	3,900,996	3,915,170	3,942,787	3,968,921	3,989,523	4,011,647	4,035,809	4,057,847	4,089,770	3,948,002
23	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	1,231,854	1,247,719	1,256,404	1,254,410	1,258,179	1,261,341	1,270,349	1,272,546	1,275,616	1,284,350	1,298,120	1,301,536	1,317,448	1,271,529
24	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	600,479	610,104	619,667	620,467	621,181	621,901	625,988	695,224	709,048	709,902	707,226	743,037	760,348	664,967
25	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	619,431	622,675	625,166	626,924	629,422	630,825	633,646	634,169	636,767	641,374	643,975	646,164	635,932	632,805
26	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	533,222	534,276	535,304	537,132	537,389	539,040	540,199	540,490	548,605	556,227	556,696	557,769	564,297	544,665
27		Total Distribution Plant	56,542,738	56,801,585	57,675,888	57,853,013	57,971,280	58,058,309	58,279,235	58,733,652	58,874,923	59,007,356	59,109,886	59,294,641	59,778,820	58,306,256
28																
29		General Plant														
30	390	STRUCTURES AND IMPROVEMENTS	1,416,136	1,429,856	1,429,856	1,432,256	1,432,256	1,432,256	1,438,706	1,438,706	1,438,706	1,438,706	1,438,706	1,438,706	1,441,206	1,434,312
31	396	POWER OPERATED EQUIPMENT	111,618	111,618	111,618	111,618	111,618	111,618	111,618	111,618	111,618	111,618	111,618	194,335	194,335	124,344
32	397	COMMUNICATION EQUIPMENT	96,470	96,470	96,470	96,470	96,470	96,470	96,470	96,470	96,470	96,470	96,470	92,075	92,075	95,794
33	398	MISCELLANEOUS EQUIPMENT	16,987	16,987	16,987	16,987	16,987	16,987	20,221	20,221	20,221	20,221	20,221	16,987	16,987	18,231
34	399	MISCELLANEOUS TANGIBLE	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
35	3911	OFFICE FURNITURE	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369
36	3912	OFFICE MACHINES	28,053	28,053	28,053	28,053	28,053	28,053	27,109	27,109	27,109	27,109	27,109	27,109	25,835	27,447
37	3913	COMPUTER EQUIPMENT	197,390	197,390	197,390	209,929	219,820	219,820	197,910	224,563	224,737	223,307	237,410	220,624	220,624	214,686
38	391305	SOFTWARE	321,670	321,670	535,756	682,414	682,414	682,414	682,414	682,414	682,414	682,414	682,414	682,414	682,414	615,634
39	3931	STORES EQUIPMENT-FIXED	106,918	106,918	106,918	106,918	106,918	106,918	106,918	106,918	106,918	106,918	106,918	106,918	106,918	106,918
40	3932	STORES EQUIPMENT-PORTABLE	761	761	761	761	761	761	761	761	761	761	761	761	761	761
41	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	35,928	35,928	35,928	35,928	35,928	35,928	35,928	35,928	35,928	35,928	35,928	35,928	35,928	35,928
42	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	97,180	98,352	98,352	96,656	96,656	96,656	96,656	96,656	96,656	100,381	100,381	101,982	101,982	98,350
43	3951	LABORATORY EQUIPMENT-FIXED	63,666	63,666	63,666	63,666	63,666	63,666	63,666	63,666	63,666	63,666	63,666	63,666	63,666	63,666
44	3952	LABORATORY EQUIPMENT-PORTABLE	32,089	32,089	32,089	32,089	32,089	32,089	32,089	32,089	32,089	32,089	32,089	32,089	32,089	32,089
45	3973	COMMUNICATION EQUIPMENT	58,881	58,881	58,881	51,955	51,955	51,955	51,955	51,955	51,955	51,955	51,955	51,955	51,955	53,553
46		Total General Plant	2,601,116	2,616,008	2,830,094	2,983,069	2,992,960	2,992,960	2,979,790	3,006,443	3,006,617	3,008,912	3,023,015	3,082,918	3,084,144	2,939,080
47																
48		Transportation Equipment														
49	3921	PASSENGER CARS	96,020	96,020	96,020	96,020	96,020	96,020	96,020	96,020	96,020	96,020	96,020	96,020	96,020	96,020
50	3922	LIGHT TRUCKS & VANS	515,968	515,968	515,968	515,968	504,080	494,080	516,812	499,359	499,359	499,359	499,359	520,378	559,864	512,040
51	3923	HEAVY TRUCKS	1,912,788	1,912,788	1,912,788	1,912,788	1,692,718	1,692,718	1,692,718	1,692,718	1,692,718	1,692,718	1,692,718	1,847,866	2,047,143	1,799,630
52	3924	TRAILERS	102,903	102,903	102,903	102,903	102,903	102,903	102,903	102,903	102,903	102,903	102,903	102,903	111,011	103,527
53		Total Transportation Equipment	2,627,679	2,627,679	2,627,679	2,627,679	2,395,721	2,385,721	2,408,453	2,391,000	2,391,000	2,391,000	2,391,000	2,567,167	2,814,038	2,511,217
54		TOTAL DEPRECIABLE PLANT IN SERVICE	68,599,524	68,907,636	69,996,025	70,326,125	70,222,325	70,299,354	70,545,211	71,008,828	71,150,273	71,297,582	71,414,215	71,835,040	72,584,043	70,629,706
55																
56		NON-DEPRECIABLE PLANT														
57	350	LAND	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629
58	3501	LAND RIGHTS	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519
59	360	DISTRIBUTION PLANT-LAND	11,072	11,072	11,072	11,072	11,072	11,072	11,072	11,072	11,072	11,072	11,072	11,072	16,503	11,490
60	389	GENERAL PLANT-LAND	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462
61		TOTAL NON-DEPRECIABLE PLANT	157,682	157,682	157,682	157,682	157,682	157,682	157,682	157,682	157,682	157,682	157,682	157,682	163,113	158,100
63		TOTAL ELECTRIC PLANT IN SERVICE	68,757,206	69,065,318	70,153,707	70,483,807	70,380,007	70,457,036	70,702,893	71,166,510	71,307,955	71,455,264	71,571,897	71,992,722	72,747,156	70,787,806

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13-Month Average
64		COMMON PLANT															
65	303	MISC INTANGIBLE PLANT		1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833
66	389	LAND		341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926
67	390	STRUCTURES & IMPROVEMENTS		2,092,535	2,092,535	2,092,535	2,092,535	2,092,535	2,092,535	2,105,855	2,105,855	2,105,855	2,105,855	2,105,855	2,105,855	2,114,103	2,100,342
68	3911	OFFICE FURNITURE		29,474	29,474	34,073	34,073	33,560	37,920	37,920	37,920	37,920	37,920	37,920	37,920	37,920	35,693
69	3912	OFFICE EQUIPMENT		150,689	150,689	150,689	150,689	142,340	142,340	142,340	142,340	142,340	142,340	142,340	142,340	142,340	144,909
70	3913	COMPUTER SORTWARE & EQUIPMENT		753,806	754,807	765,200	759,886	529,361	510,593	492,787	500,864	500,864	500,943	512,468	493,261	492,102	582,072
71	391305	SOFTWARE		1,865,961	1,865,961	1,865,961	1,865,961	1,867,535	1,867,535	1,867,535	1,869,725	1,869,725	1,869,725	1,869,725	1,715,343	1,717,058	1,844,442
72	3921	TRANSPORTATION - AUTOMOBILES		93,106	95,583	95,583	72,032	54,051	54,051	84,127	84,127	84,127	84,127	84,127	84,127	84,127	81,023
73	3922	TRANSPORTATION - PICKUPS & VANS		49,436	73,101	103,201	103,201	124,669	124,669	124,669	124,669	124,669	124,669	124,669	124,669	124,669	111,612
74	397	COMMUNICATION EQUIPMENT		113,896	113,896	113,896	113,896	113,896	113,896	113,896	113,896	113,896	113,896	113,896	115,486	116,955	114,254
75	398	MISCELLANEOUS EQUIPM		2,190	2,190	2,190	2,190	2,190	2,190	2,190	2,190	2,190	2,190	2,190	2,190	6,776	2,543
76	399	MISC-TANGIBLE ASSETS		12,789	12,789	17,883	17,883	17,883	17,883	17,883	17,883	17,883	17,883	17,883	17,883	22,969	17,491
77																	
78		Total Common Plant		5,507,641	5,534,784	5,584,970	5,556,105	5,321,779	5,307,371	5,332,961	5,343,228	5,343,228	5,343,307	5,354,832	5,182,833	5,202,778	5,378,140
79																	
80			Allocation														
81		AS ALLOCATED (Electric Division)	Rate														
82	303	MISC INTANGIBLE PLANT	30%	550	550	550	550	550	550	550	550	550	550	550	550	550	550
83	389	LAND	30%	102,578	102,578	102,578	102,578	102,578	102,578	102,578	102,578	102,578	102,578	102,578	102,578	102,578	102,578
84	390	STRUCTURES & IMPROVEMENTS	30%	627,761	627,761	627,761	627,761	627,761	627,761	631,757	631,757	631,757	631,757	631,757	631,757	634,231	630,103
85	3911	OFFICE FURNITURE	30%	8,842	8,842	10,222	10,222	10,068	11,376	11,376	11,376	11,376	11,376	11,376	11,376	11,376	10,708
86	3912	OFFICE EQUIPMENT	30%	45,207	45,207	45,207	45,207	42,702	42,702	42,702	42,702	42,702	42,702	42,702	42,702	42,702	43,473
87	3913	COMPUTER SORTWARE & EQUIPMENT	29%	218,604	218,894	221,908	220,367	153,515	148,072	142,908	145,251	145,251	145,273	148,616	143,046	142,710	168,801
88	391305	SOFTWARE	29%	541,129	541,129	541,129	541,129	541,585	541,585	541,585	542,220	542,220	542,220	542,220	497,449	497,947	534,888
89	3921	TRANSPORTATION - AUTOMOBILES	30%	27,932	28,675	28,675	21,610	16,215	16,215	25,238	25,238	25,238	25,238	25,238	25,238	25,238	24,307
90	3922	TRANSPORTATION - PICKUPS & VANS	30%	14,831	21,930	30,960	30,960	37,401	37,401	37,401	37,401	37,401	37,401	37,401	37,401	37,401	33,484
91	397	COMMUNICATION EQUIPMENT	30%	34,169	34,169	34,169	34,169	34,169	34,169	34,169	34,169	34,169	34,169	34,169	34,646	35,087	34,276
92	398	MISCELLANEOUS EQUIPM	30%	657	657	657	657	657	657	657	657	657	657	657	657	2,033	763
93	399	MISC-TANGIBLE ASSETS	30%	3,837	3,837	5,365	5,365	5,365	5,365	5,365	5,365	5,365	5,365	5,365	5,365	6,891	5,247
94																	
95		Total Allocated Common Plant		1,626,095	1,634,228	1,649,179	1,640,573	1,572,565	1,568,430	1,576,285	1,579,263	1,579,263	1,579,285	1,582,628	1,532,764	1,538,742	1,589,177

Supporting Schedules:

Recap Schedules: B-1 (2006), B-3 (2006), B-7 (2006)

DEPRECIATION RESERVE BALANCES BY ACCOUNT AND SUB-ACCOUNT

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		Transmission Plant							
2	3501	LAND RIGHTS	(32,540)	(1,248)	-	-	-	(33,788)	(33,164)
3	352	STRUCTURES AND IMPROVEMENTS	(9,814)	(444)	-	-	-	(10,258)	(10,036)
4	353	STATION EQUIPMENT	(553,827)	(55,536)	-	-	-	(609,363)	(581,595)
5	354	TOWERS AND FIXTURES	(162,501)	(4,944)	-	-	-	(167,445)	(164,973)
6	355	POLES AND FIXTURES	(739,611)	(89,115)	-	470	(6,822)	(835,078)	(787,408)
7	356	OVERHEAD CONDUCTORS AND DEVICES	(515,509)	(59,428)	-	-	-	(574,937)	(545,184)
8	359	ROADS AND TRAILS	(3,653)	(264)	-	-	-	(3,917)	(3,785)
9		Total Transmission Plant	(2,017,455)	(210,979)	-	470	(6,822)	(2,234,786)	(2,126,145)
10									
11		Distribution Plant							
12	361	STRUCTURES & IMPROVEMENTS	(28,507)	(2,112)	-	-	-	(30,619)	(29,563)
13	362	STATION EQUIPMENT	(1,103,729)	(169,862)	-	10,247	-	(1,263,343)	(1,184,368)
14	364	POLES, TOWERS, & FIXTURES	(3,765,535)	(365,410)	44,233	48,551	8,345	(4,029,815)	(3,895,313)
15	365	OVERHEAD CONDUCTORS & DEVICES	(4,649,108)	(357,485)	17,263	8,477	-	(4,980,855)	(4,816,713)
16	370	METERS	(1,783,297)	(120,095)	150,813	7,330	-	(1,745,249)	(1,773,897)
17	3601	LAND RIGHTS	(4,540)	(408)	-	-	-	(4,948)	(4,744)
18	3662	UNDERGROUND CONDUIT - BURIED	(501,130)	(48,730)	4,474	430	-	(544,956)	(524,944)
19	3672	UNDERGROUND COND & DEVICES - BURIED	(1,456,096)	(134,009)	24,009	1,234	-	(1,564,861)	(1,517,784)
20	3681	LINE TRANSFORMERS - OVERHEAD	(4,233,594)	(269,091)	38,918	3,322	-	(4,477,897)	(4,358,332)
21	3682	LINE TRANSFORMERS-DU	-					-	-
22	3683	LINE TRANSFORMERS - BURIED	(2,703,536)	(269,091)	38,918	3,323	-	(2,912,933)	(2,814,554)
23	3691	OVERHEAD SERVICES	(1,978,770)	(151,782)	4,164	6,047	-	(2,114,922)	(2,045,388)
24	3693	UNDERGROUND SERVICES - BURIED	(1,502,917)	(151,783)	4,165	6,048	-	(1,649,906)	(1,575,502)
25	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(411,088)	(58,705)	22,429	(2,133)	(761)	(448,858)	(432,532)
26	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(180,597)	(58,706)	22,429	(2,133)	(762)	(221,169)	(200,232)
27	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(267,265)	(32,919)	10,271	1,593	-	(280,008)	(278,317)
28	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(145,922)	(32,920)	10,271	1,593	-	(175,290)	(160,531)
29		Total Distribution Plant	(24,715,631)	(2,223,108)	392,357	93,929	6,822	(26,445,629)	(25,612,714)
30									
31		General Plant							
32	389	GENERAL PLANT-LAND	(6,704)	-	-	-	-	(6,704)	(6,704)
33	390	STRUCTURES AND IMPROVEMENTS	(435,208)	(28,676)	-	-	-	(463,884)	(449,517)
34	396	POWER OPERATED EQUIPMENT	(87,053)	(7,467)	-	-	(82,717)	(177,237)	(103,328)
35	397	COMMUNICATION EQUIPMENT	(96,470)	(7,105)	11,320	(150)	-	(122,010)	(95,804)
36	3973	COMMUNICATION EQUIPMENT	(29,606)						(27,955)
37	398	MISCELLANEOUS EQUIPMENT	(12,166)	(1,878)	-	-	2,105	(11,940)	(12,781)
38	3911	OFFICE FURNITURE	(6,707)	(329)	-	-	-	(7,036)	(6,872)
39	3912	OFFICE MACHINES	(24,844)	(1,110)	2,218	-	-	(23,737)	(24,790)
40	3913	COMPUTER EQUIPMENT	(159,269)	(29,159)	42,068	-	-	(146,359)	(162,156)
41	391305	SOFTWARE	(285,268)	(64,960)	-	-	-	(350,228)	(329,560)
42	3931	STORES EQUIPMENT-FIXED	(93,183)	(10,305)	-	-	-	(103,488)	(98,336)
43	3932	STORES EQUIPMENT-PORTABLE	(762)	1	-	-	-	(761)	(762)
44	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(30,624)	(5,168)	-	-	-	(35,794)	(33,209)
45	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(67,101)	(7,505)	3,330	-	-	(73,381)	(69,623)
46	3951	LABORATORY EQUIPMENT-FIXED	(45,101)	(8,269)	-	-	(2,105)	(53,369)	(49,235)
47	3952	LABORATORY EQUIPMENT-PORTABLE	(25,451)	(2,329)	-	-	-	(27,781)	(26,615)
48	399	MISCELLANEOUS TANGIBLE	(4,000)	(2,000)	-	-	-	(6,000)	(5,037)
49		Total General Plant	(1,409,517)	(176,259)	58,936	(150)	(82,717)	(1,609,709)	(1,502,283)

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title		(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
50		Transportation Equipment								
51	3921	PASSENGER CARS		(71,541)	(8,832)	-	-	-	(80,374)	(75,958)
52	3922	LIGHT TRUCKS & VANS		(314,076)	(57,416)	39,342	(3,629)	(30,080)	(365,860)	(324,795)
53	3923	HEAVY TRUCKS		(1,212,288)	(169,001)	220,070	(5,000)	-	(1,166,218)	(1,149,518)
54	3924	TRAILERS		(21,382)	(4,116)	-	-	-	(25,498)	(23,440)
55		Total Transportation Equipment		(1,619,287)	(239,365)	259,412	(8,629)	(30,080)	(1,637,950)	(1,573,711)
56		TOTAL ACCUM. PROVISION FOR DEPR.		(29,761,890)	(2,849,711)	710,705	85,620	(112,797)	(31,928,074)	(30,814,853)
57										
58		COMMON PLANT								
59	303	MISC INTANGIBLE PLANT		-	-	-	-	-	-	-
60	389	GENERAL PLANT-LAND		-	-	-	-	-	-	-
61	390	STRUCTURES AND IMPROVEMENTS		(429,358)	(52,476)	52,388	-	-	(429,446)	(451,527)
62	3911	OFFICE FURNITURE		(7,710)	(1,706)	513	-	(1,836)	(10,739)	(9,302)
63	3912	OFFICE MACHINES		(32,039)	(10,888)	8,348	-	-	(34,578)	(31,767)
64	3913	COMPUTER EQUIPMENT		(429,486)	(65,443)	374,612	-	(26,465)	(146,783)	(265,367)
65	391305	SOFTWARE		(1,074,344)	(205,912)	129,519	-	38,581	(1,112,156)	(1,151,997)
66	3921	PASSENGER CARS		(30,421)	(20,143)	-	-	19,003	(31,562)	(31,216)
67	3922	LIGHT TRUCKS & VANS		(15,310)	(9,064)	-	-	-	(24,374)	(19,435)
68	397	COMMUNICATION EQUIPMENT		43,091	(8,891)	-	-	(1,230)	32,969	38,506
69	398	MISCELLANEOUS EQUIPMENT		(99)	(132)	-	-	-	(231)	(165)
70	399	MISCELLANEOUS TANGIBLE		(2,497)	(1,249)	-	-	-	(3,745)	(3,121)
71		Total Common Plant		(1,978,173)	(375,904)	565,380	-	28,053	(1,760,645)	(1,925,392)
72										
73		AS ALLOCATED (Electric Division)								
74	303	MISC INTANGIBLE PLANT	30%	-	-	-	-	-	-	-
75	389	GENERAL PLANT-LAND	30%	-	-	-	-	-	-	-
76	390	STRUCTURES AND IMPROVEMENTS	30%	(128,807)	(15,743)	15,716	-	-	(128,834)	(135,458)
77	3911	OFFICE FURNITURE	30%	(2,313)	(512)	154	-	(551)	(3,222)	(2,791)
78	3912	OFFICE MACHINES	30%	(9,612)	(3,266)	2,504	-	-	(10,373)	(9,530)
79	3913	COMPUTER EQUIPMENT	29%	(124,551)	(18,978)	108,637	-	(7,675)	(42,567)	(76,956)
80	391305	SOFTWARE	29%	(311,560)	(59,714)	37,561	-	11,188	(322,525)	(334,079)
81	3921	PASSENGER CARS	30%	(9,126)	(6,043)	-	-	5,701	(9,469)	(9,365)
82	3922	LIGHT TRUCKS & VANS	30%	(4,593)	(2,719)	-	-	-	(7,312)	(5,830)
83	397	COMMUNICATION EQUIPMENT	30%	12,927	(2,667)	-	-	(369)	9,891	11,552
84	398	MISCELLANEOUS EQUIPMENT	30%	(30)	(40)	-	-	-	(69)	(50)
85	399	MISCELLANEOUS TANGIBLE	30%	(749)	(375)	-	-	-	(1,124)	(936)
86		Total Allocated Common Plant		(578,414)	(110,058)	164,573	-	8,295	(515,604)	(563,444)
87										
88		TOTAL DEPRECIABLE RESERVE BALANCE		(30,340,304)	(2,959,769)	875,278	85,620	(104,502)	(32,443,678)	(31,378,297)
89		NUCLEAR DECOMMISSIONING								
90		FOSSIL DISMANTLEMENT								
91		MISCELLANEOUS INTANGIBLES								
92		TOTAL RESERVE BALANCE		(30,340,304)	(2,959,769)	875,278	85,620	(104,502)	(32,443,678)	(31,378,297)

Note:
* If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

Supporting Schedules: B-10 (2006) Recap Schedules: B-1 (2006)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13-Month Average
1		Transmission Plant														
2																
3	3501	LAND RIGHTS	(32,540)	(32,644)	(32,748)	(32,852)	(32,956)	(33,060)	(33,164)	(33,268)	(33,372)	(33,476)	(33,580)	(33,684)	(33,788)	(33,164)
4	352	STRUCTURES AND IMPROVEMENTS	(9,814)	(9,851)	(9,888)	(9,925)	(9,962)	(9,999)	(10,036)	(10,073)	(10,110)	(10,147)	(10,184)	(10,221)	(10,258)	(10,036)
5	353	STATION EQUIPMENT	(553,827)	(558,455)	(563,083)	(567,711)	(572,339)	(576,967)	(581,595)	(586,223)	(590,851)	(595,479)	(600,107)	(604,735)	(609,363)	(581,595)
6	354	TOWERS AND FIXTURES	(162,501)	(162,913)	(163,325)	(163,737)	(164,149)	(164,561)	(164,973)	(165,385)	(165,797)	(166,209)	(166,621)	(167,033)	(167,445)	(164,973)
7	355	POLES AND FIXTURES	(739,611)	(747,003)	(754,395)	(761,787)	(768,709)	(776,101)	(790,315)	(797,756)	(805,197)	(812,638)	(820,118)	(827,598)	(835,078)	(787,408)
8	356	OVERHEAD CONDUCTORS AND DEVICES	(515,509)	(520,377)	(525,337)	(530,297)	(535,257)	(540,217)	(545,177)	(550,137)	(555,097)	(560,057)	(565,017)	(569,977)	(574,937)	(545,184)
9	359	ROADS AND TRAILS	(3,653)	(3,675)	(3,697)	(3,719)	(3,741)	(3,763)	(3,785)	(3,807)	(3,829)	(3,851)	(3,873)	(3,895)	(3,917)	(3,785)
10																
11		Total Transmission Plant	(2,017,455)	(2,034,918)	(2,052,473)	(2,070,028)	(2,087,113)	(2,104,668)	(2,129,045)	(2,146,649)	(2,164,253)	(2,181,857)	(2,199,500)	(2,217,143)	(2,234,786)	(2,126,145)
12																
13		Distribution Plant														
14																
15	361	STRUCTURES & IMPROVEMENTS	(28,507)	(28,683)	(28,859)	(29,035)	(29,211)	(29,387)	(29,563)	(29,739)	(29,915)	(30,091)	(30,267)	(30,443)	(30,619)	(29,563)
16	362	STATION EQUIPMENT	(1,103,729)	(1,116,580)	(1,129,431)	(1,142,368)	(1,155,748)	(1,168,341)	(1,182,757)	(1,197,173)	(1,213,247)	(1,227,557)	(1,241,046)	(1,255,462)	(1,263,343)	(1,184,368)
17	364	POLES, TOWERS, & FIXTURES	(3,765,535)	(3,790,463)	(3,816,198)	(3,833,146)	(3,857,802)	(3,879,802)	(3,880,735)	(3,907,621)	(3,932,423)	(3,959,140)	(3,979,505)	(4,006,879)	(4,029,815)	(3,895,313)
18	365	OVERHEAD CONDUCTORS & DEVICES	(4,649,108)	(4,674,604)	(4,699,303)	(4,742,027)	(4,767,786)	(4,793,647)	(4,810,930)	(4,844,647)	(4,870,476)	(4,899,086)	(4,927,454)	(4,957,343)	(4,980,855)	(4,816,713)
19	370	METERS	(1,783,297)	(1,792,985)	(1,802,148)	(1,788,928)	(1,792,586)	(1,748,463)	(1,756,643)	(1,763,642)	(1,770,167)	(1,778,554)	(1,782,142)	(1,755,858)	(1,745,249)	(1,773,897)
20	3601	LAND RIGHTS	(4,540)	(4,574)	(4,608)	(4,642)	(4,676)	(4,710)	(4,744)	(4,778)	(4,812)	(4,846)	(4,880)	(4,914)	(4,948)	(4,744)
21	3662	UNDERGROUND CONDUIT - BURIED	(501,130)	(505,085)	(509,049)	(513,042)	(517,215)	(521,248)	(525,288)	(529,355)	(533,460)	(537,571)	(541,629)	(545,241)	(544,956)	(524,944)
22	3672	UNDERGROUND COND & DEVICES - BURIED	(1,456,096)	(1,466,782)	(1,477,432)	(1,487,251)	(1,495,643)	(1,506,748)	(1,517,867)	(1,529,048)	(1,540,368)	(1,551,745)	(1,563,147)	(1,574,202)	(1,564,861)	(1,517,784)
23	3681	LINE TRANSFORMERS - OVERHEAD	(4,233,594)	(4,257,253)	(4,280,373)	(4,298,540)	(4,321,684)	(4,345,748)	(4,369,092)	(4,373,378)	(4,391,970)	(4,415,899)	(4,434,541)	(4,458,346)	(4,477,897)	(4,358,332)
24	3683	LINE TRANSFORMERS - BURIED	(2,703,536)	(2,723,892)	(2,744,278)	(2,764,440)	(2,784,924)	(2,805,652)	(2,827,607)	(2,827,873)	(2,846,485)	(2,866,712)	(2,880,586)	(2,900,289)	(2,912,933)	(2,814,554)
25	3691	OVERHEAD SERVICES	(1,978,770)	(1,990,366)	(2,001,594)	(2,012,088)	(2,020,819)	(2,032,595)	(2,043,307)	(2,056,123)	(2,067,223)	(2,078,307)	(2,090,131)	(2,103,802)	(2,114,922)	(2,045,388)
26	3693	UNDERGROUND SERVICES - BURIED	(1,502,917)	(1,514,871)	(1,526,514)	(1,538,531)	(1,550,698)	(1,562,665)	(1,575,063)	(1,587,060)	(1,599,392)	(1,611,956)	(1,624,642)	(1,637,316)	(1,649,906)	(1,575,502)
27	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(411,088)	(418,181)	(424,547)	(420,706)	(424,838)	(428,150)	(431,695)	(435,453)	(438,643)	(443,770)	(446,462)	(450,519)	(448,858)	(432,532)
28	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(180,597)	(183,650)	(186,752)	(189,902)	(193,056)	(196,214)	(200,898)	(204,081)	(207,615)	(211,168)	(212,177)	(215,743)	(221,169)	(200,232)
29	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(267,265)	(269,983)	(272,413)	(272,688)	(274,387)	(275,721)	(277,865)	(280,822)	(283,722)	(285,798)	(287,738)	(289,713)	(280,008)	(278,317)
30	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(145,922)	(148,380)	(150,874)	(153,212)	(155,719)	(158,158)	(160,638)	(162,802)	(165,242)	(167,678)	(170,202)	(172,788)	(175,290)	(160,531)
31																
32		Total Distribution Plant	(24,715,631)	(24,886,332)	(25,054,373)	(25,190,546)	(25,346,792)	(25,457,249)	(25,594,692)	(25,733,595)	(25,895,160)	(26,069,878)	(26,216,549)	(26,358,858)	(26,445,629)	(25,612,714)
33																
34		General Plant														
35																
36	389	GENERAL PLANT-LAND	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)
37	390	STRUCTURES AND IMPROVEMENTS	(435,208)	(437,569)	(439,952)	(442,335)	(444,722)	(447,109)	(449,496)	(451,894)	(454,292)	(456,690)	(459,088)	(461,486)	(463,884)	(449,517)
38	396	POWER OPERATED EQUIPMENT	(87,053)	(87,639)	(88,225)	(88,811)	(89,397)	(89,983)	(90,569)	(91,155)	(91,741)	(92,327)	(92,913)	(176,216)	(177,237)	(103,328)
39	397	COMMUNICATION EQUIPMENT	(96,470)	(96,596)	(96,470)	(96,470)	(96,470)	(96,470)	(96,470)	(96,470)	(96,470)	(96,470)	(96,470)	(92,076)	(92,076)	(95,804)
40	3973	COMMUNICATION EQUIPMENT	(29,606)	(30,314)	(30,790)	(24,606)	(25,198)	(25,790)	(26,382)	(26,974)	(27,566)	(28,158)	(28,750)	(29,342)	(29,934)	(27,955)
41	398	MISCELLANEOUS EQUIPMENT	(12,166)	(12,323)	(12,479)	(12,636)	(12,792)	(12,949)	(13,105)	(13,262)	(13,418)	(13,575)	(13,731)	(11,783)	(11,940)	(12,781)
42	3911	OFFICE FURNITURE	(6,707)	(6,735)	(6,762)	(6,790)	(6,817)	(6,844)	(6,872)	(6,899)	(6,926)	(6,954)	(6,981)	(7,009)	(7,036)	(6,872)
43	3912	OFFICE MACHINES	(24,844)	(25,065)	(24,998)	(25,094)	(25,189)	(25,285)	(24,437)	(24,533)	(24,628)	(24,724)	(24,820)	(24,915)	(23,737)	(24,790)
44	3913	COMPUTER EQUIPMENT	(159,269)	(163,963)	(165,934)	(167,150)	(170,483)	(173,816)	(155,239)	(158,572)	(162,079)	(163,982)	(167,315)	(153,862)	(146,359)	(162,156)
45	391305	SOFTWARE	(285,268)	(290,630)	(295,991)	(301,352)	(313,849)	(322,778)	(331,707)	(340,638)	(349,567)	(358,496)	(367,425)	(376,354)	(350,228)	(329,560)
46	3931	STORES EQUIPMENT-FIXED	(93,183)	(94,043)	(94,901)	(95,760)	(96,618)	(97,477)	(98,336)	(99,195)	(100,053)	(100,912)	(101,771)	(102,630)	(103,488)	(98,336)
47	3932	STORES EQUIPMENT-PORTABLE	(762)	(769)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(762)
48	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(30,624)	(31,055)	(31,486)	(31,917)	(32,347)	(32,779)	(33,209)	(33,639)	(34,070)	(34,501)	(34,932)	(35,362)	(35,794)	(33,209)
49	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(67,101)	(67,747)	(68,352)	(67,281)	(67,906)	(68,532)	(69,157)	(69,783)	(70,408)	(71,034)	(71,659)	(72,756)	(73,381)	(69,623)
50	3951	LABORATORY EQUIPMENT-FIXED	(45,101)	(45,790)	(46,479)	(47,168)	(47,857)	(48,546)	(49,236)	(49,925)	(50,614)	(51,303)	(51,991)	(52,680)	(53,369)	(49,235)
51	3952	LABORATORY EQUIPMENT-PORTABLE	(25,451)	(25,630)	(25,839)	(26,033)	(26,227)	(26,421)	(26,616)	(26,810)	(27,004)	(27,198)	(27,392)	(27,587)	(27,781)	(26,615)
52	399	MISCELLANEOUS TANGIBLE	(4,000)	(4,174)	(4,348)	(4,522)	(4,696)	(4,870)	(5,044)	(5,218)	(5,392)	(5,566)	(5,740)	(5,914)	(6,000)	(5,037)
53																
54		Total General Plant	(1,409,517)	(1,426,746)	(1,440,471)	(1,445,390)	(1,468,033)	(1,487,114)	(1,483,340)	(1,502,432)	(1,521,693)	(1,539,355)	(1,558,443)	(1,637,437)	(1,609,709)	(1,502,283)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13-Month Average
55		Transportation Equipment															
56																	
57	3921	PASSENGER CARS		(71,541)	(72,277)	(73,013)	(73,750)	(74,486)	(75,222)	(75,958)	(76,694)	(77,430)	(78,166)	(78,902)	(79,638)	(80,374)	(75,958)
58	3922	LIGHT TRUCKS & VANS		(314,076)	(318,935)	(323,794)	(328,653)	(321,625)	(319,124)	(323,777)	(311,190)	(316,770)	(321,473)	(326,176)	(330,879)	(365,860)	(324,795)
59	3923	HEAVY TRUCKS		(1,212,288)	(1,227,431)	(1,242,574)	(1,257,717)	(1,057,789)	(1,071,189)	(1,084,589)	(1,097,989)	(1,111,389)	(1,124,789)	(1,138,189)	(1,151,589)	(1,166,218)	(1,149,518)
60	3924	TRAILERS		(21,382)	(21,725)	(22,068)	(22,411)	(22,754)	(23,097)	(23,440)	(23,783)	(24,126)	(24,469)	(24,812)	(25,155)	(25,498)	(23,440)
61																	
62		Total Transportation Equipment		(1,619,287)	(1,640,368)	(1,661,449)	(1,682,531)	(1,476,654)	(1,488,632)	(1,507,764)	(1,509,656)	(1,529,715)	(1,548,897)	(1,568,079)	(1,587,261)	(1,637,950)	(1,573,711)
63																	
64		TOTAL ACCUM. PROVISION FOR DEPR.		(29,761,890)	(29,988,364)	(30,208,766)	(30,388,495)	(30,378,592)	(30,537,663)	(30,714,841)	(30,892,332)	(31,110,821)	(31,339,987)	(31,542,571)	(31,800,699)	(31,928,074)	(30,814,853)
65																	
66		COMMON PLANT															
67																	
68	303	MISC INTANGIBLE PLANT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	389	GENERAL PLANT-LAND		-	-	-	-	-	-	-	-	-	-	-	-	-	-
70	390	STRUCTURES AND IMPROVEMENTS		(429,358)	(433,717)	(438,076)	(442,435)	(446,794)	(451,153)	(455,512)	(459,899)	(464,286)	(468,673)	(473,060)	(477,447)	(429,446)	(451,527)
71	3911	OFFICE FURNITURE		(7,710)	(7,828)	(7,946)	(8,082)	(7,706)	(9,675)	(9,827)	(9,979)	(10,131)	(10,283)	(10,435)	(10,587)	(10,739)	(9,302)
72	3912	OFFICE MACHINES		(32,039)	(32,981)	(33,923)	(34,865)	(27,458)	(28,348)	(29,238)	(30,128)	(31,018)	(31,908)	(32,798)	(33,688)	(34,578)	(31,767)
73	3913	COMPUTER EQUIPMENT		(429,486)	(436,459)	(443,441)	(444,487)	(217,972)	(202,271)	(189,188)	(192,268)	(196,901)	(201,534)	(206,168)	(142,811)	(146,783)	(265,367)
74	391305	SOFTWARE		(1,074,344)	(1,091,604)	(1,108,864)	(1,126,124)	(1,143,384)	(1,160,659)	(1,177,934)	(1,195,209)	(1,212,504)	(1,229,799)	(1,247,094)	(1,096,289)	(1,112,156)	(1,151,997)
75	3921	PASSENGER CARS		(30,421)	(42,316)	(43,216)	(33,466)	(25,792)	(26,301)	(26,810)	(27,602)	(28,394)	(29,186)	(29,978)	(30,770)	(31,562)	(31,216)
76	3922	LIGHT TRUCKS & VANS		(15,310)	(15,648)	(16,148)	(16,853)	(17,558)	(18,410)	(19,262)	(20,114)	(20,966)	(21,818)	(22,670)	(23,522)	(24,374)	(19,435)
77	397	COMMUNICATION EQUIPMENT		43,091	42,351	41,611	40,871	40,131	39,391	38,651	37,911	37,171	36,431	35,691	34,311	32,969	38,506
78	398	MISCELLANEOUS EQUIPMENT		(99)	(110)	(121)	(132)	(143)	(154)	(165)	(176)	(187)	(198)	(209)	(220)	(231)	(165)
79	399	MISCELLANEOUS TANGIBLE		(2,497)	(2,601)	(2,705)	(2,809)	(2,913)	(3,017)	(3,121)	(3,225)	(3,329)	(3,433)	(3,537)	(3,641)	(3,745)	(3,121)
80																	
81																	
82		Total Common Plant		(1,978,173)	(2,020,913)	(2,052,829)	(2,068,382)	(1,849,589)	(1,860,597)	(1,872,406)	(1,900,689)	(1,930,545)	(1,960,401)	(1,990,258)	(1,784,664)	(1,760,645)	(1,925,392)
83			Allocation														
84		AS ALLOCATED (Electric Division)	Rate														
85																	
86	303	MISC INTANGIBLE PLANT	30%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
87	389	GENERAL PLANT-LAND	30%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
88	390	STRUCTURES AND IMPROVEMENTS	30%	(128,807)	(130,115)	(131,423)	(132,731)	(134,038)	(135,346)	(136,654)	(137,970)	(139,286)	(140,602)	(141,918)	(143,234)	(128,834)	(135,458)
89	3911	OFFICE FURNITURE	30%	(2,313)	(2,348)	(2,384)	(2,425)	(2,312)	(2,903)	(2,948)	(2,994)	(3,039)	(3,085)	(3,131)	(3,176)	(3,222)	(2,791)
90	3912	OFFICE MACHINES	30%	(9,612)	(9,894)	(10,177)	(10,460)	(8,237)	(8,504)	(8,771)	(9,038)	(9,305)	(9,572)	(9,839)	(10,106)	(10,373)	(9,530)
91	3913	COMPUTER EQUIPMENT	29%	(124,551)	(126,573)	(128,598)	(128,901)	(63,212)	(58,659)	(54,865)	(55,758)	(57,101)	(58,445)	(59,789)	(41,415)	(42,567)	(76,956)
92	391305	SOFTWARE	29%	(311,560)	(316,565)	(321,571)	(326,576)	(331,581)	(336,591)	(341,601)	(346,611)	(351,626)	(356,642)	(361,657)	(317,924)	(322,525)	(334,079)
93	3921	PASSENGER CARS	30%	(9,126)	(12,695)	(12,965)	(10,040)	(7,738)	(7,890)	(8,043)	(8,281)	(8,518)	(8,756)	(8,993)	(9,231)	(9,469)	(9,365)
94	3922	LIGHT TRUCKS & VANS	30%	(4,593)	(4,694)	(4,844)	(5,056)	(5,267)	(5,523)	(5,779)	(6,034)	(6,290)	(6,545)	(6,801)	(7,057)	(7,312)	(5,830)
95	397	COMMUNICATION EQUIPMENT	30%	12,927	12,705	12,483	12,261	12,039	11,817	11,595	11,373	11,151	10,929	10,707	10,293	9,891	11,552
96	398	MISCELLANEOUS EQUIPMENT	30%	(30)	(33)	(36)	(40)	(43)	(46)	(50)	(53)	(56)	(59)	(63)	(66)	(69)	(50)
97	399	MISCELLANEOUS TANGIBLE	30%	(749)	(780)	(812)	(843)	(874)	(905)	(936)	(968)	(999)	(1,030)	(1,061)	(1,092)	(1,124)	(936)
98																	
99																	
100																	
101		Total Allocated Common Plant		(578,414)	(590,993)	(600,326)	(604,808)	(541,263)	(544,550)	(548,051)	(556,332)	(565,069)	(573,807)	(582,545)	(523,008)	(515,604)	(563,444)

Supporting Schedules: B-6 (2006), B-9 (2006), B-10 (2006)

Recap Schedules: B-1 (2006), B-9 (2006)

FLORIDA PUBLIC SERVICE COMMISSION COMPANY:FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 070304-EI	EXPLANATION:	Provide production plant additions for the test year and the prior year that exceed 0.5% of Gross Plant. Presenting In-Service Additions classified as Environmental, Availability/Reliability, Heat Rate, Replace Existing Plant, Safety, Energy Conservation, Capacity, Aid to Construction, and Maintenance and Regulatory.	Type of Data Shown: Projected Test Year Ended 12/31/2008 Prior Year Ended 12/31/2007 Historic Year Ended 12/31/2006 Witness: Jim Mesite

(A) Preliminary Engineering Growth Classification	(B) Amount
Environmental	
Availability/Reliability	
Heat Rate	
Replace Existing Plant	Not Applicable
Safety	
Energy Conservation	
Capacity	
Aid to Construction and Maintenance	
Regulatory	
Total In-Service Additions	$

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY:FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 070304-EI	EXPLANATION:	If the company proposes to include any AFUDC-eligible CWIP in rate base, provide a summary of the earnings test to determine to what extent CWIP should be included in the rate base along with a detail of assumptions. As a minimum, the data provided should show the impact on the utility's financial integrity indicators with and without the level of CWIP requested.	Type of Data Shown: Projected Test Year Ended 12/31/2008 Prior Year Ended 12/31/2007 Historic Year Ended 12/31/2006 Witness: Jim Mesite

We do not have any AFUDC eligible CWIP in rate base.
Not applicable.

Supporting Schedules: Recap Schedules:

PROPERTY HELD FOR FUTURE USE - 13 MONTH AVERAGE

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the 13 month average balance for each item of property held for future use and calculate the jurisdictional amounts for the test year. Provide the prior year if the test year is projected. Individual properties that are less than 5 percent of the account total may be aggregated.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Item No.	Description of Item	(1) Prior Year 12/31/2007 13 Month Average	(2) Test Year 12/31/2008 13 Month Average	(3) Test Year Jurisdictional Factor	(4) Test Year Jurisdictional Amount (2) x (3)
	NONE				

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide thirteen monthly balances of nuclear fuel accounts 120.1, 120.2, 120.3, 120.4, 120.5, and 120.6 for the test year, and the prior year if the test year is projected.

($000)

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Jim Mesite

Line No.	Period	(A) Nuclear Fuel In Process 120.1	(B) Nuclear Fuel Stock Account 120.2	(C) Nuclear Fuel Assemblies in Reactor 120.3	(D) Nuclear Fuel Spent Fuel 120.4	(E) Accumulated Provision for Amortization 120.5	(F) Nuclear Fuel Under Capital Leases 120.6	(G) Net Nuclear Fuel (A)+(B)+(C)+(D)-(E)+(F)

NOT APPLICABLE

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION	Provide conventional fuel account balances in dollars and quantities for each fuel type for the test year, and the two preceding years. Include Natural Gas even though no inventory is carried. (Give Units in Barrels, Tons, or MCF)	Type of Data Shown:
COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division			Projected Test Year Ended 12/31/2008
			Prior Year Ended 12/31/2007
			Historic Year Ended 12/31/2006
DOCKET NO.: 070304-EI			Witness: Jim Mesite

Plant	Fuel Type	Beginning Balance	Receipts	Fuel Issued to Generation	Fuel Issued (Other)	Inventory Adjustments	Ending Balance	13 Month Average
		Units / ($000) / $ / Unit	Units / ($000) / $ / Unit	Units / ($000) / $ / Unit	Units / ($000) / $ / Unit	Units / ($000) / $ / Unit	Units / ($000) / $ / Unit	Units / ($000) / $ / Unit (See Note 1)

NOT APPLICABLE

System Inventory	Coal							
	Petcoke							
	Residual Oil							
	Distillate Oil							
	Natural Gas							
	Biomass							
	Other							

Note 1 - Applicable only to system fuel inventory balances

Supporting Schedules

Recap Schedules

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule showing the following information for miscellaneous deferred debits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Cheryl Martin

Line No.	Description	Balance at Beginning of Year	Debits	Credits Account	Credits Amount	Balance at End of Year
1	1860.21- O/U RECOVERY-FUEL	1,611,846	3,550,516	4010.5551	(3,454,684)	1,707,678
2	1860.61- O/U RECOVERY-CONSERVATION	-	130	4010.9061	(130)	-
3	1860.3 - MISC DEFERRED P/R	-	183,013	2320.8	(183,013)	-
4	1860.1 - MISC DIRECT DEFERRED	31,491	16,909	4010.928	-	48,400
5	1860.1 - MISC DIRECT DEFERRED-RATE CASE	275,458	-	4010.928	(84,756)	190,702
6						
7						
8						
9	Totals	1,918,795	3,750,568		(3,722,583)	1,946,780

Supporting Schedules: Recap Schedules: B-3 (2006)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a Schedule showing the following information for other deferred credits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Historic Year Ended 12/31/2006
Witness: Cheryl Martin

Line No.	Description	Balance at Beginning of Year	Debits		Credits	Balance at End of Year
			Contra Accounts	Amount		
1	2530.21 Over-recovery Fuel	(1,152,894)	4000.4561	1,448,868	(1,141,438)	(845,464)
2	2530.61 Over-recovery Conservation	(107,034)	4000.4566	196,798	(134,416)	(44,652)
3						
4						
5						
6						
7	Total	(1,259,928)		1,645,666	(1,275,854)	(890,116)

Supporting Schedules: B-3 (2006) Recap Schedules:

ACCUMULATED PROVISION ACCOUNTS -
228.1, 228.2, and 228.4

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of the amounts charged to operating expenses, and the amounts accrued and charged to the provision account balances, for the last calendar year and test year. Indicate desired reserve balances and the basis for determining the desired balances.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Cheryl Martin

Line No.		Year	Balance Beginning of Period	Current Annual Accrual	Amount Charged to Reserve	Net Fund Income After Taxes	Reserve Balance End of Period	Description Of Charge	Charged to Operating Expenses	
1	Account 228.1 - Storm Reserve									
2	2006 and 2007 - Based on provisions of Order# PSC-00-1883-PAA-EI at $121,620/yr	2006	1,506,886	121,620	16,759	9,147	N/A	1,636,118	storm related expenses	121,620
3	up to $2,900,000	2007	1,636,118	121,620	-	50,001	N/A	1,707,737	storm related expenses	121,620
4	2008 Per Projection in This Rate Proceeding	2008	1,707,737	203,880	-	-	N/A	1,911,617	storm related expenses	203,880
5										
6										
7										
8	Account 228.2									
9	Liability Insurance	2006	296,132	-	-	114,689	N/A	181,443	general & auto liability claims	-
10	Allocate Electric (Adj. Gross Profit)		94,762			36,701		58,062		-
11										
12	Liability Insurance	2007	181,443	477,500	-	502,363	N/A	156,580	general & auto liability claims	477,500
13	Allocate Electric (Adj. Gross Profit)		56,247	195,000		155,733		48,540		195,000
14										
15	Liability Insurance	2008	156,580	278,000		184,000	N/A	250,580	general & auto. liability claims	278,000
16	Allocate Electric (Adj. Gross Profit)		48,540	108,420		57,040		77,680		108,420
17										
18										
19										
20	Account 228.4		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Supporting Schedules: B-3 (2006), B-3 (2007), B-3 (2008)

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: For each of the accumulated deferred income tax accounts (Nos. 190, 281, 282, 283), provide annual balances beginning with the historical base year in the last rate case and ending with the end of the test year.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Prior Year Ended 12/31/07
Historical Years Ended 12/31/2002 - 2006
Witness: Mehrdad Khojasteh

Line No.	Annual Period	Account 190 Accumulated Deferred Income Taxes Dr(Cr)	Account 281 Accumulated Deferred Income Taxes Cr(Dr)	Account 282 Accumulated Deferred Income Taxes Cr(Dr)	Account 283 Accumulated Deferred Income Taxes Cr(Dr)	Net Accumulated Deferred Income Taxes Cr(Dr)	Adjustments Underrecovery Fuel Costs	Adjustments Regulatory Deferred Tax	Adjusted Accumulated Deferred Income Taxes Cr(Dr)
1	2002	276,744	-	(3,553,950)	(463,922)	(3,741,128)	174,163	316,217	(3,250,748)
2	2003	381,597	-	(4,191,991)	(621,861)	(4,432,255)	327,246	291,221	(3,813,788)
3	2004	177,124	-	(4,977,989)	(837,951)	(5,638,816)	633,357	234,753	(4,770,706)
4	2005	997,076	-	(5,689,568)	(606,968)	(5,299,460)	606,537	167,691	(4,525,232)
5	2006	1,048,453	-	(6,423,856)	(514,205)	(5,889,608)	642,599	102,592	(5,144,417)
6	2007	1,167,843	-	(7,110,276)	294,888	(5,647,545)	-	-	(5,647,545)
7	2008	1,253,227	-	(7,904,475)	442,548	(6,208,701)	-	-	(6,208,701)

Supporting Schedules: Recap Recap. Schedules: B-3 (2006), B-3 (2007), B-3 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide an analysis of accumulated investment tax credits generated and amortization of investment tax credits on an annual basis beginning with the historical base year in the last rate case and ending with the end of the test year.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Prior Year Ended 12/31/07
Historical Years Ended 12/31/2002 - 2006
Witness: Mehrdad Khojasteh

Line No.	Annual Period	Beginning Balance	Amortization	Ending Balance
1	2002	340,648	56,525	284,122
2	2003	284,122	52,124	231,999
3	2004	231,999	39,727	192,271
4	2005	192,271	34,988	157,283
5	2006	157,283	32,322	124,961
6	2007	124,961	29,538	95,423
7	2008	95,423	27,935	67,488

Supporting Schedules: B-3 (2006), B-3 (2007), B-3 (2008)
Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the data specified for leasing arrangements in effect during the test year and prior year.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Cheryl Martin

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Leasing Payments for prior year:	$
Leasing Payments for test year:	$
Leasing Payments, Remaining Life Contracts	$

Describe Leasing Agreements Whose Lifetime Costs Exceed $10 Million

Asset	Original Cost	Annual Payment	Life of Contract	Disposition of Asset, Provision for Purchase

NOT APPLICABLE

Supporting Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY:FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 070304-EI	EXPLANATION: Provide a statement of changes in accounting policy for the test year and the prior year. If appropriate, explain any changes in accounting procedures for the projected test year and the effect, if any, of the use of a non-calendar test year.	Type of Data Shown: Projected Test Year Ended 12/31/2008 Prior Year Ended 12/31/2007 Historic Year Ended 12/31/2006 Witness: Cheryl Martin

We do not have any changes in accounting policy.

Supporting Schedules: Recap Schedules:

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:22 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: B-MFRS-8-13-07-NolLinks.xls; HB-MFRS-8-13-08-NoLinks.xls

Here are the B Schedules

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite, Cheryl Martin

Line No.		(1) Plant in Service	(2)* Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	76,377,987	(34,507,142)	41,870,845	577,297	-	-	42,448,142	(1,174,182)	-	41,273,960
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%		100%	100%	
3	Jurisdictional Per Books	76,377,987	(34,507,142)	41,870,845	577,297	-	-	42,448,142	(1,174,182)	-	41,273,960
4	Adjustments:										
5	Non-regulated Propane Operations	(55,497)	23,723	(31,774)	(907)	-	-	(32,681)	-	-	(32,681)
6											
7											
8											
9											
10											
11											
12											
13	Total Adjustments	$ (55,497)	$ 23,723	$ (31,774)	$ (907)	$ -	$ -	$ (32,681)	$ -	$ -	$ (32,681)
14											
15	Adjusted Jurisdictional	$ 76,322,490	$ (34,483,419)	$ 41,839,071	$ 576,390	$ -	$ -	$ 42,415,461	$ (1,174,182)	$ -	$ 41,241,279
16											
17	* Includes Account 2520 - Customer Advances for Construction										

Supporting Schedules: B-2 (2007), B-3 (2007), B-7 (2007), B-9 (2007)

Recap Schedules: B-2 (2007)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite, Cheryl Martin

Line No.		(1) Plant in Service	(2)* Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	81,494,977	(37,206,306)	44,288,671	75,000	-	-	44,363,671	(1,310,654)	-	43,053,017
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%		100%	100%	
3	Jurisdictional Per Books	81,494,977	(37,206,306)	44,288,671	75,000	-	-	44,363,671	(1,310,654)	-	43,053,017
4	Adjustments:										
5	Non-regulated Propane Operations	(57,464)	25,443	(32,021)	-	-	-	(32,021)	-	-	(32,021)
6											
7											
8											
9											
10											
11											
12											
13	Total Adjustments	$ (57,464)	$ 25,443	$ (32,021)	$ -	$ -	$ -	$ (32,021)	$ -	$ -	$ (32,021)
14											
15	Adjusted Jurisdictional	$ 81,437,513	$ (37,180,863)	$ 44,256,650	$ 75,000	$ -	$ -	$ 44,331,650	$ (1,310,654)	$ -	$ 43,020,996
16											
17	* Includes Account 2520 - Customer Advances for Construction										

Supporting Schedules: B-2 (2008), B-3 (2008), B-7 (2008), B-9 (2008)

Recap Schedules: B-2 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite, Cheryl Martin

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1	PLANT				
2	Commission Adjustment:				
3	Allocate Various Items of General	Non-Regulated Propane Operation at			
4	Plant Accounts to Propane; based	Fernandina Beach Location			
5	on Customers and/or Square Footage	"			
6	Measurements	"			
7	(Accounts 3890, 3900, 3911, 3912,	"			
8	3913, and 391305)	"			
9	Plant-in-Service	"	(55,497)	100%	(55,497)
10	Reserve	"	23,723	100%	23,723
11	CWIP	"	(907)	100%	(907)
12	Total	"	(32,681)		(32,681)
13					
14					
15	Company Adjustment:				
16	None				
17					
18					
19					
20	WORKING CAPITAL				
21	Commission Adjustment:				
22	None				
23					
24					
25					
26	Company Adjustment:				
27	None				
28					
29	Adjustments Included in Last Rate Case Not Included in Current Rate Case , And Reasons for Excluding		Adjustment		
30			Amount		
31	Adjustment:	Reason:	Not Included		
32	1860.1 - Elimination of 1/2 of Deferred Rate Case Costs	Elimination penalizes Company for legitimate costs incurred during the normal businss cycle and on behalf of ratepayers.	(141,147)	100%	(141,147)
33	1860.21 - Fuel Under-recovery	Elimination penalizes Company for legitimate costs incurred during the normal businss cycle. This account exists exclusively due to PSC Orders on the 0001 Fuel Docket, and other factors beyond company control.	(1,716,749)	100%	(1,716,749)

Supporting Schedules: B-3 (2007)

Recap Schedules: B-1 (2007), B-3 (2007), B-4 (2007)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite, Cheryl Martin

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1	PLANT				
2	Commission Adjustment:				
3	Allocate Various Items of General	Non-Regulated Propane Operation at			
4	Plant Accounts to Propane; based	Fernandina Beach Location			
5	on Customers and/or Square Footage	"			
6	Measurements	"			
7	(Accounts 3890, 3900, 3911, 3912,	"			
8	3913, and 391305)	"			
9	Plant-in-Service	"	(57,464)	100%	(57,464)
10	Reserve	"	25,443	100%	25,443
11	CWIP	"	-	100%	-
12	Total	"	(32,021)		(32,021)
13					
14					
15	Company Adjustment:				
16	None				
17					
18					
19					
20	WORKING CAPITAL				
21	Commission Adjustment:				
22	None				
23					
24					
25					
26	Company Adjustment:				
27	None				
28					
29	Adjustments Included in Last Rate Case Not Included in Current Rate Case , And Reasons for Excluding		Adjustment		
30			Amount		
31	Adjustment:	Reason:	Not Included		
32	1860.1 - Elimination of 1/2 of Deferred Rate Case Costs	Elimination penalizes Company for legitimate costs incurred during the normal businss cycle and on behalf of ratepayers.	(304,118)	100%	(304,118)
33	1860.21 - Fuel Under-recovery	Elimination penalizes Company for legitimate costs incurred during the normal businss cycle. This account exists exclusively due to PSC Orders on the 0001 Fuel Docket, and other factors beyond company control.	(1,143,377)	100%	(1,143,377)

Supporting Schedules: B-3 (2008) Recap Schedules: B-1 (2008), B-3 (2008), B-4 (2008)

Schedule B-3 (2007) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS |

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 MONTH AVERAGE
1		ASSETS AND OTHER DEBITS														
2		UTILITY PLANT:														
3	1010	PLANT IN SERVICE	72,747,156	72,995,519	73,247,576	73,356,263	73,485,914	74,472,571	74,763,306	75,064,561	75,276,362	76,084,296	76,436,702	76,659,033	77,617,672	74,785,150
4	1070	CWIP	778,241	721,964	832,944	1,015,513	1,128,238	446,184	463,177	403,766	625,532	115,829	100,191	65,202	-	515,137
5	1080	PLANT RESERVE	(31,928,074)	(32,172,699)	(32,417,998)	(32,583,604)	(32,798,617)	(32,991,541)	(33,186,833)	(33,225,864)	(33,423,008)	(33,620,942)	(33,820,356)	(34,021,643)	(34,223,520)	(33,108,823)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	1,478,869	1,479,138	1,479,371	1,515,182	1,528,636	1,570,238	1,585,435	1,596,744	1,620,942	1,648,540	1,706,310	1,744,774	1,752,693	1,592,837
7	1190	ALLOCATED COMMON PLANT RESERVE	(505,570)	(513,810)	(522,053)	(526,593)	(534,925)	(543,530)	(548,730)	(554,150)	(563,269)	(570,349)	(575,592)	(585,480)	(595,724)	(549,214)
8	1070	ALLOCATED COMMON CWIP	88,165	97,569	99,704	92,184	82,158	65,012	48,954	65,104	69,770	69,950	28,390	1,121	-	62,160
9																
10		OTHER PROPERTY AND INVESTMENTS														
11	1280.1	OTHER SPECIAL FUNDS	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
12																
13		CURRENT AND ACCRUED ASSETS.														
14	1310	CASH	14,467	365,780	399,366	631,117	245,856	437,065	99,011	120,582	81,042	74,074	86,318	94,233	82,493	210,108
15	1340	SPECIAL DEPOSITS-ELECT	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836
16	1350.1	WORKING FUNDS- PETTY	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
17	1350.10	WORKING FUNDS- PETTY	125	125	125	125	125	125	125	125	125	125	125	125	125	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	3,203,486	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,270,514
19	1440	ALLOW. FOR UNCOLL.AC	(69,678)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(35,502)
20	1540.1	MATERIALS & SUPPLIES	1,042,109	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	908,227
21	1630.3	STORES EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	227,877	206,066	184,255	168,906	164,541	113,709	80,050	45,588	294,590	260,431	274,889	252,739	230,589	192,633
23	1650.4	PREPAID EXP - OTHER	43,168	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	60,783
24	1650.41	PREPAID EXP.- MAINTENANCE	29,264	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	16,485
25	1730.1	UNBILLED REVENUES	424,137	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	444,044
26	1820.2	REG ASSET-RET PLANS	96,056	96,056	110,334	110,334	110,334	110,334	71,662	71,662	71,662	34,129	34,129	34,129	391,644	103,267
27	1840.7	CLEARING ACCOUNT-- REFUNDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1850.1	TEMPORARY SERVICES	12,836	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	26,049
29																
30		DEFERRED DEBITS.														
31	1860.1	DEFERRED DEBITS - OTHER	48,400	48,537	48,675	48,813	48,951	49,090	49,229	49,368	49,508	49,648	49,789	49,930	50,071	49,231
32	1860.1	DEFERRED DEBITS - RATE CASE	190,702	183,639	176,576	169,513	162,450	155,387	210,524	265,661	320,798	375,935	431,072	486,209	541,346	282,293
33	1860.3	MISC DEF'D DR-UNDIST	-	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	14,557
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	862,214	1,022,405	1,081,495	1,009,727	938,778	1,195,705	1,430,136	1,419,454	1,511,817	1,289,432	1,009,159	811,214	1,143,377	1,132,686
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	617,270	626,138	631,972	638,649	620,260	623,921	616,559	618,354	627,663	630,167	636,382	637,347	644,523	628,400
36	1900	ACCUMULATED DEFERRED TAXES	1,048,453	1,056,992	1,054,958	1,062,642	1,191,364	1,184,411	1,175,849	1,170,658	1,160,356	1,157,897	1,157,750	1,158,210	1,167,843	1,134,414
37																
38		TOTAL ASSETS AND OTHER DEBITS.	50,778,609	52,332,498	52,526,379	52,827,850	52,493,142	53,007,760	52,977,533	53,230,692	53,842,969	53,718,241	53,674,337	53,506,222	54,922,211	53,064,497
39																

Schedule B-3 (2007) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
1		ASSETS AND OTHER DEBITS								
2		UTILITY PLANT:								
3	1010	PLANT IN SERVICE	RB	74,785,150	DIRECT	100%	74,785,150	(55,497)	Allocated Non-Reg. Plant	74,729,653
4	1070	CWIP	RB	515,137	Direct	100%	515,137	(907)	Allocated Non-Reg.	514,230
5	1080	PLANT RESERVE	RB	(33,108,823)	Direct	100%	(33,108,823)	23,723	Allocated Non-Reg.	(33,085,100)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	RB	5,599,290	Plant / Customers	28% / 29%	1,592,837	-	-	1,592,837
7	1190	ALLOCATED COMMON PLANT RESERVE	RB	(1,912,461)	Plant / Customers	28% / 29%	(549,214)	-	-	(549,214)
8	1070	ALLOCATED COMMON CWIP	RB	215,617	Plant / Customers	28% / 29%	62,160	-	-	62,160
9										
10		OTHER PROPERTY AND INVESTMENTS								
11	1280.1	OTHER SPECIAL FUNDS	RB, WC	10,000	Adjusted. Gross Profit	31%	3,100	-	-	3,100
12										
13		CURRENT AND ACCRUED ASSETS.								
14	1310	CASH	RB, WC	677,768	Adjusted. Gross Profit	31%	210,108	-	-	210,108
15	1340	SPECIAL DEPOSITS-ELECT	RB, WC	317,836	Direct	100%	317,836	-	-	317,836
16	1350.1	WORKING FUNDS- PETTY	RB, WC	8,000	Direct	100%	8,000	-	-	8,000
17	1350.10	WORKING FUNDS- PETTY	RB, WC	500	Payroll	25%	125	-	-	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	RB, WC	4,270,514	Direct	100%	4,270,514	-	-	4,270,514
19	1440	ALLOW. FOR UNCOLL.AC	RB, WC	(35,502)	Direct	100%	(35,502)	-	-	(35,502)
20	1540.1	MATERIALS & SUPPLIES	RB, WC	908,227	Direct	100%	908,227	-	-	908,227
21	1630.3	STORES EXPENSE	RB, WC	-	Direct	100%	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	RB, WC	621,397	Adjusted. Gross Profit	31%	192,633	-	-	192,633
23	1650.4	PREPAID EXP - OTHER	RB, WC	196,074	Adjusted. Gross Profit	31%	60,783	-	-	60,783
24	1650.41	PREPAID EXP.- MAINTENANCE	RB, WC	53,177	Adjusted. Gross Profit	31%	16,485	-	-	16,485
25	1730.1	UNBILLED REVENUES	RB, WC	444,044	Direct	100%	444,044	-	-	444,044
26	1820.2	REG ASSET-RET PLANS	RB, WC	413,066	Payroll	25%	103,267	-	-	103,267
27	1840.7	CLEARING ACCOUNT-- REFUNDS	RB, WC	-	Adjusted. Gross Profit	31%	-	-	-	-
28	1850.1	TEMPORARY SERVICES	RB, WC	26,049	Direct	100%	26,049	-	-	26,049
29								-		-
30		DEFERRED DEBITS.						-		-
31	1860.1	DEFERRED DEBITS - OTHER	RB, WC	49,231	Direct	100%	49,231	-	-	49,231
32	1860.1	DEFERRED DEBITS - RATE CASE	RB, WC	282,293	Direct	100%	282,293	-	-	282,293
33	1860.3	MISC DEF'D DR-UNDIST	RB, WC	14,557	Direct	100%	14,557	-	-	14,557
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	RB, WC	1,132,686	Direct	100%	1,132,686	-	-	1,132,686
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	CS	1,956,157	Allocated Consolidated Equity	32%	628,400	(11,414)	Allocated Equity Adjustment	616,986
36	1900	ACCUMULATED DEFERRED TAXES	CS	1,134,414	Direct	100%	1,134,414	-	-	1,134,414
37										
38		TOTAL ASSETS AND OTHER DEBITS.					53,064,497	(44,095)		53,020,402
39										

Schedule B-3 (2007) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS |

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(1) Dec 2006	(2) Jan 2007	(3) Feb 2007	(4) Mar 2007	(5) Apr 2007	(6) May 2007	(7) Jun 2007	(8) Jul 2007	(9) Aug 2007	(10) Sep 2007	(11) Oct 2007	(12) Nov 2007	(13) Dec 2007	(14) 13 MONTH AVERAGE
40		LIABILITIES AND OTHER CREDITS														
41		PROPRIETARY CAPITAL														
42	2010.1	COMMON STOCK ISSUED	(2,858,936)	(2,900,006)	(2,927,029)	(2,957,951)	(2,872,785)	(2,889,737)	(2,855,642)	(2,863,957)	(2,907,070)	(2,918,670)	(2,947,453)	(2,951,925)	(2,985,161)	(2,910,486)
43	2040.1	PREFERRED STOCK ISSUED-$1	(194,927)	(197,728)	(199,570)	(201,679)	(195,872)	(197,028)	(194,703)	(195,270)	(198,209)	(199,000)	(200,963)	(201,268)	(203,534)	(198,442)
44	2070.1	PREM ON CAPITAL STOCK	(1,721,859)	(1,746,595)	(1,762,870)	(1,781,493)	(1,730,200)	(1,740,410)	(1,719,876)	(1,724,883)	(1,750,849)	(1,757,835)	(1,775,171)	(1,777,864)	(1,797,881)	(1,752,907)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	(259,903)	(263,637)	(266,094)	(268,905)	(261,162)	(262,703)	(259,604)	(260,360)	(264,279)	(265,334)	(267,950)	(268,357)	(271,378)	(264,590)
46	2140.1	CAPITAL STOCK EXPENSE	129,952	131,818	133,047	134,452	130,581	131,352	129,802	130,180	132,140	132,667	133,975	134,178	135,689	132,295
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	(10,915,937)	(11,072,750)	(11,175,931)	(11,293,996)	(10,968,814)	(11,033,544)	(10,903,362)	(10,935,108)	(11,099,723)	(11,144,010)	(11,253,913)	(11,270,984)	(11,397,888)	(11,112,766)
48	2170.1	COMMON STOCK REACQUIRED	779,710	790,911	798,281	806,714	783,487	788,110	778,812	781,079	792,837	796,001	803,851	805,070	814,135	793,769
49																
50		LONG TERM DEBT														
51	2210.1	BONDS	(16,276,444)	(16,510,263)	(16,664,110)	(16,840,155)	(16,355,286)	(16,451,800)	(16,257,691)	(16,305,028)	(16,550,478)	(16,616,517)	(16,780,387)	(16,805,846)	(16,995,066)	(16,569,931)
52																
53		OTHER NON-CURRENT LIABILITIES														
54	2280.11	ELECTRIC STORM RESERVE	(1,636,118)	(1,646,252)	(1,656,387)	(1,666,522)	(1,676,657)	(1,686,792)	(1,696,927)	(1,707,062)	(1,717,197)	(1,677,332)	(1,687,467)	(1,697,602)	(1,707,737)	(1,681,542)
55	2280.31	PENSIONS RESERVE	(753,918)	(777,876)	(801,835)	(813,473)	(848,682)	(883,890)	(873,029)	(908,237)	(943,445)	(932,584)	(967,792)	(1,003,001)	(1,482,905)	(922,359)
56	2280.32	MEDICAL POST-RETIREMENT	(578,260)	(580,701)	(584,204)	(588,397)	(592,061)	(595,535)	(591,387)	(590,813)	(590,239)	(587,879)	(587,305)	(586,731)	(596,554)	(588,466)
57	2280.34	401(K) ACCRUAL COMPANY SH	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	(56,247)	(52,431)	(42,680)	(34,144)	(34,587)	(29,166)	(31,934)	(34,701)	(37,469)	(40,237)	(43,004)	(45,772)	(48,540)	(40,839)
59																

Schedule B-3 (2007)
FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
40		LIABILITIES AND OTHER CREDITS								
41		PROPRIETARY CAPITAL								
42	2010.1	COMMON STOCK ISSUED	CS	(9,262,770)	Allocated Consolidated Equity	31%	(2,910,486)	(11,059)	Allocated Equity Adjustment	(2,921,545)
43	2040.1	PREFERRED STOCK ISSUED-$1	CS	(600,000)	Allocated Consolidated Equity	33%	(198,442)	9,198	Allocated Equity Adjustment	(189,244)
44	2070.1	PREM ON CAPITAL STOCK	CS	(5,523,948)	Allocated Consolidated Equity	32%	(1,752,907)	10,614	Allocated Equity Adjustment	(1,742,293)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	CS	(818,884)	Allocated Consolidated Equity	32%	(264,590)	6,308	Allocated Equity Adjustment	(258,282)
46	2140.1	CAPITAL STOCK EXPENSE	CS	428,441	Allocated Consolidated Equity	31%	132,295	2,838	Allocated Equity Adjustment	135,133
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	CS	(35,170,162)	Allocated Consolidated Equity	32%	(11,112,766)	19,842	Allocated Equity Adjustment	(11,092,924)
48	2170.1	COMMON STOCK REACQUIRED	CS	2,464,286	Allocated Consolidated Equity	32%	793,769	(16,515)	Allocated Equity Adjustment	777,254
49	.									
50		LONG TERM DEBT								
51	2210.1	BONDS	CS	(52,500,000)	Allocated Consolidated Equity	31%	(16,569,931)	11,050	Allocated Equity Adjustment	(16,558,881)
52	.									
53		OTHER NON-CURRENT LIABILITIES.								
54	2280.11	ELECTRIC STORM RESERVE	RB, WC	(1,681,542)	DIRECT	100%	(1,681,542)	-	-	(1,681,542)
55	2280.31	PENSIONS RESERVE	RB, WC	(3,689,436)	Payroll	25%	(922,359)	-	-	(922,359)
56	2280.32	MEDICAL POST-RETIREMENT	RB, WC	(1,898,279)	Adj. Gross Profit	31%	(588,466)	-	-	(588,466)
57	2280.34	401(K) ACCRUAL COMPANY SH	RB, WC	-	Payroll	25%	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	RB, WC	(131,740)	Adj. Gross Profit	31%	(40,839)	-	-	(40,839)
59										

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 MONTH AVERAGE
60		CURRENT AND ACCRUED LIABILITIES														
61	2310.1	NOTES PAYABLE	(1,786,835)	(1,812,504)	(1,829,393)	(1,848,720)	(1,795,490)	(1,806,086)	(1,784,777)	(1,789,973)	(1,816,919)	(1,824,169)	(1,842,158)	(1,844,953)	(1,865,726)	(1,819,054)
62	2320.	ACCOUNTS PAYABLE - FUEL	(2,341,685)	(3,111,584)	(3,008,291)	(2,691,590)	(2,628,658)	(2,916,641)	(3,247,557)	(3,317,519)	(3,371,012)	(3,040,509)	(2,613,415)	(2,351,601)	(2,881,858)	(2,886,302)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	(914,573)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(881,846)
64	2320.	ACCOUNTS PAYABLE - OTHER	(287,359)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(216,064)
65	2350.1	CUSTOMER DEPOSITS	(2,322,227)	(2,320,879)	(2,335,632)	(2,642,123)	(2,661,468)	(2,680,956)	(2,700,586)	(2,720,360)	(2,740,278)	(2,760,343)	(2,780,554)	(2,800,914)	(2,821,422)	(2,637,519)
66	2360.1	TAXES ACCRUED - AD VALOREM	-	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(190,570)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	(115,386)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(106,180)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	(50,691)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(41,410)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	(630)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,061)
70	2360	TAXES ACCRUED - INCOME TAX	(481,758)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(576,498)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	(99,032)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(66,161)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	(134,950)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(314,748)
73	2380	DIVIDENDS DECLARED - PREFERRED	(2,280)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(340)
74	2410	WITHHOLDING TAXES PAYABLE	-	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(329)
75	2410	TAX COLLECTIONS PAYABLE	(268,716)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(293,989)
76	2420	EMPLOYEE FUND	(1,138)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(877)
77	2420	ACCRUED VACATION	(323,504)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(289,739)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	(41,655)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(51,787)
79																
80		DEFERRED CREDITS.														
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	(900,810)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(849,105)
82	2530.1	OTHER DF CR-CASHIER	-	67	67	67	67	67	67	67	67	67	67	67	67	62
83	2530.21	OVER RECOVERY-FUEL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	(44,652)	(56,853)	(68,596)	(60,011)	(19,772)	(10,158)	(9,418)	(11,605)	(13,813)	(16,015)	(13,521)	(6,772)	(1,257)	(25,573)
85	2550.1	INVEST TAX CREDIT	(124,971)	(122,499)	(120,037)	(117,575)	(115,113)	(112,651)	(110,189)	(107,727)	(105,265)	(102,803)	(100,341)	(97,879)	(95,417)	(110,190)
86																
87		ACCUMULATED DEFERRED INCOME TAXES.														
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	(6,192,870)	(6,178,346)	(6,110,725)	(6,057,959)	(6,746,280)	(6,725,802)	(6,745,142)	(6,765,025)	(6,757,378)	(6,859,349)	(6,846,446)	(6,829,678)	(6,815,388)	(6,586,953)
89																
90		TOTAL LIABILITIES AND OTHER CREDITS	(50,778,609)	(52,332,498)	(52,526,379)	(52,827,850)	(52,493,142)	(53,007,760)	(52,977,533)	(53,230,692)	(53,842,969)	(53,718,241)	(53,674,337)	(53,506,222)	(54,922,211)	(53,064,497)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility

Schedule B-3 (2007) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
60		CURRENT AND ACCRUED LIABILITIES								
61	2310.1	NOTES PAYABLE	CS	(5,729,846)	Allocated Consolidated Equity	32%	(1,819,054)	11,819	Allocated Equity Adjustment	(1,807,235)
62	2320.	ACCOUNTS PAYABLE - FUEL	RB, WC	(2,886,302)	DIRECT	100%	(2,886,302)	-	-	(2,886,302)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	RB, WC	(2,844,665)	Adj. Gross Profit	31%	(881,846)	-	-	(881,846)
64	2320.	ACCOUNTS PAYABLE - OTHER	RB, WC	(777,876)	Adjusted Gross Profit / Payroll	31% / 25%	(216,064)	-	-	(216,064)
65	2350.1	CUSTOMER DEPOSITS	CS	(2,637,519)	DIRECT	100%	(2,637,519)	-	-	(2,637,519)
66	2360.1	TAXES ACCRUED - AD VALOREM	RB, WC	(190,570)	DIRECT	100%	(190,570)	-	-	(190,570)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	RB, WC	(279,420)	REG GROSS PROFIT	38%	(106,180)	-	-	(106,180)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	RB, WC	(133,580)	Adj. Gross Profit	31%	(41,410)	-	-	(41,410)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	RB, WC	(12,243)	Payroll	25%	(3,061)	-	-	(3,061)
70	2360	TAXES ACCRUED - INCOME TAX	RB, WC	(1,859,671)	Adj. Gross Profit	31%	(576,498)	-	-	(576,498)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	RB, WC	(66,161)	DIRECT	100%	(66,161)	-	-	(66,161)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	RB, WC	(1,015,317)	Plant	31%	(314,748)	-	-	(314,748)
73	2380	DIVIDENDS DECLARED - PREFERRED	RB, WC	(1,096)	Adj. Gross Profit	31%	(340)	-	-	(340)
74	2410	WITHHOLDING TAXES PAYABLE	RB, WC	(1,315)	Payroll	25%	(329)	-	-	(329)
75	2410	TAX COLLECTIONS PAYABLE	RB, WC	(293,989)	DIRECT	100%	(293,989)	-	-	(293,989)
76	2420	EMPLOYEE FUND	RB, WC	(877)	DIRECT	100%	(877)	-	-	(877)
77	2420	ACCRUED VACATION	RB, WC	(1,158,955)	Payroll	25%	(289,739)	-	-	(289,739)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	RB, WC	(167,056)	Adj. Gross Profit	31%	(51,787)	-	-	(51,787)
79								-		-
80		DEFERRED CREDITS.						-		-
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	RB	(849,105)	DIRECT	100%	(849,105)	-	-	(849,105)
82	2530.1	OTHER DF CR-CASHIER	RB, WC	62	DIRECT	100%	62	-	-	62
83	2530.21	OVER RECOVERY-FUEL	RB, WC	-	DIRECT	100%	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	RB, WC	(25,573)	DIRECT	100%	(25,573)	-	-	(25,573)
85	2550.1	INVEST TAX CREDIT	CS	(110,190)	DIRECT	100%	(110,190)	-	-	(110,190)
86										
87		ACCUMULATED DEFERRED INCOME TAXES.								
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	CS	(6,586,953)	DIRECT	100%	(6,586,953)	-	-	(6,586,953)
89										
90		TOTAL LIABILITIES AND OTHER CREDITS		(53,315,986)			(53,064,497)	44,095		(53,020,402)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS

Supporting Schedules: B-8 (2007), B-10 (2007) | Recap Schedules: B-1 (2007), B-2 (2007), B-4 (2007)

Schedule B-3 (2008) 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(1) Dec 2007	(2) Jan 2008	(3) Feb 2008	(4) Mar 2008	(5) Apr 2008	(6) May 2008	(7) Jun 2008	(8) Jul 2008	(9) Aug 2008	(10) Sep 2008	(11) Oct 2008	(12) Nov 2008	(13) Dec 2008	(14) 13 MONTH AVERAGE
1		ASSETS AND OTHER DEBITS														
2		UTILITY PLANT:														
3	1010	PLANT IN SERVICE	77,617,672	77,912,775	78,233,878	78,437,981	78,877,584	79,365,387	79,843,490	80,117,593	80,376,296	80,556,497	80,832,698	81,394,899	81,773,800	79,641,581
4	1070	CWIP	-	30,000	110,000	280,000	290,000	190,000	-	50,000	-	25,000	-	-	-	75,000
5	1080	PLANT RESERVE	(34,386,151)	(34,596,347)	(34,808,043)	(35,021,593)	(35,235,812)	(35,451,589)	(35,650,360)	(35,868,741)	(36,088,539)	(36,309,124)	(36,530,160)	(36,751,938)	(36,975,949)	(35,667,257)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	1,752,693	1,774,393	1,793,888	1,808,223	1,834,633	1,842,413	1,867,348	1,874,878	1,892,128	1,895,003	1,918,178	1,918,738	1,921,638	1,853,396
7	1190	ALLOCATED COMMON PLANT RESERVE	(595,724)	(606,048)	(616,419)	(626,954)	(637,620)	(648,506)	(659,466)	(670,512)	(681,626)	(692,898)	(704,196)	(715,713)	(727,233)	(660,224)
8	1070	ALLOCATED COMMON CWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9																
10		OTHER PROPERTY AND INVESTMENTS														
11	1280.1	OTHER SPECIAL FUNDS	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
12																
13		CURRENT AND ACCRUED ASSETS.														
14	1310	CASH	82,493	74,863	54,531	77,975	74,595	45,237	94,370	91,442	59,928	71,149	74,659	60,505	57,063	70,678
15	1340	SPECIAL DEPOSITS-ELECT	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836
16	1350.1	WORKING FUNDS- PETTY	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
17	1350.10	WORKING FUNDS- PETTY	125	125	125	125	125	125	125	125	125	125	125	125	125	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	3,561,058	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,042,458
19	1440	ALLOW. FOR UNCOLL.AC	(35,502)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,745)
20	1540.1	MATERIALS & SUPPLIES	908,227	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	940,015
21	1630.3	STORES EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	230,589	208,416	186,383	170,613	149,510	114,706	80,800	45,927	303,552	268,646	282,357	259,459	236,562	195,194
23	1650.4	PREPAID EXP - OTHER	62,251	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,910
24	1650.41	PREPAID EXP.- MAINTENANCE	15,420	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,062
25	1730.1	UNBILLED REVENUES	445,703	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	548,394
26	1820.2	REG ASSET-RET PLANS	532,635	532,635	532,635	491,143	491,143	491,143	449,650	449,650	449,650	408,157	408,157	408,157	207,264	450,155
27	1840.7	CLEARING ACCOUNT-- REFUNDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1850.1	TEMPORARY SERVICES	27,150	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,961
29																
30		DEFERRED DEBITS.														
31	1860.1	DEFERRED DEBITS - OTHER	50,071	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	50,954
32	1860.1	DEFERRED DEBITS - RATE CASE	541,346	588,379	635,412	682,445	667,278	652,111	636,944	621,777	606,610	591,443	576,276	561,109	545,942	608,236
33	1860.3	MISC DEF'D DR-UNDIST	15,770	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,066
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	529,769	544,812	541,507	548,653	551,106	544,894	538,085	535,714	536,757	539,972	547,869	556,020	545,102	543,097
36	1900	ACCUMULATED DEFERRED TAXES	1,167,843	1,144,089	1,256,804	1,256,991	1,256,722	1,256,484	1,256,270	1,256,401	1,253,370	1,252,493	1,251,737	1,249,486	1,253,227	1,239,378
37																
38		TOTAL ASSETS AND OTHER DEBITS.	53,995,751	55,882,224	56,194,833	56,379,734	56,593,396	56,676,537	56,731,388	56,778,386	56,982,383	56,880,595	56,931,832	57,214,979	57,111,673	56,488,747
39																

Schedule B-3 (2008) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
1		ASSETS AND OTHER DEBITS								
2		UTILITY PLANT:								
3	1010	PLANT IN SERVICE	RB	79,641,581	DIRECT	100%	79,641,581	(57,464)	Allocated Non-Req. Plant	79,584,117
4	1070	CWIP	RB	75,000	Direct	100%	75,000	-	Allocated Non-Req.	75,000
5	1080	PLANT RESERVE	RB	(35,667,257)	Direct	100%	(35,667,257)	25,443	Allocated Non-Req.	(35,641,814)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	RB	6,507,169	Plant / Customers	28% / 29%	1,853,396	-	-	1,853,396
7	1190	ALLOCATED COMMON PLANT RESERVE	RB	(2,298,092)	Plant / Customers	28% / 29%	(660,224)	-	-	(660,224)
8	1070	ALLOCATED COMMON CWIP	RB	-	Plant / Customers	28% / 29%	-	-	-	-
9										
10		OTHER PROPERTY AND INVESTMENTS								
11	1280.1	OTHER SPECIAL FUNDS	RB, WC	10,000	Adjusted. Gross Profit	31%	3,100	-		3,100
12										
13		CURRENT AND ACCRUED ASSETS.								
14	1310	CASH	RB, WC	227,993	Adjusted. Gross Profit	31%	70,678	-	-	70,678
15	1340	SPECIAL DEPOSITS-ELECT	RB, WC	317,836	Direct	100%	317,836	-	-	317,836
16	1350.1	WORKING FUNDS- PETTY	RB, WC	8,000	Direct	100%	8,000	-	-	8,000
17	1350.10	WORKING FUNDS- PETTY	RB, WC	500	Payroll	25%	125	-	-	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	RB, WC	5,042,458	Direct	100%	5,042,458	-	-	5,042,458
19	1440	ALLOW. FOR UNCOLL.AC	RB, WC	(36,745)	Direct	100%	(36,745)	-	-	(36,745)
20	1540.1	MATERIALS & SUPPLIES	RB, WC	940,015	Direct	100%	940,015	-	-	940,015
21	1630.3	STORES EXPENSE	RB, WC	-	Direct	100%	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	RB, WC	629,658	Adjusted. Gross Profit	31%	195,194	-	-	195,194
23	1650.4	PREPAID EXP - OTHER	RB, WC	202,937	Adjusted. Gross Profit	31%	62,910	-	-	62,910
24	1650.41	PREPAID EXP.- MAINTENANCE	RB, WC	55,038	Adjusted. Gross Profit	31%	17,062	-	-	17,062
25	1730.1	UNBILLED REVENUES	RB, WC	548,394	Direct	100%	548,394	-	-	548,394
26	1820.2	REG ASSET-RET PLANS	RB, WC	1,323,986	Payroll	34%	450,155	-	-	450,155
27	1840.7	CLEARING ACCOUNT-- REFUNDS	RB, WC	-	Adjusted. Gross Profit	31%	-	-	-	-
28	1850.1	TEMPORARY SERVICES	RB, WC	26,961	Direct	100%	26,961	-	-	26,961
29										
30		DEFERRED DEBITS.								
31	1860.1	DEFERRED DEBITS - OTHER	RB, WC	50,954	Direct	100%	50,954	-	-	50,954
32	1860.1	DEFERRED DEBITS - RATE CASE	RB, WC	608,236	Direct	100%	608,236	-	-	608,236
33	1860.3	MISC DEF'D DR-UNDIST	RB, WC	15,066	Direct	100%	15,066	-	-	15,066
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	RB, WC	1,143,377	Direct	100%	1,143,377	-	-	1,143,377
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	CS	1,855,551	Allocated Consolidated Equity	29%	543,097	6,126	Allocated Equity Adjustment	549,223
36	1900	ACCUMULATED DEFERRED TAXES	CS	1,239,378	Direct	100%	1,239,378	-	-	1,239,378
37										
38		TOTAL ASSETS AND OTHER DEBITS.					56,488,747	(25,895)		56,462,852
39										

Schedule B-3 (2008) 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13 MONTH AVERAGE
40		LIABILITIES AND OTHER CREDITS														
41		PROPRIETARY CAPITAL														
42	2010.1	COMMON STOCK ISSUED	(2,979,952)	(3,064,567)	(3,045,975)	(3,086,171)	(3,099,972)	(3,065,029)	(3,026,726)	(3,013,389)	(3,019,256)	(3,037,342)	(3,081,761)	(3,127,610)	(3,066,200)	(3,054,919)
43	2040.1	PREFERRED STOCK ISSUED-$1	(165,553)	(170,254)	(169,221)	(171,454)	(172,221)	(170,279)	(168,151)	(167,410)	(167,736)	(168,741)	(171,209)	(173,756)	(170,344)	(169,718)
44	2070.1	PREM ON CAPITAL STOCK	(3,575,942)	(3,677,480)	(3,655,170)	(3,703,405)	(3,719,966)	(3,678,035)	(3,632,071)	(3,616,066)	(3,623,107)	(3,644,811)	(3,698,113)	(3,753,133)	(3,679,440)	(3,665,903)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	(198,663)	(204,304)	(203,065)	(205,745)	(206,665)	(204,335)	(201,782)	(200,893)	(201,284)	(202,489)	(205,451)	(208,507)	(204,413)	(203,661)
46	2140.1	CAPITAL STOCK EXPENSE	264,885	272,406	270,753	274,326	275,553	272,447	269,042	267,857	268,378	269,986	273,934	278,010	272,551	271,548
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	(10,760,937)	(11,066,491)	(10,999,354)	(11,144,505)	(11,194,342)	(11,068,162)	(10,929,843)	(10,881,682)	(10,902,868)	(10,968,181)	(11,128,582)	(11,294,149)	(11,072,388)	(11,031,653)
48	2170.1	COMMON STOCK REACQUIRED	562,880	578,863	575,351	582,943	585,550	578,950	571,715	569,196	570,304	573,720	582,110	590,771	579,171	577,040
49	.															
50		LONG TERM DEBT														
51	2210.1	BONDS	(14,932,871)	(15,356,884)	(15,263,718)	(15,465,142)	(15,534,301)	(15,359,205)	(15,167,259)	(15,100,427)	(15,129,827)	(15,220,460)	(15,443,047)	(15,672,804)	(15,365,066)	(15,308,539)
52	.															
53		OTHER NON-CURRENT LIABILITIES.														
54	2280.11	ELECTRIC STORM RESERVE	(1,707,737)	(1,724,727)	(1,741,717)	(1,758,707)	(1,775,697)	(1,792,687)	(1,809,677)	(1,826,667)	(1,843,657)	(1,860,647)	(1,877,637)	(1,894,627)	(1,911,617)	(1,809,677)
55	2280.31	PENSIONS RESERVE	(1,482,905)	(1,521,652)	(1,560,399)	(1,554,179)	(1,592,926)	(1,631,673)	(1,625,453)	(1,664,200)	(1,702,947)	(1,696,727)	(1,735,474)	(1,774,221)	(1,650,795)	(1,630,273)
56	2280.32	MEDICAL POST-RETIREMENT	(596,554)	(598,069)	(599,584)	(601,098)	(602,613)	(604,128)	(605,642)	(607,157)	(608,672)	(610,186)	(611,701)	(613,216)	(620,880)	(606,115)
57	2280.34	401(K) ACCRUAL COMPANY SH	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	(48,540)	(50,968)	(53,397)	(55,825)	(58,253)	(60,682)	(63,110)	(65,538)	(67,967)	(70,395)	(72,823)	(75,252)	(77,680)	(63,110)
59																

Schedule B-3 (2008)

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
40		LIABILITIES AND OTHER CREDITS								
41		PROPRIETARY CAPITAL								
42	2010.1	COMMON STOCK ISSUED	CS	(10,293,196)	Allocated Consolidated Equity	29%	(3,054,919)	8,245	Allocated Equity Adjustment	(3,046,674)
43	2040.1	PREFERRED STOCK ISSUED-$1	CS	(600,000)	Allocated Consolidated Equity	28%	(169,718)	(7,875)	Allocated Equity Adjustment	(177,593)
44	2070.1	PREM ON CAPITAL STOCK	CS	(12,420,226)	Allocated Consolidated Equity	29%	(3,665,903)	(10,349)	Allocated Equity Adjustment	(3,676,252)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	CS	(702,087)	Allocated Consolidated Equity	29%	(203,661)	(4,149)	Allocated Equity Adjustment	(207,810)
46	2140.1	CAPITAL STOCK EXPENSE	CS	913,056	Allocated Consolidated Equity	29%	271,548	(1,293)	Allocated Equity Adjustment	270,255
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	CS	(37,207,432)	Allocated Consolidated Equity	29%	(11,031,653)	18,658	Allocated Equity Adjustment	(11,012,995)
48	2170.1	COMMON STOCK REACQUIRED	CS	1,954,005	Allocated Consolidated Equity	29%	577,040	1,324	Allocated Equity Adjustment	578,364
49										
50		LONG TERM DEBT								
51	2210.1	BONDS	CS	(51,632,923)	Allocated Consolidated Equity	29%	(15,308,539)	25,755	Allocated Equity Adjustment	(15,282,784)
52										
53		OTHER NON-CURRENT LIABILITIES.								
54	2280.11	ELECTRIC STORM RESERVE	RB, WC	(1,809,677)	DIRECT	100%	(1,809,677)	-	-	(1,809,677)
55	2280.31	PENSIONS RESERVE	RB, WC	(6,521,093)	Payroll	25%	(1,630,273)	-	-	(1,630,273)
56	2280.32	MEDICAL POST-RETIREMENT	RB, WC	(1,955,211)	Adj. Gross Profit	31%	(606,115)	-	-	(606,115)
57	2280.34	401(K) ACCRUAL COMPANY SH	RB, WC	-	Payroll	25%	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	RB, WC	(203,580)	Adj. Gross Profit	31%	(63,110)	-	-	(63,110)
59										

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13 MONTH AVERAGE
60		CURRENT AND ACCRUED LIABILITIES														
61	2310.1	NOTES PAYABLE	(1,854,192)	(1,906,841)	(1,895,273)	(1,920,284)	(1,928,871)	(1,907,129)	(1,883,296)	(1,874,997)	(1,878,648)	(1,889,902)	(1,917,540)	(1,946,069)	(1,907,858)	(1,900,838)
62	2320.	ACCOUNTS PAYABLE - FUEL	(2,881,858)	(3,863,799)	(3,449,781)	(3,165,243)	(3,151,127)	(3,568,606)	(4,002,274)	(4,099,526)	(4,164,913)	(3,735,864)	(3,217,788)	(2,918,936)	(3,598,165)	(3,524,452)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	(879,119)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(912,711)
64	2320.	ACCOUNTS PAYABLE - OTHER	(210,123)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,064)
65	2350.1	CUSTOMER DEPOSITS	(2,821,422)	(2,842,081)	(2,862,890)	(2,883,853)	(2,904,968)	(2,926,239)	(2,947,665)	(2,969,248)	(2,990,989)	(3,012,889)	(3,034,949)	(3,057,172)	(3,079,556)	(2,948,763)
66	2360.1	TAXES ACCRUED - AD VALOREM	(206,451)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(197,240)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	(105,413)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(109,896)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	(40,637)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(42,859)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	(3,264)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,168)
70	2360	TAXES ACCRUED - INCOME TAX	(584,393)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(596,675)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	(63,422)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(66,955)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	(329,732)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,764)
73	2380	DIVIDENDS DECLARED - PREFERRED	(178)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(340)
74	2410	WITHHOLDING TAXES PAYABLE	(356)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(340)
75	2410	TAX COLLECTIONS PAYABLE	(296,095)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,279)
76	2420	EMPLOYEE FUND	(855)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(908)
77	2420	ACCRUED VACATION	(286,925)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(309,441)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	(52,631)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,600)
79																
80		DEFERRED CREDITS.														
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	(844,796)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(878,824)
82	2530.1	OTHER DF CR-CASHIER	62	62	62	62	63	63	63	63	67	67	68	68	68	64
83	2530.21	OVER RECOVERY-FUEL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	(1,257)	(1,152)	(1,047)	(942)	(837)	(732)	(627)	(522)	(417)	(312)	(207)	(102)	-	(627)
85	2550.1	INVEST TAX CREDIT	(95,417)	(93,175)	(90,933)	(88,691)	(86,449)	(84,207)	(81,965)	(79,723)	(77,481)	(75,239)	(72,997)	(70,755)	(68,513)	(81,965)
86	.															
87		ACCUMULATED DEFERRED INCOME TAXES.														
88	2820, 2821. 2830.	ACCUMULATED DEFERRED TAXES	(6,815,388)	(6,562,491)	(7,420,855)	(7,403,201)	(7,396,734)	(7,378,249)	(7,398,047)	(7,419,437)	(7,412,743)	(7,501,563)	(7,490,045)	(7,474,899)	(7,461,928)	(7,318,122)
89																
90		TOTAL LIABILITIES AND OTHER CREDITS	(53,995,751)	(55,882,224)	(56,194,833)	(56,379,734)	(56,593,396)	(56,676,537)	(56,731,388)	(56,778,386)	(56,982,383)	(56,880,595)	(56,931,832)	(57,214,979)	(57,111,673)	(56,488,747)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility

Schedule B-3 (2008) 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
60		CURRENT AND ACCRUED LIABILITIES								
61	2310.1	NOTES PAYABLE	CS	(6,436,923)	Allocated Consolidated Equity	29%	(1,900,838)	(4,421)	Allocated Equity Adjustment	(1,905,259)
62	2320.	ACCOUNTS PAYABLE - FUEL	RB, WC	(3,524,452)	DIRECT	100%	(3,524,452)	-	-	(3,524,452)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	RB, WC	(2,944,228)	Adj. Gross Profit	31%	(912,711)	-	-	(912,711)
64	2320.	ACCOUNTS PAYABLE - OTHER	RB, WC	(805,102)	Adjusted Gross Profit / Payroll	31% / 25%	(216,064)	-	-	(216,064)
65	2350.1	CUSTOMER DEPOSITS	CS	(2,948,763)	DIRECT	100%	(2,948,763)	-	-	(2,948,763)
66	2360.1	TAXES ACCRUED - AD VALOREM	RB, WC	(197,240)	DIRECT	100%	(197,240)	-	-	(197,240)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	RB, WC	(289,200)	REG GROSS PROFIT	38%	(109,896)	-	-	(109,896)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	RB, WC	(138,255)	Adj. Gross Profit	31%	(42,859)	-	-	(42,859)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	RB, WC	(12,672)	Payroll	25%	(3,168)	-	-	(3,168)
70	2360	TAXES ACCRUED - INCOME TAX	RB, WC	(1,924,759)	Adj. Gross Profit	31%	(596,675)	-	-	(596,675)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	RB, WC	(66,955)	DIRECT	100%	(66,955)	-	-	(66,955)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	RB, WC	(1,050,853)	Plant	31%	(325,764)	-	-	(325,764)
73	2380	DIVIDENDS DECLARED - PREFERRED	RB, WC	(1,096)	Adj. Gross Profit	31%	(340)	-	-	(340)
74	2410	WITHHOLDING TAXES PAYABLE	RB, WC	(1,361)	Payroll	25%	(340)	-	-	(340)
75	2410	TAX COLLECTIONS PAYABLE	RB, WC	(304,279)	DIRECT	100%	(304,279)	-	-	(304,279)
76	2420	EMPLOYEE FUND	RB, WC	(908)	DIRECT	100%	(908)	-	-	(908)
77	2420	ACCRUED VACATION	RB, WC	(1,237,764)	Payroll	25%	(309,441)	-	-	(309,441)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	RB, WC	(172,903)	Adj. Gross Profit	31%	(53,600)	-	-	(53,600)
79										
80		DEFERRED CREDITS.								
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	RB	(878,824)	DIRECT	100%	(878,824)	-	-	(878,824)
82	2530.1	OTHER DF CR-CASHIER	RB, WC	64	DIRECT	100%	64	-	-	64
83	2530.21	OVER RECOVERY-FUEL	RB, WC	-	DIRECT	100%	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	RB, WC	(627)	DIRECT	100%	(627)	-	-	(627)
85	2550.1	INVEST TAX CREDIT	CS	(81,965)	DIRECT	100%	(81,965)	-	-	(81,965)
86	.									
87		ACCUMULATED DEFERRED INCOME TAXES.								
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	CS	(7,318,122)	DIRECT	100%	(7,318,122)	-	-	(7,318,122)
89										
90		TOTAL LIABILITIES AND OTHER CREDITS		(56,747,040)			(56,488,747)	25,895		(56,462,852)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS

Supporting Schedules: B-8 (2008), B-10 (2008) Recap Schedules: B-1 (2008), B-2 (2008), B-4 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the data listed below regarding all changes in rate base primary accounts that exceed 1/20th of one percent (.0005) of total rate base and ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Witness: Jim Mesite, Cheryl Martin

Line No.	(1) Account Number	(2) Account Name	(3) Test Year Ended 12/31/2008	(4) Prior Year Ended 12/31/2007	(5) Increase / (Decrease) Amount (3)-(4) (000)	(6) Increase / (Decrease) Percent (5)/(4) (%)	(7) Reason(s) for Change
1	1070	Electric CWIP	74,093	514,230	(440,137)	-86%	Projected construction interval.
2	1070	Allocated Common CWIP	-	62,160	(62,160)	-100%	No significant long-term projects anticipated in 2008.
3	1180	Allocated Common Plant	1,853,396	1,592,836	260,560	16%	Significant retirements not anticipated.
4	1190	Allocated Common Reserve	(684,914)	(560,372)	(124,542)	22%	Significant retirements not anticipated
5	1310	Cash and Deposits	70,678	210,108	(139,430)	-66%	Projected interactions between Cash and Line of Credit.
6	1730	Unbilled Revenues	548,394	444,044	104,350	23%	Proposed Increase in Base Rate & Customer Growth
7	1820	Reg Asset-Ret Plans	450,155	103,267	346,888	336%	Actuarial Estimates and accounting changes due to FAS 158
8	1860	Deferred Debits - Rate Case	608,236	282,293	325,943	115%	Costs of 2007 Electric Rate Case
9	2280	Electric Storm Reserve	(2,018,351)	(1,681,542)	(336,809)	20%	Proposed Increase in Storm Reserve Allowance
10	2280	Pensions Reserve	(1,630,273)	(922,359)	(707,914)	77%	Actuarial Estimates and accounting changes due to FAS 158
11	2280	Accrued Liability Ins	(63,110)	(40,839)	(22,271)	55%	Historical averages including large claim during 2007.
12	2320	Accounts Payable - Fuel	(3,524,452)	(2,886,302)	(638,150)	22%	Significant increases in fuel costs
13	2530	Over Recovery-Conservation	(627)	(25,573)	24,946	-98%	Projected Zero Over/Under Recovery at 12/31/08
14	1420, 1430	Accounts Receivable	5,042,458	4,270,514	771,944	18%	Increases in Base Rates and Fuel Costs

Supporting Schedules: B-3 (2007), B-3 (2008) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Electric Plant in Service:				
2	Intangible				
3	Production:				
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	74,148	74,148	74,148	100%
10	Structure and Improvements	22,007	22,007	22,007	100%
11	Station Equipment	2,432,632	2,432,632	2,432,632	100%
12	Towers & Fixtures	224,665	224,665	224,665	100%
13	Poles & Fixtures	2,362,223	2,362,223	2,362,223	100%
14	O.H. Conductor and Devices	1,876,726	1,876,726	1,876,726	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	6,788	6,788	6,788	100%
17	Total Transmission	6,999,189	6,999,189	6,999,189	100%
18	Distribution:				
19	Land and Land Rights	37,891	37,891	37,891	100%
20	Structure and Improvements	96,042	96,042	96,042	100%
21	Station Equipment	6,147,277	6,147,277	6,147,277	100%
22	Poles and Fixtures	9,179,729	9,179,729	9,179,729	100%
23	O.H. Conductors	9,808,726	9,808,726	9,808,726	100%
24	U.G. Conduits	2,819,862	2,819,862	2,819,862	100%
25	U.G. Conductors	5,133,083	5,133,083	5,133,083	100%
26	Line Transformers	13,296,741	13,296,741	13,296,741	100%
27	Services	8,357,591	8,357,591	8,357,591	100%
28	Meters	3,405,846	3,405,846	3,405,846	100%
29	Installed on Customer Premises	2,115,755	2,115,755	2,115,755	100%
30	Street Lighting	1,214,923	1,214,923	1,214,923	100%
31	Total Distribution	61,613,466	61,613,466	61,613,466	100%
32	General Plant	6,172,495	6,172,495	6,172,495	100%
33	Total Electric Gross Plant	74,785,150	74,785,150	74,785,150	100%
34	Allocated Common Plant	1,592,837	1,592,837	1,592,837	100%
35	Adjustments	(55,497)	(55,497)	(55,497)	100%
36	Total Gross Plant	76,322,490	76,322,490	76,322,490	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Accumulated Depreciation:				
2	Intangible				
3	Production:	-	-	-	
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	(33,788)	(33,788)	(33,788)	100%
10	Structure and Improvements	(10,480)	(10,480)	(10,480)	100%
11	Station Equipment	(637,270)	(637,270)	(637,270)	100%
12	Towers & Fixtures	(169,917)	(169,917)	(169,917)	100%
13	Poles & Fixtures	(879,958)	(879,958)	(879,958)	100%
14	O.H. Conductor and Devices	(604,967)	(604,967)	(604,967)	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	(4,049)	(4,049)	(4,049)	100%
17	Total Transmission	(2,340,429)	(2,340,429)	(2,340,429)	100%
18	Distribution:				
19	Land and Land Rights	(5,152)	(5,152)	(5,152)	100%
20	Structure and Improvements	(31,675)	(31,675)	(31,675)	100%
21	Station Equipment	(1,313,662)	(1,313,662)	(1,313,662)	100%
22	Poles and Fixtures	(4,181,054)	(4,181,054)	(4,181,054)	100%
23	O.H. Conductors	(5,148,475)	(5,148,475)	(5,148,475)	100%
24	U.G. Conduits	(571,817)	(571,817)	(571,817)	100%
25	U.G. Conductors	(1,628,043)	(1,628,043)	(1,628,043)	100%
26	Line Transformers	(7,635,472)	(7,635,472)	(7,635,472)	100%
27	Services	(3,916,840)	(3,916,840)	(3,916,840)	100%
28	Meters	(1,774,515)	(1,774,515)	(1,774,515)	100%
29	Installed on Customer Premises	(709,876)	(709,876)	(709,876)	100%
30	Street Lighting	(483,041)	(483,041)	(483,041)	100%
31	Total Distribution	(27,399,622)	(27,399,622)	(27,399,622)	100%
32	General Plant	(3,368,772)	(3,368,772)	(3,368,772)	100%
33	Total Electric Accumulated Depreciation	(33,108,823)	(33,108,823)	(33,108,823)	100%
34	Allocated Common Reserve	(549,214)	(549,214)	(549,214)	100%
35	Customer Advances for Construction	(849,105)	(849,105)	(849,105)	100%
36	Adjustments	23,723	23,723	23,723	100%
37	Total Accumulated Reserve	(34,483,419)	(34,483,419)	(34,483,419)	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	NET PLANT IN SERVICE	41,839,071	41,839,071	41,839,071	100%
2	CWIP:				
3	Production	-	-	-	
4	Transmission	4,511	4,511	4,511	100%
5	Distribution	418,230	418,230	418,230	100%
6	Customer Accounts	-	-	-	
7	General	92,396	92,396	92,396	100%
8	Customer Services	-	-	-	
9	Allocated Common	62,160	62,160	62,160	100%
10	Adjustments	(907)	(907)	(907)	100%
11	Total CWIP	576,390	576,390	576,390	100%
12	CWIP - NOT BEARING INTEREST				
13	Production				
14	Transmission				
15	Distribution				
16	Total CWIP Not Bearing Interest				
17	PLANT HELD FOR FUTURE USE				
18	UNAMORTIZED NUCLEAR SITE				
19	WORKING CAPITAL				
20	Net of Current Assets and Current Liabilities	335,867	335,867	335,867	100%
21	Preliminary Survey and Investigation Charges	-	-	-	
22	Prepayments	269,901	269,901	269,901	100%
23	Clearing Accounts	-	-	-	
24	Unamortized Deferred O & M	-	-	-	
25	Injuries and Damages Reserve	(1,722,381)	(1,722,381)	(1,722,381)	100%
26	Property Insurance Reserves				
27	Other Deferred Credits & Debits	(57,569)	(57,569)	(57,569)	100%
28	Adjustments	-	-	-	100%
29	Total Working Capital	(1,174,182)	(1,174,182)	(1,174,182)	100%
30					
31	Total Adjusted Rate Base	41,241,279	41,241,279	41,241,279	100%

Supporting Schedules: B-3 (2007), B-8(2007), B-10(2007) Recap Schedules: B-1 (2007), B-2(2007)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Electric Plant in Service:				
2	Intangible				
3	Production:				
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production	-	-	-	
8	Transmission:				
9	Land and Land Rights	74,148	74,148	74,148	100%
10	Structure and Improvements	25,238	25,238	25,238	100%
11	Station Equipment	2,441,032	2,441,032	2,441,032	100%
12	Towers & Fixtures	224,665	224,665	224,665	100%
13	Poles & Fixtures	2,352,531	2,352,531	2,352,531	100%
14	O.H. Conductor and Devices	1,998,264	1,998,264	1,998,264	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	6,788	6,788	6,788	100%
17	Total Transmission	7,122,666	7,122,666	7,122,666	100%
18	Distribution:				
19	Land and Land Rights	37,891	37,891	37,891	100%
20	Structure and Improvements	96,042	96,042	96,042	100%
21	Station Equipment	7,069,889	7,069,889	7,069,889	100%
22	Poles and Fixtures	9,770,047	9,770,047	9,770,047	100%
23	O.H. Conductors	10,205,467	10,205,467	10,205,467	100%
24	U.G. Conduits	3,251,454	3,251,454	3,251,454	100%
25	U.G. Conductors	5,745,536	5,745,536	5,745,536	100%
26	Line Transformers	13,794,769	13,794,769	13,794,769	100%
27	Services	8,717,248	8,717,248	8,717,248	100%
28	Meters	3,539,542	3,539,542	3,539,542	100%
29	Installed on Customer Premises	2,195,517	2,195,517	2,195,517	100%
30	Street Lighting	1,239,801	1,239,801	1,239,801	100%
31	Total Distribution	65,663,203	65,663,203	65,663,203	100%
32	General Plant	6,855,712	6,855,712	6,855,712	100%
33	Total Electric Gross Plant	79,641,581	79,641,581	79,641,581	100%
34	Allocated Common Plant	1,853,396	1,853,396	1,853,396	100%
35	Adjustments	(57,464)	(57,464)	(57,464)	100%
36	Total Gross Plant	81,437,513	81,437,513	81,437,513	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	Accumulated Depreciation:				
2	Intangible				
3	Production:	-	-	-	
4	Steam	-	-	-	
5	Nuclear	-	-	-	
6	Other	-	-	-	
7	Total Production				
8	Transmission:				
9	Land and Land Rights	(33,788)	(33,788)	(33,788)	100%
10	Structure and Improvements	(10,941)	(10,941)	(10,941)	100%
11	Station Equipment	(693,374)	(693,374)	(693,374)	100%
12	Towers & Fixtures	(174,861)	(174,861)	(174,861)	100%
13	Poles & Fixtures	(959,816)	(959,816)	(959,816)	100%
14	O.H. Conductor and Devices	(666,118)	(666,118)	(666,118)	100%
15	U.G. Conductor and Devices	-	-	-	
16	Roads and Trails	(4,313)	(4,313)	(4,313)	100%
17	Total Transmission	(2,543,211)	(2,543,211)	(2,543,211)	100%
18	Distribution:				
19	Land and Land Rights	(5,560)	(5,560)	(5,560)	100%
20	Structure and Improvements	(33,787)	(33,787)	(33,787)	100%
21	Station Equipment	(1,352,910)	(1,352,910)	(1,352,910)	100%
22	Poles and Fixtures	(4,469,772)	(4,469,772)	(4,469,772)	100%
23	O.H. Conductors	(5,479,223)	(5,479,223)	(5,479,223)	100%
24	U.G. Conduits	(631,303)	(631,303)	(631,303)	100%
25	U.G. Conductors	(1,761,876)	(1,761,876)	(1,761,876)	100%
26	Line Transformers	(8,112,025)	(8,112,025)	(8,112,025)	100%
27	Services	(4,219,948)	(4,219,948)	(4,219,948)	100%
28	Meters	(1,820,390)	(1,820,390)	(1,820,390)	100%
29	Installed on Customer Premises	(795,803)	(795,803)	(795,803)	100%
30	Street Lighting	(536,580)	(536,580)	(536,580)	100%
31	Total Distribution	(29,219,177)	(29,219,177)	(29,219,177)	100%
32	General Plant	(3,904,869)	(3,904,869)	(3,904,869)	100%
33	Total Electric Accumulated Depreciation	(35,667,257)	(35,667,257)	(35,667,257)	100%
34	Allocated Common Reserve	(660,224)	(660,224)	(660,224)	100%
35	Customer Advances for Construction	(878,824)	(878,824)	(878,824)	100%
36	Adjustments	25,443	25,443	25,443	100%
37	Total Accumulated Reserve	(37,180,862)	(37,180,862)	(37,180,862)	100%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Description	Total Company	FERC Jurisdictional	FPSC Jurisdictional	Jurisdictional Factor
1	NET PLANT IN SERVICE	44,256,651	44,256,651	44,256,651	100%
2	CWIP:				
3	Production	-	-	-	
4	Transmission	17,692	17,692	17,692	100%
5	Distribution	57,308	57,308	57,308	100%
6	Customer Accounts	-	-	-	
7	General	-	-	-	100%
8	Customer Services	-	-	-	
9	Allocated Common	-	-	-	100%
10	Adjustments	-	-	-	100%
11	Total CWIP	75,000	75,000	75,000	100%
12	CWIP - NOT BEARING INTEREST				
13	Production				
14	Transmission				
15	Distribution				
16	Total CWIP Not Bearing Interest				
17	PLANT HELD FOR FUTURE USE				
18	UNAMORTIZED NUCLEAR SITE				
19	WORKING CAPITAL				
20	Net of Current Assets and Current Liabilities	706,285	706,285	706,285	100%
21	Preliminary Survey and Investigation Charges	-	-	-	
22	Prepayments	275,166	275,166	275,166	100%
23	Clearing Accounts	-	-	-	
24	Unamortized Deferred O & M	-	-	-	
25	Injuries and Damages Reserve	(1,872,787)	(1,872,787)	(1,872,787)	100%
26	Property Insurance Reserves	-	-	-	
27	Other Deferred Credits & Debits	(419,318)	(419,318)	(419,318)	100%
28	Adjustments	-	-	-	100%
29	Total Working Capital	(1,310,654)	(1,310,654)	(1,310,654)	100%
30					
31	Total Adjusted Rate Base	43,020,997	43,020,997	43,020,997	100%

Supporting Schedules: B-3 (2008), B-8(2008), B-10(2008) Recap Schedules: B-1 (2008), B-2 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
		Transmission Plant							
1	352	STRUCTURES AND IMPROVEMENTS	2.0%	-	-	-	-	-	22,007
2	353	STATION EQUIPMENT	2.3%	-	26,400	-	-	26,400	2,432,632
3	354	TOWERS AND FIXTURES	2.2%	22,006	-	-	-	22,006	224,665
4	355	POLES AND FIXTURES	3.8%	2,414,632	-	-	-	2,414,632	2,362,223
5	356	OVERHEAD CONDUCTORS AND DEVICES	3.2%	224,665	-	-	-	224,665	1,876,726
6	359	ROADS AND TRAILS	3.9%	2,362,224	-	-	-	2,362,224	6,788
7									
8		Total Transmission Plant		6,907,041	26,400	-	-	5,049,927	6,925,041
9									
10									
11		Distribution Plant							
12									
13	361	STRUCTURES & IMPROVEMENTS	2.2%	96,042	-	-	-	96,042	96,042
14	362	STATION EQUIPMENT	3.0%	5,809,935	1,327,090	(105,616)	-	7,031,409	6,147,277
15	364	POLES, TOWERS, & FIXTURES	4.2%	8,929,466	633,967	(44,918)	-	9,518,515	9,179,729
16	365	OVERHEAD CONDUCTORS & DEVICES	3.8%	9,644,105	393,146	(21,437)	-	10,015,814	9,808,726
17	370	METERS	3.6%	3,334,588	197,721	(67,506)	-	3,464,803	3,405,846
18	3601	LAND RIGHTS	1.9%	21,388	-	-	-	21,388	21,388
19	3662	UNDERGROUND CONDUIT - BURIED	2.0%	2,575,294	507,552	(760)	-	3,082,086	2,819,862
20	3672	UNDERGROUND COND & DEVICES - BURIED	2.9%	4,855,464	611,348	(19,217)	-	5,447,595	5,133,083
21	3681	LINE TRANSFORMERS - OVERHEAD	4.2%	7,083,258	210,559	(41,576)	-	7,252,241	7,164,456
22	3683	LINE TRANSFORMERS - BURIED	4.2%	5,942,323	320,800	(28,512)	-	6,234,611	6,132,285
23	3691	OVERHEAD SERVICES	3.8%	4,119,162	135,200	(6,422)	-	4,247,940	4,179,050
24	3693	UNDERGROUND SERVICES - BURIED	3.8%	4,089,770	165,600	(5,560)	-	4,249,810	4,178,541
25	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	6.1%	1,317,448	75,262	(28,157)	-	1,364,553	1,343,076
26	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	6.1%	760,348	45,008	(19,380)	-	785,976	772,679
27	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	5.6%	635,932	27,600	(7,962)	-	655,570	647,303
28	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	5.6%	564,297	10,800	(4,748)	-	570,349	567,620
29									
30		Total Distribution Plant		59,778,820	4,661,653	(401,771)	-	64,038,702	61,596,962

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
31		General Plant							
32									
33	390	STRUCTURES AND IMPROVEMENTS	2.0%	1,441,206	2,100	(136)	-	1,443,170	1,442,573
34	396	POWER OPERATED EQUIPMENT	6.3%	194,335	-	(1,088)	-	193,247	193,958
35	397	COMMUNICATION EQUIPMENT	20.0%	144,030	-	(3,720)	-	140,310	142,742
36	398	MISCELLANEOUS EQUIPMENT	14.3%	16,987	-	(1,064)	-	15,923	16,619
37	399	MISCELLANEOUS TANGIBLE	20.0%	10,000	35,000	-	-	45,000	15,385
38	3911	OFFICE FURNITURE	14.3%	7,369	-	-	-	7,369	7,369
39	3912	OFFICE MACHINES	20.0%	25,835	29,000	(1,984)	-	52,851	28,456
40	3913	COMPUTER EQUIPMENT	20.0%	220,624	64,025	(17,785)	-	266,864	242,910
41	391305	SOFTWARE	20.0%	682,414	234,034	-	-	916,448	777,807
42	3931	STORES EQUIPMENT-FIXED	14.3%	106,918	56,000	(20,488)	-	142,430	123,543
43	3932	STORES EQUIPMENT-PORTABLE	14.3%	761	-	-	-	761	761
44	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	14.3%	35,928	-	(304)	-	35,624	35,823
45	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	14.3%	101,982	-	(2,525)	-	99,457	101,109
46	3951	LABORATORY EQUIPMENT-FIXED	14.3%	63,666	-	(96)	-	63,570	63,633
47	3952	LABORATORY EQUIPMENT-PORTABLE	14.3%	32,089	-	(1,288)	-	30,801	31,643
48	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-
49									
50		Total General Plant		3,084,144	420,159	(50,478)	-	3,453,825	3,224,330
51									
52									
53		Transportation Equipment							
54									
55	3921	PASSENGER CARS	9.2%	96,020	20,000	-	-	116,020	103,712
56	3922	LIGHT TRUCKS & VANS	11.3%	559,864	40,500	(25,212)	-	575,152	570,035
57	3923	HEAVY TRUCKS	9.5%	2,047,143	320,637	(141,372)	-	2,226,408	2,090,944
58	3924	TRAILERS	4.0%	111,011	-	-	-	111,011	111,011
59									
60		Total Transportation Equipment		2,814,038	381,137	(166,584)	-	3,028,591	2,875,703
61									
62		TOTAL DEPRECIABLE PLANT IN SERVICE		72,584,043	5,489,349	(618,833)	-	75,571,045	74,622,036
63									
64									
65		NON-DEPRECIABLE PLANT							
66									
67	350	LAND	0.0%	17,629	-	-	-	17,629	17,629
68	3501	LAND RIGHTS	0.0%	56,519	-	-	-	56,519	56,519
69	360	DISTRIBUTION PLANT - LAND	0.0%	16,503	-	-	-	16,503	16,503
70	389	GENERAL PLANT-LAND	0.0%	72,462	-	-	-	72,462	72,462
71									
72		TOTAL NON-DEPRECIABLE PLANT		163,113	-	-	-	163,113	163,113
73									
74		TOTAL ELECTRIC PLANT IN SERVICE		72,747,156	5,489,349	(618,833)	-	75,734,158	74,785,149

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
75		Total Common Plant							
76									
77	303	MISC INTANGIBLE PLANT	0.0%	1,833	-	-	-	1,833	1,833
78	389	LAND	0.0%	341,926	-	-	-	341,926	341,926
79	390	STRUCTURES & IMPROVEMENTS	2.5%	2,114,103	249,375	(30,000)	-	2,333,478	2,209,192
80	3911	OFFICE FURNITURE	4.8%	37,920	7,800	-	-	45,720	40,674
81	3912	OFFICE EQUIPMENT	7.5%	142,340	5,193	-	-	147,533	144,350
82	3913	COMPUTER SORTWARE & EQUIPMENT	11.1%	492,102	453,959	(13,604)	(100,000)	832,457	673,258
83	391305	SOFTWARE	11.1%	1,717,058	370,684	-	-	2,087,742	1,830,266
84	3921	TRANSPORTATION - AUTOMOBILES	11.3%	84,127	-	-	-	84,127	84,127
85	3922	TRANSPORTATION - PICKUPS & VANS	8.2%	124,669	35,050	-	(30,912)	128,807	126,579
86	397	COMMUNICATION EQUIPMENT	7.8%	116,955	-	-	-	116,955	116,955
87	398	MISCELLANEOUS EQUIPM	6.0%	6,776	-	-	-	6,776	6,776
88	399	MISC-TANGIBLE ASSETS	20.0%	22,969	5,000	-	-	27,969	23,354
89									
90		Common Plant		5,202,778	1,127,061	(43,604)	(130,912)	6,155,323	5,599,289
91									
92			Allocation						
93		AS ALLOCATED (Electric Division)	Percent						
94									
95	303	MISC INTANGIBLE PLANT	28%	513	-	-	-	513	513
96	389	LAND	28%	95,739	-	-	-	95,739	95,739
97	390	STRUCTURES & IMPROVEMENTS	28%	591,949	69,825	(8,400)	-	653,374	618,574
98	3911	OFFICE FURNITURE	28%	10,618	2,184	-	-	12,802	11,389
99	3912	OFFICE EQUIPMENT	28%	39,855	1,454	-	-	41,309	40,418
100	3913	COMPUTER SORTWARE & EQUIPMENT	29%	142,710	131,648	(3,945)	(29,000)	241,413	195,245
101	391305	SOFTWARE	29%	497,947	107,498	-	-	605,445	530,777
102	3921	TRANSPORTATION - AUTOMOBILES	28%	23,556	-	-	-	23,556	23,556
103	3922	TRANSPORTATION - PICKUPS & VANS	28%	34,907	9,814	-	(8,655)	36,066	35,442
104	397	COMMUNICATION EQUIPMENT	28%	32,747	-	-	-	32,747	32,747
105	398	MISCELLANEOUS EQUIPM	28%	1,897	-	-	-	1,897	1,897
106	399	MISC-TANGIBLE ASSETS	28%	6,431	1,400	-	-	7,831	6,539
107									
108		Total Allocated Common Plant		1,478,869	323,824	(12,345)	(37,655)	1,752,692	1,592,836
109									
110									
111		TOTAL PLANT BALANCE		74,226,025	5,813,173	(631,178)	(37,655)	77,486,850	76,377,985

Note:
Electric Depreciation rates per Docket No. 020853-EI, Order NO. PSC-03-1473-PAA-EI. Amortization per Rule 25 6.0142,List of Retirement Units (Electrical Plant). Common Depreciation rates per Docket No. 040352-GU, Order NO. PSC-04-1045-PAA-GU."

* Indicate Order No. and Docket No. for currently prescribed depreciation rates. If composite depreciation rates are being used, supportive documentation is required to be submitted showing the derivation of the compositing. If a change in depreciation rates or dismantlement accrual is being proposed, supportive documentation is required to be submitted pursuant to Rule 25-6.0436 (5) and (7)(c), Florida Administrative Code.

** If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average

Supporting Schedules: B-3 (2007), B-8 (2007) Recap Schedules: B-1 (2007), B-3 (2007),

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
		Transmission Plant							
1	352	STRUCTURES AND IMPROVEMENTS	2.0%	-	6,000	-	-	6,000	25,238
2	353	STATION EQUIPMENT	2.3%	26,400	-	-	-	26,400	2,441,032
3	354	TOWERS AND FIXTURES	2.2%	22,006	-	-	-	22,006	224,665
4	355	POLES AND FIXTURES	3.8%	2,414,632	-	(18,000)	-	2,396,632	2,352,531
5	356	OVERHEAD CONDUCTORS AND DEVICES	3.2%	224,665	220,000	-	-	444,665	1,998,264
6	359	ROADS AND TRAILS	3.9%	2,362,224	-	-	-	2,362,224	6,788
7									
8		Total Transmission Plant		6,933,441	226,000	(18,000)	-	5,257,927	7,048,518
9									
10									
11		Distribution Plant							
12									
13	361	STRUCTURES & IMPROVEMENTS	2.2%	96,042	-	-	-	96,042	96,042
14	362	STATION EQUIPMENT	3.0%	7,031,409	210,000	(158,424)	-	7,082,985	7,069,889
15	364	POLES, TOWERS, & FIXTURES	4.2%	9,518,515	529,000	(54,012)	-	9,993,503	9,770,047
16	365	OVERHEAD CONDUCTORS & DEVICES	3.8%	10,015,814	411,000	(25,776)	-	10,401,038	10,205,464
17	370	METERS	3.6%	3,464,803	235,400	(74,611)	-	3,625,592	3,539,542
18	3601	LAND RIGHTS	1.9%	21,388	-	-	-	21,388	21,388
20	3662	UNDERGROUND CONDUIT - BURIED	2.0%	3,082,086	466,800	(1,140)	-	3,547,746	3,251,454
21	3672	UNDERGROUND COND & DEVICES - BURIED	2.9%	5,447,595	813,600	(21,564)	-	6,239,631	5,745,536
22	3681	LINE TRANSFORMERS - OVERHEAD	4.2%	7,252,241	219,100	(42,768)	-	7,428,573	7,351,188
23	3683	LINE TRANSFORMERS - BURIED	4.2%	6,234,611	368,400	(42,768)	-	6,560,243	6,443,581
24	3691	OVERHEAD SERVICES	3.8%	4,247,940	171,600	(8,340)	-	4,411,200	4,329,570
25	3693	UNDERGROUND SERVICES - BURIED	3.8%	4,249,810	270,500	(8,340)	-	4,511,970	4,387,678
26	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	6.1%	1,364,553	110,400	(21,612)	-	1,453,341	1,408,947
27	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	6.1%	785,976	22,800	(21,612)	-	787,164	786,570
28	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	5.6%	655,570	31,200	(7,120)	-	679,650	667,611
29	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	5.6%	570,349	10,800	(7,120)	-	574,029	572,190
30									
31		Total Distribution Plant		64,038,702	3,870,600	(495,207)	-	67,414,095	65,646,700

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
32		General Plant							
33									
34	390	STRUCTURES AND IMPROVEMENTS	2.0%	1,443,170	6,000	(204)	-	1,448,966	1,445,837
35	396	POWER OPERATED EQUIPMENT	6.3%	193,247	-	(1,632)	-	191,615	192,431
36	397	COMMUNICATION EQUIPMENT	20.0%	140,310	40,000	(5,580)	-	174,730	149,828
37	398	MISCELLANEOUS EQUIPMENT	14.3%	15,923	-	(1,596)	-	14,327	15,125
38	399	MISCELLANEOUS TANGIBLE	20.0%	45,000	-	-	-	45,000	45,000
39	3911	OFFICE FURNITURE	14.3%	7,369	2,000	-	-	9,369	8,446
40	3912	OFFICE MACHINES	20.0%	52,851	1,200	(2,976)	-	51,075	52,101
41	3913	COMPUTER EQUIPMENT	20.0%	266,864	3,000	(21,660)	-	248,204	257,534
42	391305	SOFTWARE	20.0%	916,448	-	-	-	916,448	916,448
43	3931	STORES EQUIPMENT-FIXED	14.3%	142,430	-	-	-	142,430	142,430
44	3932	STORES EQUIPMENT-PORTABLE	14.3%	761	-	-	-	761	761
45	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	14.3%	35,624	-	(456)	-	35,168	35,396
46	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	14.3%	99,457	53,000	(3,785)	-	148,672	115,335
47	3951	LABORATORY EQUIPMENT-FIXED	14.3%	63,570	-	(144)	-	63,426	63,498
48	3952	LABORATORY EQUIPMENT-PORTABLE	14.3%	30,801	-	(1,932)	-	28,869	29,835
49	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-
50				-					
51		Total General Plant		3,453,825	105,200	(39,965)	-	3,519,060	3,470,005
52									
53									
54		Transportation Equipment							
55									
56	3921	PASSENGER CARS	9.2%	116,020	-	-	-	116,020	116,020
57	3922	LIGHT TRUCKS & VANS	11.3%	575,152	282,500	-	-	857,652	782,883
58	3923	HEAVY TRUCKS	9.5%	2,226,408	225,000	-	-	2,451,408	2,303,331
59	3924	TRAILERS	4.0%	111,011	-	-	-	111,011	111,011
60									
61		Total Transportation Equipment		3,028,591	507,500	-	-	3,536,091	3,313,245
62									
63		TOTAL DEPRECIABLE PLANT IN SERVICE		75,571,045	4,709,300	(553,172)	-	79,727,173	79,478,468
64									
65									
66		NON-DEPRECIABLE PLANT							
67									
68	350	LAND	0.0%	17,629	-	-	-	17,629	17,629
69	3501	LAND RIGHTS	0.0%	56,519	-	-	-	56,519	56,519
70	360	DISTRIBUTION PLANT - LAND	0.0%	16,503	-	-	-	16,503	16,503
71	389	GENERAL PLANT-LAND	0.0%	72,462	-	-	-	72,462	72,462
72									
73		TOTAL NON-DEPRECIABLE PLANT		163,113	-	-	-	163,113	163,113
74									
75		TOTAL ELECTRIC PLANT IN SERVICE		75,734,158	4,709,300	(553,172)	-	79,890,286	79,641,581

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
76		Total Common Plant							
77									
78	303	MISC INTANGIBLE PLANT	0.0%	1,833	-	-	-	1,833	1,833
79	389	LAND	0.0%	341,926	-	-	-	341,926	341,926
80	390	STRUCTURES & IMPROVEMENTS	2.5%	2,333,478	167,500	-	-	2,500,978	2,457,170
81	3911	OFFICE FURNITURE	4.8%	45,720	5,500	-	-	51,220	49,105
82	3912	OFFICE EQUIPMENT	7.5%	147,533	8,500	-	-	156,033	151,533
83	3913	COMPUTER SORTWARE & EQUIPMENT	11.1%	832,457	222,000	-	(54,500)	999,957	934,573
84	391305	SOFTWARE	11.1%	2,087,742	235,000	-	-	2,322,742	2,204,280
85	3921	TRANSPORTATION - AUTOMOBILES	11.3%	84,127	-	-	-	84,127	84,127
86	3922	TRANSPORTATION - PICKUPS & VANS	8.2%	128,807	-	-	-	128,807	128,807
87	397	COMMUNICATION EQUIPMENT	7.8%	116,955	-	-	-	116,955	116,955
88	398	MISCELLANEOUS EQUIPM	6.0%	6,776	-	-	-	6,776	6,776
89	399	MISC-TANGIBLE ASSETS	20.0%	27,969	5,000	-	-	32,969	30,084
90									
91		Common Plant		6,155,323	643,500	-	(54,500)	6,744,323	6,507,169
92									
93			Allocation						
94		AS ALLOCATED (Electric Division)	Percent						
95									
96	303	MISC INTANGIBLE PLANT	28%	513	-	-	-	513	513
97	389	LAND	28%	95,739	-	-	-	95,739	95,739
98	390	STRUCTURES & IMPROVEMENTS	28%	653,374	46,900	-	-	700,274	688,008
99	3911	OFFICE FURNITURE	28%	12,802	1,540	-	-	14,342	13,749
100	3912	OFFICE EQUIPMENT	28%	41,309	2,380	-	-	43,689	42,429
101	3913	COMPUTER SORTWARE & EQUIPMENT	29%	241,413	64,380	-	(15,805)	289,988	271,026
102	391305	SOFTWARE	29%	605,445	68,150	-	-	673,595	639,241
103	3921	TRANSPORTATION - AUTOMOBILES	28%	23,556	-	-	-	23,556	23,556
104	3922	TRANSPORTATION - PICKUPS & VANS	28%	36,066	-	-	-	36,066	36,066
105	397	COMMUNICATION EQUIPMENT	28%	32,747	-	-	-	32,747	32,747
106	398	MISCELLANEOUS EQUIPM	28%	1,897	-	-	-	1,897	1,897
107	399	MISC-TANGIBLE ASSETS	28%	7,831	1,400	-	-	9,231	8,424
108									
109		Total Allocated Common Plant		1,752,692	184,750	-	(15,805)	1,921,638	1,853,396
110									
111									
112		TOTAL PLANT BALANCE		77,486,850	4,894,050	(553,172)	(15,805)	81,811,924	81,494,977

Note:
Electric Depreciation rates per Docket No. 020853-EI, Order NO. PSC-03-1473-PAA-EI. Amortization per Rule 25 6.0142,List of Retirement Units (Electrical Plant). Common Depreciation rates per Docket No. 040352-GU, Order NO. PSC-04-1045-PAA-GU."

* Indicate Order No. and Docket No. for currently prescribed depreciation rates. If composite depreciation rates are being used, supportive documentation is required to be submitted showing the derivation of the compositing. If a change in depreciation rates or dismantlement accrual is being proposed, supportive documentation is required to be submitted pursuant to Rule 25-6.0436 (5) and (7)(c), Florida Administrative Code.

** If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average

Supporting Schedules: B-3 (2008), B-8 (2008)

Recap Schedules: B-1 (2008), B-3 (2008), Schedule B-8 (2007) | MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS | Page 1 of 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13-Month Average
1		Transmission Plant														
2	352	STRUCTURES AND IMPROVEMENTS	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007	22,007
3	353	STATION EQUIPMENT	2,414,632	2,414,632	2,414,632	2,426,032	2,426,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,432,632
4	354	TOWERS AND FIXTURES	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665
5	355	POLES AND FIXTURES	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223
6	356	OVERHEAD CONDUCTORS AND DEVICES	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726	1,876,726
7	359	ROADS AND TRAILS	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788
8		Total Transmission Plant	6,907,041	6,907,041	6,907,041	6,918,441	6,918,441	6,933,441	6,933,441	6,933,441	6,933,441	6,933,441	6,933,441	6,933,441	6,933,441	6,925,041
9																
10		Distribution Plant														
11	361	STRUCTURES & IMPROVEMENTS	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042
12	362	STATION EQUIPMENT	5,809,935	5,809,935	5,809,935	5,809,935	5,809,935	6,254,823	6,281,621	6,268,419	6,255,217	6,251,015	6,267,813	6,254,611	7,031,409	6,147,277
13	364	POLES, TOWERS, & FIXTURES	8,929,466	8,948,698	8,967,740	8,988,760	9,019,562	9,114,741	9,183,165	9,213,495	9,258,825	9,344,155	9,399,485	9,449,866	9,518,515	9,179,729
14	365	OVERHEAD CONDUCTORS & DEVICES	9,644,105	9,658,707	9,669,557	9,687,129	9,707,773	9,776,606	9,824,208	9,845,620	9,867,032	9,913,444	9,939,856	9,963,592	10,015,814	9,808,726
15	370	METERS	3,334,588	3,369,333	3,377,754	3,377,302	3,382,762	3,393,266	3,403,770	3,414,274	3,424,379	3,434,484	3,444,589	3,454,694	3,464,803	3,405,846
16	3601	LAND RIGHTS	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388
17	3662	UNDERGROUND CONDUIT - BURIED	2,575,294	2,643,106	2,650,351	2,662,216	2,667,156	2,732,808	2,751,252	2,843,375	2,852,748	3,055,878	3,067,060	3,074,872	3,082,086	2,819,862
18	3672	UNDERGROUND COND & DEVICES - BURIED	4,855,464	4,907,365	4,937,050	4,949,859	4,965,190	5,018,321	5,057,369	5,171,720	5,173,180	5,403,220	5,416,680	5,427,060	5,447,595	5,133,083
19	3681	LINE TRANSFORMERS - OVERHEAD	7,083,258	7,087,103	7,086,426	7,107,065	7,133,226	7,140,977	7,163,728	7,176,479	7,204,230	7,219,981	7,237,732	7,245,483	7,252,241	7,164,456
20	3683	LINE TRANSFORMERS - BURIED	5,942,323	5,955,434	6,095,982	6,101,728	6,098,550	6,161,808	6,155,066	6,148,324	6,201,582	6,194,840	6,188,098	6,241,356	6,234,611	6,132,285
21	3691	OVERHEAD SERVICES	4,119,162	4,129,492	4,134,529	4,140,665	4,152,722	4,164,675	4,176,628	4,188,581	4,200,534	4,212,387	4,224,240	4,236,093	4,247,940	4,179,050
22	3693	UNDERGROUND SERVICES - BURIED	4,089,770	4,110,578	4,123,570	4,148,569	4,160,331	4,172,131	4,183,198	4,194,482	4,205,549	4,216,616	4,227,683	4,238,750	4,249,810	4,178,541
23	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	1,317,448	1,325,174	1,332,183	1,334,203	1,335,668	1,339,278	1,342,888	1,346,498	1,350,108	1,353,718	1,357,328	1,360,938	1,364,553	1,343,076
24	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	760,348	760,189	762,085	751,326	750,910	761,406	759,798	790,879	793,180	791,379	789,578	787,777	785,976	772,679
25	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	635,932	639,246	642,291	643,744	645,251	646,542	647,833	649,124	650,415	651,705	652,995	654,285	655,570	647,303
26	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	564,297	564,829	565,687	566,024	567,032	567,447	567,862	568,277	568,692	569,106	569,520	569,934	570,349	567,620
27		Total Distribution Plant	59,778,820	60,026,619	60,272,570	60,385,955	60,513,498	61,362,259	61,615,816	61,936,977	62,123,101	62,729,358	62,900,087	63,076,741	64,038,702	61,596,962
28																
29		General Plant														
30	390	STRUCTURES AND IMPROVEMENTS	1,441,206	1,441,133	1,441,133	1,441,133	1,443,241	1,443,232	1,443,223	1,443,214	1,443,205	1,443,196	1,443,187	1,443,178	1,443,170	1,442,573
31	396	POWER OPERATED EQUIPMENT	194,335	194,335	194,335	194,335	194,335	194,199	194,063	193,927	193,791	193,655	193,519	193,383	193,247	193,958
32	397	COMMUNICATION EQUIPMENT	144,030	144,030	144,030	144,030	144,030	143,565	143,100	142,635	142,170	141,705	141,240	140,775	140,310	142,742
33	398	MISCELLANEOUS EQUIPMENT	16,987	16,987	16,987	16,987	16,987	16,854	16,721	16,588	16,455	16,322	16,189	16,056	15,923	16,619
34	399	MISCELLANEOUS TANGIBLE	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	45,000	45,000	15,385
35	3911	OFFICE FURNITURE	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369	7,369
36	3912	OFFICE MACHINES	25,835	25,835	25,835	25,835	25,835	25,587	25,339	25,091	24,843	24,595	24,347	38,099	52,851	28,456
37	3913	COMPUTER EQUIPMENT	220,624	220,624	224,480	227,750	227,750	234,787	232,982	231,177	229,372	272,279	285,474	283,669	266,864	242,910
38	391305	SOFTWARE	682,414	682,414	684,664	685,784	685,784	756,160	756,160	756,160	756,160	916,448	916,448	916,448	916,448	777,807
39	3931	STORES EQUIPMENT-FIXED	106,918	106,918	106,918	86,430	86,430	133,430	133,430	133,430	142,430	142,430	142,430	142,430	142,430	123,543
40	3932	STORES EQUIPMENT-PORTABLE	761	761	761	761	761	761	761	761	761	761	761	761	761	761
41	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	35,928	35,928	35,928	35,928	35,928	35,890	35,852	35,814	35,776	35,738	35,700	35,662	35,624	35,823
42	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	101,982	101,982	101,982	101,982	101,982	101,667	101,352	101,037	100,721	100,405	100,089	99,773	99,457	101,109
43	3951	LABORATORY EQUIPMENT-FIXED	63,666	63,666	63,666	63,666	63,666	63,654	63,642	63,630	63,618	63,606	63,594	63,582	63,570	63,633
44	3952	LABORATORY EQUIPMENT-PORTABLE	32,089	32,089	32,089	32,089	32,089	31,928	31,767	31,606	31,445	31,284	31,123	30,962	30,801	31,643
45	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46		Total General Plant	3,084,144	3,084,071	3,090,177	3,074,079	3,076,187	3,199,083	3,195,761	3,192,439	3,198,116	3,399,793	3,411,470	3,457,147	3,453,825	3,224,330
47																
48		Transportation Equipment														
49	3921	PASSENGER CARS	96,020	96,020	96,020	96,020	96,020	96,020	96,020	96,020	116,020	116,020	116,020	116,020	116,020	103,712
50	3922	LIGHT TRUCKS & VANS	559,864	559,864	559,864	559,864	559,864	559,864	600,364	575,152	575,152	575,152	575,152	575,152	575,152	570,035
51	3923	HEAVY TRUCKS	2,047,143	2,047,780	2,047,780	2,047,780	2,047,780	2,047,780	2,047,780	2,056,408	2,056,408	2,056,408	2,226,408	2,226,408	2,226,408	2,090,944
52	3924	TRAILERS	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011
53		Total Transportation Equipment	2,814,038	2,814,675	2,814,675	2,814,675	2,814,675	2,814,675	2,855,175	2,838,591	2,858,591	2,858,591	3,028,591	3,028,591	3,028,591	2,875,703
54		TOTAL DEPRECIABLE PLANT IN SERVICE	72,584,043	72,832,406	73,084,463	73,193,150	73,322,801	74,309,458	74,600,193	74,901,448	75,113,249	75,921,183	76,273,589	76,495,920	77,454,559	74,622,036
55																
56		NON-DEPRECIABLE PLANT														
57	350	LAND	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629
58	3501	LAND RIGHTS	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519
59	360	DISTRIBUTION PLANT-LAND	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503
60	389	GENERAL PLANT-LAND	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462
61		TOTAL NON-DEPRECIABLE PLANT	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113
63		TOTAL ELECTRIC PLANT IN SERVICE	72,747,156	72,995,519	73,247,576	73,356,263	73,485,914	74,472,571	74,763,306	75,064,561	75,276,362	76,084,296	76,436,702	76,659,033	77,617,672	74,785,149

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13-Month Average
64		COMMON PLANT															
65	303	MISC INTANGIBLE PLANT		1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833
66	389	LAND		341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926
67	390	STRUCTURES & IMPROVEMENTS		2,114,103	2,115,062	2,115,062	2,115,062	2,162,478	2,171,178	2,195,178	2,215,178	2,225,278	2,290,478	2,333,478	2,333,478	2,333,478	2,209,192
68	3911	OFFICE FURNITURE		37,920	37,920	37,920	37,920	37,920	38,920	39,920	40,920	41,920	42,920	43,920	44,920	45,720	40,674
69	3912	OFFICE EQUIPMENT		142,340	142,340	142,340	142,340	142,340	143,090	143,840	144,590	145,340	146,090	146,840	147,533	147,533	144,350
70	3913	COMPUTER SORTWARE & EQUIPMENT		492,102	492,102	492,102	580,956	581,569	714,934	724,934	731,934	738,934	750,934	797,934	821,457	832,457	673,258
71	391305	SOFTWARE		1,717,058	1,717,058	1,717,860	1,752,492	1,752,492	1,752,492	1,770,035	1,777,035	1,842,035	1,860,560	1,969,560	2,077,037	2,087,742	1,830,266
72	3921	TRANSPORTATION - AUTOMOBILES		84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127
73	3922	TRANSPORTATION - PICKUPS & VANS		124,669	124,669	124,669	124,669	124,669	124,669	124,669	128,807	128,807	128,807	128,807	128,807	128,807	126,579
74	397	COMMUNICATION EQUIPMENT		116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955
75	398	MISCELLANEOUS EQUIPM		6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776
76	399	MISC-TANGIBLE ASSETS		22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	22,969	27,969	23,354
77																	
78		Total Common Plant		5,202,778	5,203,737	5,204,539	5,328,025	5,376,054	5,519,869	5,573,162	5,613,050	5,696,900	5,794,375	5,995,125	6,127,818	6,155,323	5,599,289
79																	
80			Allocation														
81		AS ALLOCATED (Electric Division)	Rate														
82	303	MISC INTANGIBLE PLANT	28%	513	513	513	513	513	513	513	513	513	513	513	513	513	513
83	389	LAND	28%	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739
84	390	STRUCTURES & IMPROVEMENTS	28%	591,949	592,217	592,217	592,217	605,494	607,930	614,650	620,250	623,078	641,334	653,374	653,374	653,374	618,574
85	3911	OFFICE FURNITURE	28%	10,618	10,618	10,618	10,618	10,618	10,898	11,178	11,458	11,738	12,018	12,298	12,578	12,802	11,389
86	3912	OFFICE EQUIPMENT	28%	39,855	39,855	39,855	39,855	39,855	40,065	40,275	40,485	40,695	40,905	41,115	41,309	41,309	40,418
87	3913	COMPUTER SORTWARE & EQUIPMENT	29%	142,710	142,710	142,710	168,477	168,655	207,331	210,231	212,261	214,291	217,771	231,401	238,223	241,413	195,245
88	391305	SOFTWARE	29%	497,947	497,947	498,179	508,223	508,223	508,223	513,310	515,340	534,190	539,562	571,172	602,341	605,445	530,777
89	3921	TRANSPORTATION - AUTOMOBILES	28%	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556
90	3922	TRANSPORTATION - PICKUPS & VANS	28%	34,907	34,907	34,907	34,907	34,907	34,907	34,907	36,066	36,066	36,066	36,066	36,066	36,066	35,442
91	397	COMMUNICATION EQUIPMENT	28%	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747
92	398	MISCELLANEOUS EQUIPM	28%	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897
93	399	MISC-TANGIBLE ASSETS	28%	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	6,431	7,831	6,539
94																	
95		Total Allocated Common Plant		1,478,869	1,479,138	1,479,371	1,515,181	1,528,636	1,570,238	1,585,435	1,596,744	1,620,942	1,648,540	1,706,310	1,744,774	1,752,693	1,592,836

Supporting Schedules:

Recap Schedules: B-1 (2007), B-3 (2007)

Schedule B-8 (2008) | MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS | Page 1 of 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13-Month Average
1		Transmission Plant														
2	352	STRUCTURES AND IMPROVEMENTS	22,007	22,007	22,007	22,007	22,007	25,007	25,007	28,007	28,007	28,007	28,007	28,007	28,007	25,238
3	353	STATION EQUIPMENT	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032	2,441,032
4	354	TOWERS AND FIXTURES	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665	224,665
5	355	POLES AND FIXTURES	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,362,223	2,344,223	2,344,223	2,344,223	2,344,223	2,344,223	2,344,223	2,344,223	2,352,531
6	356	OVERHEAD CONDUCTORS AND DEVICES	1,876,726	1,876,726	1,876,726	1,876,726	1,996,726	1,996,726	1,996,726	1,996,726	2,096,726	2,096,726	2,096,726	2,096,726	2,096,726	1,998,264
7	359	ROADS AND TRAILS	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788
8		Total Transmission Plant	6,933,441	6,933,441	6,933,441	6,933,441	7,053,441	7,056,441	7,038,441	7,041,441	7,141,441	7,141,441	7,141,441	7,141,441	7,141,441	7,048,518
9																
10		Distribution Plant														
11	361	STRUCTURES & IMPROVEMENTS	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042	96,042
12	362	STATION EQUIPMENT	7,031,409	7,068,207	7,055,005	7,041,803	7,028,601	7,105,399	7,092,197	7,078,995	7,065,793	7,052,591	7,109,389	7,096,187	7,082,985	7,069,889
13	364	POLES, TOWERS, & FIXTURES	9,518,515	9,550,014	9,581,513	9,613,012	9,731,511	9,763,010	9,794,509	9,826,008	9,857,507	9,889,006	9,930,505	9,962,004	9,993,503	9,770,047
14	365	OVERHEAD CONDUCTORS & DEVICES	10,015,814	10,037,666	10,059,518	10,081,370	10,103,222	10,125,074	10,234,926	10,256,778	10,303,630	10,325,482	10,347,334	10,379,186	10,401,038	10,205,464
15	370	METERS	3,464,803	3,480,785	3,491,767	3,502,749	3,513,731	3,524,713	3,535,695	3,541,677	3,551,660	3,562,643	3,603,626	3,614,609	3,625,592	3,539,542
16	3601	LAND RIGHTS	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388	21,388
17	3662	UNDERGROUND CONDUIT - BURIED	3,082,086	3,083,391	3,084,696	3,086,001	3,087,306	3,288,611	3,289,916	3,291,221	3,292,526	3,293,831	3,295,136	3,546,441	3,547,746	3,251,454
18	3672	UNDERGROUND COND & DEVICES - BURIED	5,447,595	5,476,098	5,504,601	5,533,104	5,561,607	5,590,110	5,818,613	5,847,116	5,875,619	5,904,122	5,932,625	5,961,128	6,239,631	5,745,536
19	3681	LINE TRANSFORMERS - OVERHEAD	7,252,241	7,262,377	7,281,513	7,301,649	7,330,785	7,342,921	7,365,057	7,377,193	7,389,329	7,401,465	7,411,601	7,420,737	7,428,573	7,351,188
20	3683	LINE TRANSFORMERS - BURIED	6,234,611	6,236,747	6,288,883	6,341,019	6,393,155	6,445,291	6,497,427	6,549,563	6,551,699	6,553,835	6,555,971	6,558,107	6,560,243	6,443,581
21	3691	OVERHEAD SERVICES	4,247,940	4,261,545	4,275,150	4,288,755	4,302,360	4,315,965	4,329,570	4,343,175	4,356,780	4,370,385	4,383,990	4,397,595	4,411,200	4,329,570
22	3693	UNDERGROUND SERVICES - BURIED	4,249,810	4,271,615	4,293,420	4,315,225	4,342,030	4,368,835	4,395,640	4,422,445	4,440,350	4,458,255	4,476,160	4,494,065	4,511,970	4,387,678
23	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	1,364,553	1,371,952	1,379,351	1,386,750	1,394,149	1,401,548	1,408,947	1,416,346	1,423,745	1,431,144	1,438,543	1,445,942	1,453,341	1,408,947
24	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	785,976	786,075	786,174	786,273	786,372	786,471	786,570	786,669	786,768	786,867	786,966	787,065	787,164	786,570
25	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	655,570	657,577	659,584	661,591	663,598	665,605	667,612	669,619	671,626	673,632	675,638	677,644	679,650	667,611
26	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	570,349	570,656	570,963	571,270	571,577	571,884	572,191	572,498	572,805	573,111	573,417	573,723	574,029	572,190
27		Total Distribution Plant	64,038,702	64,232,135	64,429,568	64,628,001	64,927,434	65,412,867	65,906,300	66,096,733	66,257,267	66,393,799	66,638,331	67,031,863	67,414,095	65,646,700
28																
29		General Plant														
30	390	STRUCTURES AND IMPROVEMENTS	1,443,170	1,443,153	1,443,136	1,445,119	1,445,102	1,445,085	1,445,068	1,447,051	1,447,034	1,447,017	1,447,000	1,448,983	1,448,966	1,445,837
31	396	POWER OPERATED EQUIPMENT	193,247	193,111	192,975	192,839	192,703	192,567	192,431	192,295	192,159	192,023	191,887	191,751	191,615	192,431
32	397	COMMUNICATION EQUIPMENT	140,310	139,845	139,380	138,915	138,450	137,985	137,520	137,055	136,590	176,125	175,660	175,195	174,730	149,828
33	398	MISCELLANEOUS EQUIPMENT	15,923	15,790	15,657	15,524	15,391	15,258	15,125	14,992	14,859	14,726	14,593	14,460	14,327	15,125
34	399	MISCELLANEOUS TANGIBLE	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
35	3911	OFFICE FURNITURE	7,369	7,369	7,369	8,369	8,369	8,369	8,369	8,369	8,369	9,369	9,369	9,369	9,369	8,446
36	3912	OFFICE MACHINES	52,851	52,603	52,355	52,107	51,859	52,811	52,563	52,315	52,067	51,819	51,571	51,323	51,075	52,101
37	3913	COMPUTER EQUIPMENT	266,864	265,059	263,254	261,449	259,644	259,339	257,534	255,729	255,424	253,619	251,814	250,009	248,204	257,534
38	391305	SOFTWARE	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448	916,448
39	3931	STORES EQUIPMENT-FIXED	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430	142,430
40	3932	STORES EQUIPMENT-PORTABLE	761	761	761	761	761	761	761	761	761	761	761	761	761	761
41	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	35,624	35,586	35,548	35,510	35,472	35,434	35,396	35,358	35,320	35,282	35,244	35,206	35,168	35,396
42	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	99,457	99,142	98,827	104,512	104,197	103,882	109,567	109,252	108,936	114,620	149,304	148,988	148,672	115,335
43	3951	LABORATORY EQUIPMENT-FIXED	63,570	63,558	63,546	63,534	63,522	63,510	63,498	63,486	63,474	63,462	63,450	63,438	63,426	63,498
44	3952	LABORATORY EQUIPMENT-PORTABLE	30,801	30,640	30,479	30,318	30,157	29,996	29,835	29,674	29,513	29,352	29,191	29,030	28,869	29,835
45	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46		Total General Plant	3,453,825	3,450,495	3,447,165	3,452,835	3,449,505	3,448,875	3,451,545	3,450,215	3,448,384	3,492,053	3,523,722	3,522,391	3,519,060	3,470,005
47																
48		Transportation Equipment														
49	3921	PASSENGER CARS	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020	116,020
50	3922	LIGHT TRUCKS & VANS	575,152	625,152	752,152	752,152	775,652	775,652	775,652	857,652	857,652	857,652	857,652	857,652	857,652	782,883
51	3923	HEAVY TRUCKS	2,226,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,281,408	2,451,408	2,451,408	2,303,331
52	3924	TRAILERS	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011	111,011
53		Total Transportation Equipment	3,028,591	3,133,591	3,260,591	3,260,591	3,284,091	3,284,091	3,284,091	3,366,091	3,366,091	3,366,091	3,366,091	3,536,091	3,536,091	3,313,245
54		TOTAL DEPRECIABLE PLANT IN SERVICE	77,454,559	77,749,662	78,070,765	78,274,868	78,714,471	79,202,274	79,680,377	79,954,480	80,213,183	80,393,384	80,669,585	81,231,786	81,610,687	79,478,468
55																
56		NON-DEPRECIABLE PLANT														
57	350	LAND	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629
58	3501	LAND RIGHTS	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519	56,519
59	360	DISTRIBUTION PLANT-LAND	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503	16,503
60	389	GENERAL PLANT-LAND	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462	72,462
61		TOTAL NON-DEPRECIABLE PLANT	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113	163,113
63		TOTAL ELECTRIC PLANT IN SERVICE	77,617,672	77,912,775	78,233,878	78,437,981	78,877,584	79,365,387	79,843,490	80,117,593	80,376,296	80,556,497	80,832,698	81,394,899	81,773,800	79,641,581

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title		Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13-Month Average
64		COMMON PLANT															
65	303	MISC INTANGIBLE PLANT		1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833
66	389	LAND		341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926	341,926
67	390	STRUCTURES & IMPROVEMENTS		2,333,478	2,410,978	2,416,978	2,416,978	2,428,978	2,428,978	2,500,978	2,500,978	2,500,978	2,500,978	2,500,978	2,500,978	2,500,978	2,457,170
68	3911	OFFICE FURNITURE		45,720	45,720	47,720	48,220	48,720	49,220	49,220	49,720	50,220	50,720	50,720	51,220	51,220	49,105
69	3912	OFFICE EQUIPMENT		147,533	147,533	147,533	149,033	149,033	151,033	152,033	152,533	152,533	154,533	154,533	156,033	156,033	151,533
70	3913	COMPUTER SORTWARE & EQUIPMENT		832,457	832,457	891,957	899,457	945,957	967,957	913,457	913,457	972,457	979,957	999,957	999,957	999,957	934,573
71	391305	SOFTWARE		2,087,742	2,087,742	2,087,742	2,127,742	2,160,242	2,160,242	2,230,242	2,255,242	2,255,242	2,255,242	2,312,742	2,312,742	2,322,742	2,204,280
72	3921	TRANSPORTATION - AUTOMOBILES		84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127	84,127
73	3922	TRANSPORTATION - PICKUPS & VANS		128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807	128,807
74	397	COMMUNICATION EQUIPMENT		116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955	116,955
75	398	MISCELLANEOUS EQUIPM		6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776
76	399	MISC-TANGIBLE ASSETS		27,969	27,969	27,969	27,969	27,969	30,469	30,469	30,469	30,469	30,469	32,969	32,969	32,969	30,084
77																	
78		Total Common Plant		6,155,323	6,232,823	6,300,323	6,349,823	6,441,323	6,468,323	6,556,823	6,582,823	6,642,323	6,652,323	6,732,323	6,734,323	6,744,323	6,507,169
79																	
80			Allocation														
81		AS ALLOCATED (Electric Division)	Rate														
82	303	MISC INTANGIBLE PLANT	28%	513	513	513	513	513	513	513	513	513	513	513	513	513	513
83	389	LAND	28%	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739	95,739
84	390	STRUCTURES & IMPROVEMENTS	28%	653,374	675,074	676,754	676,754	680,114	680,114	700,274	700,274	700,274	700,274	700,274	700,274	700,274	688,008
85	3911	OFFICE FURNITURE	28%	12,802	12,802	13,362	13,502	13,642	13,782	13,782	13,922	14,062	14,202	14,202	14,342	14,342	13,749
86	3912	OFFICE EQUIPMENT	28%	41,309	41,309	41,309	41,729	41,729	42,289	42,569	42,709	42,709	43,269	43,269	43,689	43,689	42,429
87	3913	COMPUTER SORTWARE & EQUIPMENT	29%	241,413	241,413	258,668	260,843	274,328	280,708	264,903	264,903	282,013	284,188	289,988	289,988	289,988	271,026
88	391305	SOFTWARE	29%	605,445	605,445	605,445	617,045	626,470	626,470	646,770	654,020	654,020	654,020	670,695	670,695	673,595	639,241
89	3921	TRANSPORTATION - AUTOMOBILES	28%	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556	23,556
90	3922	TRANSPORTATION - PICKUPS & VANS	28%	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066	36,066
91	397	COMMUNICATION EQUIPMENT	28%	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747	32,747
92	398	MISCELLANEOUS EQUIPM	28%	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897
93	399	MISC-TANGIBLE ASSETS	28%	7,831	7,831	7,831	7,831	7,831	8,531	8,531	8,531	8,531	8,531	9,231	9,231	9,231	8,424
94																	
95		Total Allocated Common Plant		1,752,693	1,774,393	1,793,888	1,808,223	1,834,633	1,842,413	1,867,348	1,874,878	1,892,128	1,895,003	1,918,178	1,918,738	1,921,638	1,853,396

Supporting Schedules:

Recap Schedules: B-1 (2008), B-3 (2008), B-7 (2008)

DEPRECIATION RESERVE BALANCES BY ACCOUNT AND SUB-ACCOUNT

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
Prior Year 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		Transmission Plant							
2	3501	LAND RIGHTS	(33,788)	-	-	-	-	(33,788)	(33,788)
3	352	STRUCTURES AND IMPROVEMENTS	(10,258)	(444)	-	-	-	(10,702)	(10,480)
4	353	STATION EQUIPMENT	(609,363)	(55,937)	-	-	-	(665,300)	(637,270)
5	354	TOWERS AND FIXTURES	(167,445)	(4,944)	-	-	-	(172,389)	(169,917)
6	355	POLES AND FIXTURES	(835,078)	(89,760)	-	-	-	(924,838)	(879,958)
7	356	OVERHEAD CONDUCTORS AND DEVICES	(574,937)	(60,060)	-	-	-	(634,997)	(604,967)
8	359	ROADS AND TRAILS	(3,917)	(264)	-	-	-	(4,181)	(4,049)
9		Total Transmission Plant	(2,234,786)	(211,409)	-	-	-	(2,446,195)	(2,340,429)
10									
11		Distribution Plant							
12	361	STRUCTURES & IMPROVEMENTS	(30,619)	(2,112)	-	-	-	(32,731)	(31,675)
13	362	STATION EQUIPMENT	(1,263,343)	(182,210)	105,616	7,840	-	(1,332,097)	(1,313,662)
14	364	POLES, TOWERS, & FIXTURES	(4,029,815)	(384,363)	44,918	47,244	-	(4,322,016)	(4,181,054)
15	365	OVERHEAD CONDUCTORS & DEVICES	(4,980,855)	(372,076)	21,437	19,810	-	(5,311,684)	(5,148,475)
16	370	METERS	(1,745,249)	(122,433)	67,506	3,636	-	(1,796,540)	(1,774,515)
17	3601	LAND RIGHTS	(4,948)	(408)	-	-	-	(5,356)	(5,152)
18	3662	UNDERGROUND CONDUIT - BURIED	(544,956)	(55,960)	760	(56)	-	(600,212)	(571,817)
19	3672	UNDERGROUND COND & DEVICES - BURIED	(1,564,861)	(148,098)	19,217	1,519	-	(1,692,223)	(1,628,043)
20	3681	LINE TRANSFORMERS - OVERHEAD	(4,477,897)	(300,599)	41,576	4,106	-	(4,732,814)	(4,605,689)
21	3682	LINE TRANSFORMERS-DU	-					-	-
22	3683	LINE TRANSFORMERS - BURIED	(2,912,933)	(257,198)	28,512	2,816	-	(3,138,803)	(3,029,783)
23	3691	OVERHEAD SERVICES	(2,114,922)	(158,586)	6,422	1,812	-	(2,265,274)	(2,190,577)
24	3693	UNDERGROUND SERVICES - BURIED	(1,649,906)	(158,561)	5,560	1,568	-	(1,801,339)	(1,726,263)
25	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(448,858)	(81,818)	28,157	158	-	(502,361)	(474,219)
26	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(221,169)	(47,065)	19,380	108	-	(248,746)	(235,657)
27	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(280,008)	(36,208)	7,962	575	-	(307,679)	(293,653)
28	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(175,290)	(31,774)	4,748	344	-	(201,972)	(189,388)
29		Total Distribution Plant	(26,445,629)	(2,339,469)	401,771	91,480	-	(28,291,847)	(27,399,623)
30									
31		General Plant							
32	389	GENERAL PLANT-LAND	(6,704)	-	-	-	-	(6,704)	(6,704)
33	390	STRUCTURES AND IMPROVEMENTS	(463,884)	(28,848)	136	-	-	(492,596)	(478,257)
34	396	POWER OPERATED EQUIPMENT	(177,237)	(12,222)	1,088	-	-	(188,371)	(182,977)
35	397	COMMUNICATION EQUIPMENT	(122,010)	(7,078)	3,720	(24)	-	(125,392)	(124,269)
36	3973	COMMUNICATION EQUIPMENT	-					-	-
37	398	MISCELLANEOUS EQUIPMENT	(11,940)	(1,715)	1,064	(32)	-	(12,623)	(12,440)
38	3911	OFFICE FURNITURE	(7,036)	(333)	-	-	-	(7,369)	(7,203)
39	3912	OFFICE MACHINES	(23,737)	(1,149)	1,984	-	-	(22,902)	(23,625)
40	3913	COMPUTER EQUIPMENT	(146,359)	(22,466)	17,785	-	-	(151,040)	(150,021)
41	391305	SOFTWARE	(350,228)	(79,429)	-	-	-	(429,657)	(389,943)
42	3931	STORES EQUIPMENT-FIXED	(103,488)	(3,430)	20,488	-	-	(86,430)	(89,443)
43	3932	STORES EQUIPMENT-PORTABLE	(761)	-	-	-	-	(761)	(761)
44	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(35,794)	(67)	304	-	-	(35,557)	(35,722)
45	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(73,381)	(6,387)	2,525	(8)	-	(77,251)	(75,704)
46	3951	LABORATORY EQUIPMENT-FIXED	(53,369)	(3,432)	96	-	-	(56,705)	(55,052)
47	3952	LABORATORY EQUIPMENT-PORTABLE	(27,781)	(1,257)	1,288	-	-	(27,750)	(27,963)
48	399	MISCELLANEOUS TANGIBLE	(6,000)	(2,000)	-	-	-	(8,000)	(7,000)
49		Total General Plant	(1,609,709)	(169,813)	50,478	(64)	-	(1,729,109)	(1,667,084)

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
Prior Year 12/31/2007
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
50		Transportation Equipment							
51	3921	PASSENGER CARS	(80,374)	(9,444)	-	-	-	(89,818)	(84,908)
52	3922	LIGHT TRUCKS & VANS	(365,860)	(64,365)	25,212	(9,183)	-	(414,196)	(390,436)
53	3923	HEAVY TRUCKS	(1,166,218)	(197,571)	141,372	-	-	(1,222,417)	(1,198,626)
54	3924	TRAILERS	(25,498)	(4,440)	-	-	-	(29,938)	(27,718)
55		Total Transportation Equipment	(1,637,950)	(275,820)	166,584	(9,183)	-	(1,756,369)	(1,701,688)
56		TOTAL ACCUM. PROVISION FOR DEPR.	(31,928,074)	(2,996,511)	618,833	82,233	-	(34,223,520)	(33,108,823)
57									
58		COMMON PLANT							
59	303	MISC INTANGIBLE PLANT	-	-	-	-	-	-	-
60	389	GENERAL PLANT-LAND	-	-	-	-	-	-	-
61	390	STRUCTURES AND IMPROVEMENTS	(429,446)	(54,968)	30,000	-	-	(454,414)	(447,268)
62	3911	OFFICE FURNITURE	(10,739)	(1,936)	-	-	-	(12,675)	(11,677)
63	3912	OFFICE MACHINES	(34,578)	(10,808)	-	-	-	(45,386)	(39,947)
64	3913	COMPUTER EQUIPMENT	(146,783)	(73,259)	13,604	-	13,000	(193,438)	(162,655)
65	391305	SOFTWARE	(1,112,156)	(200,780)	-	-	-	(1,312,936)	(1,209,782)
66	3921	PASSENGER CARS	(31,562)	(9,504)	-	-	-	(41,066)	(36,314)
67	3922	LIGHT TRUCKS & VANS	(24,374)	(10,364)	-	-	6,000	(28,738)	(26,749)
68	397	COMMUNICATION EQUIPMENT	32,969	(9,120)	-	-	-	23,849	28,409
69	398	MISCELLANEOUS EQUIPMENT	(231)	(408)	-	-	-	(639)	(435)
70	399	MISCELLANEOUS TANGIBLE	(3,745)	(4,596)	-	-	-	(8,341)	(6,043)
71		Total Common Plant	(1,760,645)	(375,743)	43,604	-	19,000	(2,073,784)	(1,912,461)
72									
73		AS ALLOCATED (Electric Division)							
74	303	MISC INTANGIBLE PLANT	-	-	-	-	-	-	-
75	389	GENERAL PLANT-LAND	-	-	-	-	-	-	-
76	390	STRUCTURES AND IMPROVEMENTS	(120,245)	(15,391)	8,400	-	-	(127,236)	(125,235)
77	3911	OFFICE FURNITURE	(3,007)	(542)	-	-	-	(3,549)	(3,270)
78	3912	OFFICE MACHINES	(9,682)	(3,026)	-	-	-	(12,708)	(11,185)
79	3913	COMPUTER EQUIPMENT	(42,567)	(21,245)	3,945	-	3,770	(56,097)	(47,170)
80	391305	SOFTWARE	(322,525)	(58,226)	-	-	-	(380,751)	(350,837)
81	3921	PASSENGER CARS	(8,837)	(2,661)	-	-	-	(11,498)	(10,168)
82	3922	LIGHT TRUCKS & VANS	(6,825)	(2,902)	-	-	1,680	(8,047)	(7,490)
83	397	COMMUNICATION EQUIPMENT	9,231	(2,554)	-	-	-	6,678	7,955
84	398	MISCELLANEOUS EQUIPMENT	(65)	(114)	-	-	-	(179)	(122)
85	399	MISCELLANEOUS TANGIBLE	(1,049)	(1,287)	-	-	-	(2,335)	(1,692)
86		Total Allocated Common Plant	(505,570)	(107,948)	12,345	-	5,450	(595,723)	(549,213)
88									
88		TOTAL DEPRECIABLE RESERVE BALANCE	(32,433,644)	(3,104,459)	631,178	82,233	5,450	(34,819,243)	(33,658,036)
89		NUCLEAR DECOMMISSIONING							
90		FOSSIL DISMANTLEMENT							
91		MISCELLANEOUS INTANGIBLES							
92		TOTAL RESERVE BALANCE	(32,433,644)	(3,104,459)	631,178	82,233	5,450	(34,819,243)	(33,658,036)

Note:
* If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

Supporting Schedules: B-6 (2007), B-9 (2007), B-10 (2007) Recap Schedules: B-1 (2007)

Schedule B-9 (2008) DEPRECIATION RESERVE BALANCES BY ACCOUNT AND SUB-ACCOUNT

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
Projected Test Year 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		Transmission Plant							
2	3501	LAND RIGHTS	(33,788)	-	-	-	-	(33,788)	(33,788)
3	352	STRUCTURES AND IMPROVEMENTS	(10,702)	(504)	-	-	-	(11,206)	(10,941)
4	353	STATION EQUIPMENT	(665,300)	(56,148)	-	-	-	(721,448)	(693,374)
5	354	TOWERS AND FIXTURES	(172,389)	(4,944)	-	-	-	(177,333)	(174,861)
6	355	POLES AND FIXTURES	(924,838)	(89,418)	18,000	219	-	(996,037)	(959,816)
7	356	OVERHEAD CONDUCTORS AND DEVICES	(634,997)	(63,684)	-	-	-	(698,681)	(666,118)
8	359	ROADS AND TRAILS	(4,181)	(264)	-	-	-	(4,445)	(4,313)
9		Total Transmission Plant	(2,446,195)	(214,962)	18,000	219	-	(2,642,938)	(2,543,210)
10									
11		Distribution Plant							
12	361	STRUCTURES & IMPROVEMENTS	(32,731)	(2,112)	-	-	-	(34,843)	(33,787)
13	362	STATION EQUIPMENT	(1,332,097)	(212,063)	158,424	11,760	-	(1,373,976)	(1,352,910)
14	364	POLES, TOWERS, & FIXTURES	(4,322,016)	(409,561)	54,012	56,808	-	(4,620,757)	(4,469,772)
15	365	OVERHEAD CONDUCTORS & DEVICES	(5,311,684)	(387,189)	25,776	23,820	-	(5,649,277)	(5,479,223)
16	370	METERS	(1,796,540)	(127,164)	74,611	4,020	-	(1,845,073)	(1,820,390)
17	3601	LAND RIGHTS	(5,356)	(408)	-	-	-	(5,764)	(5,560)
18	3662	UNDERGROUND CONDUIT - BURIED	(600,212)	(64,536)	1,140	(84)	-	(663,692)	(631,303)
19	3672	UNDERGROUND COND & DEVICES - BURIED	(1,692,223)	(165,427)	21,564	1,704	-	(1,834,382)	(1,761,876)
20	3681	LINE TRANSFORMERS - OVERHEAD	(4,732,814)	(308,480)	42,768	4,224	-	(4,994,302)	(4,862,934)
21	3682	LINE TRANSFORMERS-DU	(1)					-	(0)
22	3683	LINE TRANSFORMERS - BURIED	(3,138,803)	(270,222)	42,768	4,224	-	(3,362,033)	(3,249,091)
23	3691	OVERHEAD SERVICES	(2,265,274)	(164,265)	8,340	2,352	-	(2,418,847)	(2,341,586)
24	3693	UNDERGROUND SERVICES - BURIED	(1,801,339)	(166,340)	8,340	2,352	-	(1,956,987)	(1,878,362)
25	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(502,361)	(85,720)	21,612	120	-	(566,349)	(533,941)
26	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(248,746)	(47,976)	21,612	120	-	(274,990)	(261,862)
27	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(307,679)	(37,330)	7,120	516	-	(337,373)	(322,424)
28	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(201,972)	(32,034)	7,120	516	-	(226,370)	(214,156)
29		Total Distribution Plant	(28,291,851)	(2,480,827)	495,207	112,452	-	(30,165,015)	(29,219,179)
30									
31		General Plant							
32	389	GENERAL PLANT-LAND	(6,704)	-	-	-	-	(6,704)	(6,704)
33	390	STRUCTURES AND IMPROVEMENTS	(492,596)	(28,912)	204	-	-	(521,304)	(506,941)
34	396	POWER OPERATED EQUIPMENT	(188,371)	(12,128)	1,632	-	-	(198,867)	(193,627)
35	397	COMMUNICATION EQUIPMENT	(146,906)	(7,500)	5,580	(36)	-	(148,862)	(147,884)
36	3973	COMMUNICATION EQUIPMENT	(1)					-	(0)
37	398	MISCELLANEOUS EQUIPMENT	(13,291)	(276)	1,596	(48)	-	(12,019)	(12,655)
38	3911	OFFICE FURNITURE	(8,092)	-	-	-	-	(8,092)	(8,092)
39	3912	OFFICE MACHINES	(27,039)	(6,948)	2,976	-	-	(31,011)	(29,025)
40	3913	COMPUTER EQUIPMENT	(176,007)	(25,896)	21,660	-	-	(180,243)	(178,125)
41	391305	SOFTWARE	(503,481)	(126,240)	-	-	-	(629,721)	(566,601)
42	3931	STORES EQUIPMENT-FIXED	(100,440)	(11,196)	-	-	-	(111,636)	(106,038)
43	3932	STORES EQUIPMENT-PORTABLE	(869)	-	-	-	-	(869)	(869)
44	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(40,614)	(72)	456	-	-	(40,230)	(40,422)
45	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(85,341)	(6,384)	3,785	(12)	-	(87,952)	(86,648)
46	3951	LABORATORY EQUIPMENT-FIXED	(62,375)	(3,432)	144	-	-	(65,663)	(64,019)
47	3952	LABORATORY EQUIPMENT-PORTABLE	(31,027)	(1,260)	1,932	-	-	(30,355)	(30,691)
48	399	MISCELLANEOUS TANGIBLE	(8,587)	(9,000)	-	-	-	(17,587)	(13,087)
49		Total General Plant	(1,891,741)	(239,244)	39,965	(96)	-	(2,091,115)	(1,991,427)

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
Projected Test Year 12/31/2008
Witness: Jim Mesite

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
50		Transportation Equipment							
51	3921	PASSENGER CARS	(89,818)	(10,668)	-	-	-	(100,486)	(95,152)
52	3922	LIGHT TRUCKS & VANS	(414,196)	(87,761)	-	-	-	(501,957)	(455,646)
53	3923	HEAVY TRUCKS	(1,222,417)	(217,643)	-	-	-	(1,440,060)	(1,330,485)
54	3924	TRAILERS	(29,938)	(4,440)	-	-	-	(34,378)	(32,158)
55		Total Transportation Equipment	(1,756,369)	(320,512)	-	-	-	(2,076,881)	(1,913,441)
56		TOTAL ACCUM. PROVISION FOR DEPR.	(34,386,156)	(3,255,545)	553,172	112,575	-	(36,975,949)	(35,667,258)
57									
58		COMMON PLANT							
59	303	MISC INTANGIBLE PLANT	-	-	-	-	-	-	-
60	389	GENERAL PLANT-LAND	-	-	-	-	-	-	-
61	390	STRUCTURES AND IMPROVEMENTS	(454,414)	(61,334)	-	-	-	(515,748)	(484,764.8)
62	3911	OFFICE FURNITURE	(12,675)	(2,350)	-	-	-	(15,025)	(13,828.5)
63	3912	OFFICE MACHINES	(45,386)	(11,335)	-	-	-	(56,721)	(50,997.0)
64	3913	COMPUTER EQUIPMENT	(193,438)	(103,133)	-	-	-	(296,571)	(243,517.7)
65	391305	SOFTWARE	(1,312,936)	(243,581)	-	-	-	(1,556,517)	(1,432,355.6)
66	3921	PASSENGER CARS	(41,066)	(9,504)	-	-	-	(50,570)	(45,818.0)
67	3922	LIGHT TRUCKS & VANS	(28,738)	(10,560)	-	-	-	(39,298)	(34,018.0)
68	397	COMMUNICATION EQUIPMENT	23,849	(9,120)	-	-	-	14,729	19,289.0
69	398	MISCELLANEOUS EQUIPMENT	(639)	(408)	-	-	-	(1,047)	(843.0)
70	399	MISCELLANEOUS TANGIBLE	(8,341)	(5,968)	-	-	-	(14,309)	(11,236.9)
71		Total Common Plant	(2,073,784)	(457,293)	-	-	-	(2,531,077)	(2,298,091)
72									
73		AS ALLOCATED (Electric Division)							
74	303	MISC INTANGIBLE PLANT	-	-	-	-	-	-	-
75	389	GENERAL PLANT-LAND	-	-	-	-	-	-	-
76	390	STRUCTURES AND IMPROVEMENTS	(127,236)	(17,174)	-	-	-	(144,409)	(135,734.1)
77	3911	OFFICE FURNITURE	(3,549)	(658)	-	-	-	(4,207)	(3,872.0)
78	3912	OFFICE MACHINES	(12,708)	(3,174)	-	-	-	(15,882)	(14,279.2)
79	3913	COMPUTER EQUIPMENT	(56,097)	(29,909)	-	-	-	(86,006)	(70,620.1)
80	391305	SOFTWARE	(380,751)	(70,638)	-	-	-	(451,390)	(415,383.1)
81	3921	PASSENGER CARS	(11,498)	(2,661)	-	-	-	(14,160)	(12,829.0)
82	3922	LIGHT TRUCKS & VANS	(8,047)	(2,957)	-	-	-	(11,003)	(9,525.0)
83	397	COMMUNICATION EQUIPMENT	6,678	(2,554)	-	-	-	4,124	5,400.9
84	398	MISCELLANEOUS EQUIPMENT	(179)	(114)	-	-	-	(293)	(236.0)
85	399	MISCELLANEOUS TANGIBLE	(2,335)	(1,671)	-	-	-	(4,007)	(3,146.3)
86		Total Allocated Common Plant	(595,723)	(131,509)	-	-	-	(727,233)	(660,224)
88									
88		TOTAL DEPRECIABLE RESERVE BALANCE	(34,981,879)	(3,387,054)	553,172	112,575	-	(37,703,182)	(36,327,482)
89		NUCLEAR DECOMMISSIONING							
90		FOSSIL DISMANTLEMENT							
91		MISCELLANEOUS INTANGIBLES							
92		TOTAL RESERVE BALANCE	(34,981,879)	(3,387,054)	553,172	112,575	-	(37,703,182)	(36,327,482)

Note:
* If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

Supporting Schedules: B-6 (2008), B-9 (2008), B-10 (2008) Recap Schedules: B-1 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13-Month Average
1		Transmission Plant														
2																
3	3501	LAND RIGHTS	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)
4	352	STRUCTURES AND IMPROVEMENTS	(10,258)	(10,295)	(10,332)	(10,369)	(10,406)	(10,443)	(10,480)	(10,517)	(10,554)	(10,591)	(10,628)	(10,665)	(10,702)	(10,480)
5	353	STATION EQUIPMENT	(609,363)	(613,991)	(618,619)	(623,247)	(627,897)	(632,547)	(637,226)	(641,905)	(646,584)	(651,263)	(655,942)	(660,621)	(665,300)	(637,270)
6	354	TOWERS AND FIXTURES	(167,445)	(167,857)	(168,269)	(168,681)	(169,093)	(169,505)	(169,917)	(170,329)	(170,741)	(171,153)	(171,565)	(171,977)	(172,389)	(169,917)
7	355	POLES AND FIXTURES	(835,078)	(842,558)	(850,038)	(857,518)	(864,998)	(872,478)	(879,958)	(887,438)	(894,918)	(902,398)	(909,878)	(917,358)	(924,838)	(879,958)
8	356	OVERHEAD CONDUCTORS AND DEVICES	(574,937)	(579,942)	(584,947)	(589,952)	(594,957)	(599,962)	(604,967)	(609,972)	(614,977)	(619,982)	(624,987)	(629,992)	(634,997)	(604,967)
9	359	ROADS AND TRAILS	(3,917)	(3,939)	(3,961)	(3,983)	(4,005)	(4,027)	(4,049)	(4,071)	(4,093)	(4,115)	(4,137)	(4,159)	(4,181)	(4,049)
10																
11		Total Transmission Plant	(2,234,786)	(2,252,370)	(2,269,954)	(2,287,538)	(2,305,144)	(2,322,750)	(2,340,385)	(2,358,020)	(2,375,655)	(2,393,290)	(2,410,925)	(2,428,560)	(2,446,195)	(2,340,429)
12																
13		Distribution Plant														
14																
15	361	STRUCTURES & IMPROVEMENTS	(30,619)	(30,795)	(30,971)	(31,147)	(31,323)	(31,499)	(31,675)	(31,851)	(32,027)	(32,203)	(32,379)	(32,555)	(32,731)	(31,675)
16	362	STATION EQUIPMENT	(1,263,343)	(1,277,868)	(1,292,393)	(1,306,918)	(1,321,443)	(1,321,786)	(1,323,241)	(1,324,763)	(1,326,252)	(1,327,708)	(1,329,154)	(1,330,642)	(1,332,097)	(1,313,662)
17	364	POLES, TOWERS, & FIXTURES	(4,029,815)	(4,061,068)	(4,092,388)	(4,113,760)	(4,136,954)	(4,159,287)	(4,181,954)	(4,204,860)	(4,227,872)	(4,251,043)	(4,274,513)	(4,298,176)	(4,322,016)	(4,181,054)
18	365	OVERHEAD CONDUCTORS & DEVICES	(4,980,855)	(5,011,395)	(5,041,981)	(5,070,029)	(5,095,094)	(5,121,702)	(5,148,528)	(5,175,505)	(5,202,550)	(5,229,663)	(5,256,923)	(5,284,266)	(5,311,684)	(5,148,475)
19	370	METERS	(1,745,249)	(1,755,253)	(1,765,361)	(1,768,639)	(1,766,903)	(1,770,498)	(1,774,125)	(1,777,783)	(1,781,474)	(1,785,195)	(1,788,946)	(1,792,728)	(1,796,540)	(1,774,515)
20	3601	LAND RIGHTS	(4,948)	(4,982)	(5,016)	(5,050)	(5,084)	(5,118)	(5,152)	(5,186)	(5,220)	(5,254)	(5,288)	(5,322)	(5,356)	(5,152)
21	3662	UNDERGROUND CONDUIT - BURIED	(544,956)	(549,248)	(553,653)	(558,070)	(562,507)	(566,864)	(571,331)	(575,828)	(580,479)	(585,146)	(590,151)	(595,175)	(600,212)	(571,817)
22	3672	UNDERGROUND COND & DEVICES - BURIED	(1,564,861)	(1,576,595)	(1,588,454)	(1,595,161)	(1,607,123)	(1,617,183)	(1,627,372)	(1,637,655)	(1,648,214)	(1,658,777)	(1,669,896)	(1,681,047)	(1,692,223)	(1,628,043)
23	3681	LINE TRANSFORMERS - OVERHEAD	(4,477,897)	(4,502,688)	(4,527,493)	(4,538,110)	(4,562,816)	(4,583,866)	(4,604,943)	(4,626,100)	(4,647,302)	(4,668,601)	(4,689,955)	(4,711,371)	(4,732,814)	(4,605,689)
24	3683	LINE TRANSFORMERS - BURIED	(2,912,933)	(2,933,731)	(2,954,575)	(2,975,911)	(2,997,267)	(3,014,696)	(3,032,346)	(3,049,973)	(3,067,576)	(3,085,366)	(3,103,132)	(3,120,874)	(3,138,803)	(3,029,783)
25	3691	OVERHEAD SERVICES	(2,114,922)	(2,127,966)	(2,141,043)	(2,153,788)	(2,166,142)	(2,178,401)	(2,190,698)	(2,203,033)	(2,215,406)	(2,227,817)	(2,240,265)	(2,252,751)	(2,265,274)	(2,190,577)
26	3693	UNDERGROUND SERVICES - BURIED	(1,649,906)	(1,662,857)	(1,675,874)	(1,688,932)	(1,702,069)	(1,714,352)	(1,726,673)	(1,739,029)	(1,751,421)	(1,763,848)	(1,776,310)	(1,788,807)	(1,801,339)	(1,726,263)
27	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(448,858)	(455,555)	(462,291)	(459,204)	(462,018)	(466,997)	(471,994)	(477,009)	(482,043)	(487,095)	(492,165)	(497,254)	(502,361)	(474,219)
28	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(221,169)	(225,034)	(228,898)	(228,190)	(231,591)	(233,597)	(235,656)	(237,707)	(239,916)	(242,137)	(244,349)	(246,552)	(248,746)	(235,657)
29	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(280,008)	(282,976)	(285,959)	(285,915)	(288,515)	(290,890)	(293,271)	(295,658)	(298,051)	(300,449)	(302,853)	(305,263)	(307,679)	(293,653)
30	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(175,290)	(177,923)	(180,559)	(183,199)	(185,840)	(187,850)	(189,862)	(191,876)	(193,892)	(195,909)	(197,928)	(199,949)	(201,972)	(189,388)
31																
32		Total Distribution Plant	(26,445,629)	(26,635,934)	(26,826,909)	(26,962,023)	(27,122,689)	(27,264,586)	(27,408,821)	(27,553,816)	(27,699,695)	(27,846,211)	(27,994,207)	(28,142,732)	(28,291,847)	(27,399,623)
33																
34		General Plant														
35																
36	389	GENERAL PLANT-LAND	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)
37	390	STRUCTURES AND IMPROVEMENTS	(463,884)	(466,286)	(468,688)	(471,090)	(473,492)	(475,880)	(478,268)	(480,656)	(483,044)	(485,432)	(487,820)	(490,208)	(492,596)	(478,257)
38	396	POWER OPERATED EQUIPMENT	(177,237)	(178,257)	(179,277)	(180,297)	(181,317)	(182,201)	(183,085)	(183,968)	(184,850)	(185,731)	(186,612)	(187,492)	(188,371)	(182,977)
39	397	COMMUNICATION EQUIPMENT	(122,010)	(122,600)	(123,190)	(123,779)	(124,369)	(124,497)	(124,625)	(124,753)	(124,880)	(125,008)	(125,136)	(125,264)	(125,392)	(124,269)
40	3973	COMMUNICATION EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	398	MISCELLANEOUS EQUIPMENT	(11,940)	(12,083)	(12,226)	(12,369)	(12,512)	(12,526)	(12,540)	(12,554)	(12,568)	(12,582)	(12,596)	(12,609)	(12,623)	(12,440)
42	3911	OFFICE FURNITURE	(7,036)	(7,064)	(7,092)	(7,119)	(7,147)	(7,175)	(7,203)	(7,230)	(7,258)	(7,286)	(7,314)	(7,342)	(7,369)	(7,203)
43	3912	OFFICE MACHINES	(23,737)	(23,833)	(23,928)	(24,024)	(24,120)	(23,968)	(23,815)	(23,663)	(23,511)	(23,359)	(23,206)	(23,054)	(22,902)	(23,625)
44	3913	COMPUTER EQUIPMENT	(146,359)	(148,231)	(150,103)	(148,631)	(150,503)	(150,570)	(150,637)	(150,704)	(150,772)	(150,839)	(150,906)	(150,973)	(151,040)	(150,021)
45	391305	SOFTWARE	(350,228)	(356,847)	(363,466)	(370,085)	(376,704)	(383,324)	(389,943)	(396,562)	(403,181)	(409,800)	(416,419)	(423,038)	(429,657)	(389,943)
46	3931	STORES EQUIPMENT-FIXED	(103,488)	(103,774)	(104,060)	(83,857)	(84,143)	(84,429)	(84,715)	(85,001)	(85,286)	(85,572)	(85,858)	(86,144)	(86,430)	(89,443)
47	3932	STORES EQUIPMENT-PORTABLE	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)	(761)
48	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(35,794)	(35,800)	(35,805)	(35,811)	(35,816)	(35,784)	(35,752)	(35,719)	(35,687)	(35,654)	(35,622)	(35,590)	(35,557)	(35,722)
49	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(73,381)	(73,913)	(74,446)	(74,978)	(75,510)	(75,728)	(75,947)	(76,165)	(76,382)	(76,600)	(76,817)	(77,034)	(77,251)	(75,704)
50	3951	LABORATORY EQUIPMENT-FIXED	(53,369)	(53,655)	(53,941)	(54,227)	(54,513)	(54,787)	(55,061)	(55,335)	(55,609)	(55,883)	(56,157)	(56,431)	(56,705)	(55,052)
51	3952	LABORATORY EQUIPMENT-PORTABLE	(27,781)	(27,886)	(27,990)	(28,095)	(28,200)	(28,144)	(28,087)	(28,031)	(27,975)	(27,918)	(27,862)	(27,806)	(27,750)	(27,963)
52	399	MISCELLANEOUS TANGIBLE	(6,000)	(6,167)	(6,333)	(6,500)	(6,667)	(6,833)	(7,000)	(7,167)	(7,333)	(7,500)	(7,667)	(7,833)	(8,000)	(7,000)
53																
54		Total General Plant	(1,609,709)	(1,623,860)	(1,638,010)	(1,628,328)	(1,642,479)	(1,653,310)	(1,664,142)	(1,674,973)	(1,685,801)	(1,696,629)	(1,707,457)	(1,718,283)	(1,729,109)	(1,667,084)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13-Month Average
55		Transportation Equipment															
56																	
57	3921	PASSENGER CARS		(80,374)	(81,110)	(81,846)	(82,582)	(83,318)	(84,054)	(84,790)	(85,526)	(86,262)	(87,151)	(88,040)	(88,929)	(89,818)	(84,908)
58	3922	LIGHT TRUCKS & VANS		(365,860)	(371,132)	(376,404)	(381,676)	(386,948)	(392,220)	(397,492)	(387,116)	(392,532)	(397,948)	(403,364)	(408,780)	(414,196)	(390,436)
59	3923	HEAVY TRUCKS		(1,166,218)	(1,182,425)	(1,198,637)	(1,214,849)	(1,231,061)	(1,247,273)	(1,263,485)	(1,138,325)	(1,154,605)	(1,170,885)	(1,187,165)	(1,204,791)	(1,222,417)	(1,198,626)
60	3924	TRAILERS		(25,498)	(25,868)	(26,238)	(26,608)	(26,978)	(27,348)	(27,718)	(28,088)	(28,458)	(28,828)	(29,198)	(29,568)	(29,938)	(27,718)
61																	
62		Total Transportation Equipment		(1,637,950)	(1,660,535)	(1,683,125)	(1,705,715)	(1,728,305)	(1,750,895)	(1,773,485)	(1,639,055)	(1,661,857)	(1,684,812)	(1,707,767)	(1,732,068)	(1,756,369)	(1,701,688)
63																	
64		TOTAL ACCUM. PROVISION FOR DEPR.		(31,928,074)	(32,172,699)	(32,417,998)	(32,583,604)	(32,798,617)	(32,991,541)	(33,186,833)	(33,225,864)	(33,423,008)	(33,620,942)	(33,820,356)	(34,021,643)	(34,223,520)	(33,108,823)
65																	
66		COMMON PLANT															
67																	
68	303	MISC INTANGIBLE PLANT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	389	GENERAL PLANT-LAND		-	-	-	-	-	-	-	-	-	-	-	-	-	-
70	390	STRUCTURES AND IMPROVEMENTS		(429,446)	(433,850)	(438,256)	(442,662)	(447,068)	(451,573)	(456,096)	(453,669)	(458,284)	(454,920)	(444,692)	(449,553)	(454,414)	(447,268)
71	3911	OFFICE FURNITURE		(10,739)	(10,891)	(11,043)	(11,195)	(11,347)	(11,499)	(11,655)	(11,815)	(11,979)	(12,147)	(12,319)	(12,495)	(12,675)	(11,677)
72	3912	OFFICE MACHINES		(34,578)	(35,468)	(36,358)	(37,248)	(38,138)	(39,028)	(39,922)	(40,821)	(41,725)	(42,633)	(43,546)	(44,464)	(45,386)	(39,947)
73	3913	COMPUTER EQUIPMENT		(146,783)	(151,335)	(155,887)	(147,670)	(152,209)	(157,589)	(151,202)	(157,908)	(164,678)	(171,513)	(178,459)	(185,840)	(193,438)	(162,655)
74	391305	SOFTWARE		(1,112,156)	(1,128,039)	(1,143,922)	(1,159,812)	(1,176,023)	(1,192,234)	(1,208,445)	(1,224,818)	(1,241,256)	(1,258,295)	(1,275,505)	(1,293,723)	(1,312,936)	(1,209,782)
75	3921	PASSENGER CARS		(31,562)	(32,354)	(33,146)	(33,938)	(34,730)	(35,522)	(36,314)	(37,106)	(37,898)	(38,690)	(39,482)	(40,274)	(41,066)	(36,314)
76	3922	LIGHT TRUCKS & VANS		(24,374)	(25,226)	(26,078)	(26,930)	(27,782)	(28,634)	(29,486)	(24,338)	(25,218)	(26,098)	(26,978)	(27,858)	(28,738)	(26,749)
77	397	COMMUNICATION EQUIPMENT		32,969	32,209	31,449	30,689	29,929	29,169	28,409	27,649	26,889	26,129	25,369	24,609	23,849	28,409
78	398	MISCELLANEOUS EQUIPMENT		(231)	(265)	(299)	(333)	(367)	(401)	(435)	(469)	(503)	(537)	(571)	(605)	(639)	(435)
79	399	MISCELLANEOUS TANGIBLE		(3,745)	(4,128)	(4,511)	(4,894)	(5,277)	(5,660)	(6,043)	(6,426)	(6,809)	(7,192)	(7,575)	(7,958)	(8,341)	(6,043)
80																	
81																	
82		Total Common Plant		(1,760,645)	(1,789,347)	(1,818,051)	(1,833,993)	(1,863,012)	(1,892,971)	(1,911,189)	(1,929,721)	(1,961,461)	(1,985,896)	(2,003,758)	(2,038,161)	(2,073,784)	(1,912,461)
83			Allocation														
84		AS ALLOCATED (Electric Division)	Rate														
85																	
86	303	MISC INTANGIBLE PLANT	28%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
87	389	GENERAL PLANT-LAND	28%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
88	390	STRUCTURES AND IMPROVEMENTS	28%	(120,245)	(121,478)	(122,712)	(123,945)	(125,179)	(126,440)	(127,707)	(127,027)	(128,320)	(127,378)	(124,514)	(125,875)	(127,236)	(125,235)
89	3911	OFFICE FURNITURE	28%	(3,007)	(3,049)	(3,092)	(3,135)	(3,177)	(3,220)	(3,263)	(3,308)	(3,354)	(3,401)	(3,449)	(3,499)	(3,549)	(3,270)
90	3912	OFFICE MACHINES	28%	(9,682)	(9,931)	(10,180)	(10,429)	(10,679)	(10,928)	(11,178)	(11,430)	(11,683)	(11,937)	(12,193)	(12,450)	(12,708)	(11,185)
91	3913	COMPUTER EQUIPMENT	29%	(42,567)	(43,887)	(45,207)	(42,824)	(44,141)	(45,701)	(43,849)	(45,793)	(47,757)	(49,739)	(51,753)	(53,894)	(56,097)	(47,170)
92	391305	SOFTWARE	29%	(322,525)	(327,131)	(331,737)	(336,345)	(341,047)	(345,748)	(350,449)	(355,197)	(359,964)	(364,906)	(369,896)	(375,180)	(380,751)	(350,837)
93	3921	PASSENGER CARS	28%	(8,837)	(9,059)	(9,281)	(9,503)	(9,724)	(9,946)	(10,168)	(10,390)	(10,611)	(10,833)	(11,055)	(11,277)	(11,498)	(10,168)
94	3922	LIGHT TRUCKS & VANS	28%	(6,825)	(7,063)	(7,302)	(7,540)	(7,779)	(8,018)	(8,256)	(6,815)	(7,061)	(7,307)	(7,554)	(7,800)	(8,047)	(7,490)
95	397	COMMUNICATION EQUIPMENT	28%	9,231	9,019	8,806	8,593	8,380	8,167	7,955	7,742	7,529	7,316	7,103	6,891	6,678	7,955
96	398	MISCELLANEOUS EQUIPMENT	28%	(65)	(74)	(84)	(93)	(103)	(112)	(122)	(131)	(141)	(150)	(160)	(169)	(179)	(122)
97	399	MISCELLANEOUS TANGIBLE	28%	(1,049)	(1,156)	(1,263)	(1,370)	(1,478)	(1,585)	(1,692)	(1,799)	(1,907)	(2,014)	(2,121)	(2,228)	(2,335)	(1,692)
98																	
99																	
100																	
101		Total Allocated Common Plant		(505,570)	(513,811)	(522,052)	(526,593)	(534,926)	(543,530)	(548,729)	(554,149)	(563,269)	(570,349)	(575,592)	(585,481)	(595,723)	(549,213)

Supporting Schedules: B-9 (2007)

Recap Schedules: B-1 (2007), B-9 (2007)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13-Month Average
1		Transmission Plant														
2																
3	3501	LAND RIGHTS	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)	(33,788)
4	352	STRUCTURES AND IMPROVEMENTS	(10,702)	(10,739)	(10,776)	(10,813)	(10,850)	(10,887)	(10,929)	(10,971)	(11,018)	(11,065)	(11,112)	(11,159)	(11,206)	(10,941)
5	353	STATION EQUIPMENT	(665,300)	(669,979)	(674,658)	(679,337)	(684,016)	(688,695)	(693,374)	(698,053)	(702,732)	(707,411)	(712,090)	(716,769)	(721,448)	(693,374)
6	354	TOWERS AND FIXTURES	(172,389)	(172,801)	(173,213)	(173,625)	(174,037)	(174,449)	(174,861)	(175,273)	(175,685)	(176,097)	(176,509)	(176,921)	(177,333)	(174,861)
7	355	POLES AND FIXTURES	(924,838)	(932,318)	(939,798)	(947,278)	(954,758)	(962,238)	(951,499)	(958,922)	(966,345)	(973,768)	(981,191)	(988,614)	(996,037)	(959,816)
8	356	OVERHEAD CONDUCTORS AND DEVICES	(634,997)	(640,002)	(645,007)	(650,012)	(655,017)	(660,342)	(665,667)	(670,992)	(676,317)	(681,908)	(687,499)	(693,090)	(698,681)	(666,118)
9	359	ROADS AND TRAILS	(4,181)	(4,203)	(4,225)	(4,247)	(4,269)	(4,291)	(4,313)	(4,335)	(4,357)	(4,379)	(4,401)	(4,423)	(4,445)	(4,313)
10																
11		Total Transmission Plant	(2,446,195)	(2,463,830)	(2,481,465)	(2,499,100)	(2,516,735)	(2,534,690)	(2,534,431)	(2,552,334)	(2,570,242)	(2,588,416)	(2,606,590)	(2,624,764)	(2,642,938)	(2,543,210)
12																
13		Distribution Plant														
14																
15	361	STRUCTURES & IMPROVEMENTS	(32,731)	(32,907)	(33,083)	(33,259)	(33,435)	(33,611)	(33,787)	(33,963)	(34,139)	(34,315)	(34,491)	(34,667)	(34,843)	(33,787)
16	362	STATION EQUIPMENT	(1,332,097)	(1,335,494)	(1,338,983)	(1,342,439)	(1,345,862)	(1,349,252)	(1,352,833)	(1,356,381)	(1,359,896)	(1,363,378)	(1,366,827)	(1,370,418)	(1,373,976)	(1,352,910)
17	364	POLES, TOWERS, & FIXTURES	(4,322,016)	(4,346,096)	(4,370,286)	(4,394,586)	(4,418,997)	(4,443,822)	(4,468,758)	(4,493,804)	(4,518,960)	(4,544,226)	(4,569,603)	(4,595,125)	(4,620,757)	(4,469,772)
18	365	OVERHEAD CONDUCTORS & DEVICES	(5,311,684)	(5,339,268)	(5,366,921)	(5,394,643)	(5,422,434)	(5,450,295)	(5,478,225)	(5,506,503)	(5,534,850)	(5,563,345)	(5,591,909)	(5,620,543)	(5,649,277)	(5,479,223)
19	370	METERS	(1,796,540)	(1,800,381)	(1,804,270)	(1,808,192)	(1,812,147)	(1,816,135)	(1,820,156)	(1,824,210)	(1,828,283)	(1,832,386)	(1,836,522)	(1,840,781)	(1,845,073)	(1,820,390)
20	3601	LAND RIGHTS	(5,356)	(5,390)	(5,424)	(5,458)	(5,492)	(5,526)	(5,560)	(5,594)	(5,628)	(5,662)	(5,696)	(5,730)	(5,764)	(5,560)
21	3662	UNDERGROUND CONDUIT - BURIED	(600,212)	(605,261)	(610,312)	(615,365)	(620,420)	(625,478)	(630,871)	(636,266)	(641,663)	(647,063)	(652,465)	(657,869)	(663,692)	(631,303)
23	3672	UNDERGROUND COND & DEVICES - BURIED	(1,692,223)	(1,703,449)	(1,714,744)	(1,726,108)	(1,737,541)	(1,749,043)	(1,760,613)	(1,772,736)	(1,784,928)	(1,797,188)	(1,809,517)	(1,821,915)	(1,834,382)	(1,761,876)
23	3681	LINE TRANSFORMERS - OVERHEAD	(4,732,814)	(4,754,281)	(4,775,783)	(4,797,352)	(4,818,992)	(4,840,734)	(4,862,518)	(4,884,380)	(4,906,284)	(4,928,231)	(4,950,220)	(4,972,245)	(4,994,302)	(4,862,934)
24	3683	LINE TRANSFORMERS - BURIED	(3,138,803)	(3,156,708)	(3,174,621)	(3,192,716)	(3,210,994)	(3,229,454)	(3,248,097)	(3,266,922)	(3,285,929)	(3,304,944)	(3,323,966)	(3,342,996)	(3,362,033)	(3,249,091)
25	3691	OVERHEAD SERVICES	(2,265,274)	(2,277,835)	(2,290,439)	(2,303,086)	(2,315,776)	(2,328,509)	(2,341,285)	(2,354,104)	(2,366,966)	(2,379,871)	(2,392,820)	(2,405,812)	(2,418,847)	(2,341,586)
26	3693	UNDERGROUND SERVICES - BURIED	(1,801,339)	(1,813,906)	(1,826,542)	(1,839,247)	(1,852,021)	(1,864,880)	(1,877,824)	(1,890,853)	(1,903,966)	(1,917,136)	(1,930,363)	(1,943,647)	(1,956,987)	(1,878,362)
27	3711	INSTALLATIONS ON CUSTOMER PREMISES-AG	(502,361)	(507,486)	(512,649)	(517,850)	(523,088)	(528,364)	(533,678)	(539,029)	(544,418)	(549,844)	(555,308)	(560,810)	(566,349)	(533,941)
28	3713	INSTALLATIONS ON CUSTOMER PREMISES-UG	(248,746)	(250,930)	(253,115)	(255,300)	(257,486)	(259,672)	(261,859)	(264,046)	(266,234)	(268,422)	(270,611)	(272,800)	(274,990)	(261,862)
29	3731	STREET LIGHTING & SIGNAL SYSTEMS-AG	(307,679)	(310,102)	(312,535)	(314,977)	(317,428)	(319,889)	(322,359)	(324,839)	(327,328)	(329,825)	(332,332)	(334,848)	(337,373)	(322,424)
30	3733	STREET LIGHTING & SIGNAL SYSTEMS-UG	(201,972)	(203,998)	(206,025)	(208,053)	(210,083)	(212,114)	(214,147)	(216,181)	(218,217)	(220,253)	(222,291)	(224,330)	(226,370)	(214,156)
31																
32		Total Distribution Plant	(28,291,851)	(28,443,492)	(28,595,732)	(28,748,631)	(28,902,196)	(29,056,778)	(29,212,570)	(29,369,811)	(29,527,689)	(29,686,089)	(29,844,941)	(30,004,536)	(30,165,015)	(29,219,179)
33																
34		General Plant														
35																
36	389	GENERAL PLANT-LAND	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)	(6,704)
37	390	STRUCTURES AND IMPROVEMENTS	(492,596)	(494,984)	(497,372)	(499,760)	(502,152)	(504,544)	(506,935)	(509,326)	(511,721)	(514,116)	(516,511)	(518,906)	(521,304)	(506,941)
38	396	POWER OPERATED EQUIPMENT	(188,371)	(189,250)	(190,128)	(191,005)	(191,881)	(192,757)	(193,632)	(194,506)	(195,380)	(196,253)	(197,125)	(197,996)	(198,867)	(193,627)
39	397	COMMUNICATION EQUIPMENT	(146,906)	(147,069)	(147,232)	(147,395)	(147,558)	(147,721)	(147,884)	(148,047)	(148,210)	(148,373)	(148,536)	(148,699)	(148,862)	(147,884)
40	3973	COMMUNICATION EQUIPMENT	(1)	-	-	-	-	-	-	-	-	-	-	-	-	(0)
41	398	MISCELLANEOUS EQUIPMENT	(13,291)	(13,185)	(13,079)	(12,973)	(12,867)	(12,761)	(12,655)	(12,549)	(12,443)	(12,337)	(12,231)	(12,125)	(12,019)	(12,655)
42	3911	OFFICE FURNITURE	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)	(8,092)
43	3912	OFFICE MACHINES	(27,039)	(27,370)	(27,701)	(28,032)	(28,363)	(28,694)	(29,025)	(29,356)	(29,687)	(30,018)	(30,349)	(30,680)	(31,011)	(29,025)
44	3913	COMPUTER EQUIPMENT	(176,007)	(176,360)	(176,713)	(177,066)	(177,419)	(177,772)	(178,125)	(178,478)	(178,831)	(179,184)	(179,537)	(179,890)	(180,243)	(178,125)
45	391305	SOFTWARE	(503,481)	(514,001)	(524,521)	(535,041)	(545,561)	(556,081)	(566,601)	(577,121)	(587,641)	(598,161)	(608,681)	(619,201)	(629,721)	(566,601)
46	3931	STORES EQUIPMENT-FIXED	(100,440)	(101,373)	(102,306)	(103,239)	(104,172)	(105,105)	(106,038)	(106,971)	(107,904)	(108,837)	(109,770)	(110,703)	(111,636)	(106,038)
47	3932	STORES EQUIPMENT-PORTABLE	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)	(869)
48	3941	TOOLS, SHOP, & GARAGE EQUIP-FIXED	(40,614)	(40,582)	(40,550)	(40,518)	(40,486)	(40,454)	(40,422)	(40,390)	(40,358)	(40,326)	(40,294)	(40,262)	(40,230)	(40,422)
49	3942	TOOLS, SHOP, & GARAGE EQUIP-PORTABLE	(85,341)	(85,559)	(85,777)	(85,995)	(86,213)	(86,431)	(86,649)	(86,867)	(87,084)	(87,301)	(87,518)	(87,735)	(87,952)	(86,648)
50	3951	LABORATORY EQUIPMENT-FIXED	(62,375)	(62,649)	(62,923)	(63,197)	(63,471)	(63,745)	(64,019)	(64,293)	(64,567)	(64,841)	(65,115)	(65,389)	(65,663)	(64,019)
51	3952	LABORATORY EQUIPMENT-PORTABLE	(31,027)	(30,971)	(30,915)	(30,859)	(30,803)	(30,747)	(30,691)	(30,635)	(30,579)	(30,523)	(30,467)	(30,411)	(30,355)	(30,691)
52	399	MISCELLANEOUS TANGIBLE	(8,587)	(9,337)	(10,087)	(10,837)	(11,587)	(12,337)	(13,087)	(13,837)	(14,587)	(15,337)	(16,087)	(16,837)	(17,587)	(13,087)
53																
54		Total General Plant	(1,891,741)	(1,908,355)	(1,924,969)	(1,941,582)	(1,958,198)	(1,974,814)	(1,991,428)	(2,008,041)	(2,024,657)	(2,041,272)	(2,057,886)	(2,074,499)	(2,091,115)	(1,991,427)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13-Month Average
55		Transportation Equipment															
56																	
57	3921	PASSENGER CARS		(89,818)	(90,707)	(91,596)	(92,485)	(93,374)	(94,263)	(95,152)	(96,041)	(96,930)	(97,819)	(98,708)	(99,597)	(100,486)	(95,152)
58	3922	LIGHT TRUCKS & VANS		(414,196)	(419,612)	(425,499)	(432,582)	(439,665)	(446,969)	(454,273)	(461,577)	(469,653)	(477,729)	(485,805)	(493,881)	(501,957)	(455,646)
59	3923	HEAVY TRUCKS		(1,222,417)	(1,240,043)	(1,258,104)	(1,276,165)	(1,294,226)	(1,312,287)	(1,330,348)	(1,348,409)	(1,366,470)	(1,384,531)	(1,402,592)	(1,420,653)	(1,440,060)	(1,330,485)
60	3924	TRAILERS		(29,938)	(30,308)	(30,678)	(31,048)	(31,418)	(31,788)	(32,158)	(32,528)	(32,898)	(33,268)	(33,638)	(34,008)	(34,378)	(32,158)
61																	
62		Total Transportation Equipment		(1,756,369)	(1,780,670)	(1,805,877)	(1,832,280)	(1,858,683)	(1,885,307)	(1,911,931)	(1,938,555)	(1,965,951)	(1,993,347)	(2,020,743)	(2,048,139)	(2,076,881)	(1,913,441)
63																	
64		TOTAL ACCUM. PROVISION FOR DEPR.		(34,386,156)	(34,596,347)	(34,808,043)	(35,021,593)	(35,235,812)	(35,451,589)	(35,650,360)	(35,868,741)	(36,088,539)	(36,309,124)	(36,530,160)	(36,751,938)	(36,975,949)	(35,667,258)
65																	
66		COMMON PLANT															
67																	
68	303	MISC INTANGIBLE PLANT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	389	GENERAL PLANT-LAND		-	-	-	-	-	-	-	-	-	-	-	-	-	-
70	390	STRUCTURES AND IMPROVEMENTS		(454,414)	(459,275)	(464,298)	(469,333)	(474,368)	(479,428)	(484,488)	(489,698)	(494,908)	(500,118)	(505,328)	(510,538)	(515,748)	(484,765)
71	3911	OFFICE FURNITURE		(12,675)	(12,858)	(13,041)	(13,232)	(13,425)	(13,620)	(13,817)	(14,014)	(14,213)	(14,414)	(14,617)	(14,820)	(15,025)	(13,829)
72	3912	OFFICE MACHINES		(45,386)	(46,308)	(47,230)	(48,152)	(49,083)	(50,014)	(50,958)	(51,908)	(52,861)	(53,814)	(54,780)	(55,746)	(56,721)	(50,997)
73	3913	COMPUTER EQUIPMENT		(193,438)	(201,138)	(208,838)	(217,089)	(225,409)	(234,159)	(243,113)	(251,562)	(260,011)	(269,006)	(278,071)	(287,321)	(296,571)	(243,518)
74	391305	SOFTWARE		(1,312,936)	(1,332,248)	(1,351,560)	(1,370,872)	(1,390,554)	(1,410,536)	(1,430,518)	(1,451,148)	(1,472,009)	(1,492,870)	(1,513,731)	(1,535,124)	(1,556,517)	(1,432,356)
75	3921	PASSENGER CARS		(41,066)	(41,858)	(42,650)	(43,442)	(44,234)	(45,026)	(45,818)	(46,610)	(47,402)	(48,194)	(48,986)	(49,778)	(50,570)	(45,818)
76	3922	LIGHT TRUCKS & VANS		(28,738)	(29,618)	(30,498)	(31,378)	(32,258)	(33,138)	(34,018)	(34,898)	(35,778)	(36,658)	(37,538)	(38,418)	(39,298)	(34,018)
77	397	COMMUNICATION EQUIPMENT		23,849	23,089	22,329	21,569	20,809	20,049	19,289	18,529	17,769	17,009	16,249	15,489	14,729	19,289
78	398	MISCELLANEOUS EQUIPMENT		(639)	(673)	(707)	(741)	(775)	(809)	(843)	(877)	(911)	(945)	(979)	(1,013)	(1,047)	(843)
79	399	MISCELLANEOUS TANGIBLE		(8,341)	(8,807)	(9,273)	(9,739)	(10,205)	(10,671)	(11,179)	(11,687)	(12,195)	(12,703)	(13,211)	(13,760)	(14,309)	(11,237)
80																	
81																	
82		Total Common Plant		(2,073,784)	(2,109,694)	(2,145,766)	(2,182,409)	(2,219,502)	(2,257,352)	(2,295,463)	(2,333,873)	(2,372,519)	(2,411,713)	(2,450,992)	(2,491,029)	(2,531,077)	(2,298,091)
83			Allocation														
84		AS ALLOCATED (Electric Division)	Rate														
85																	
86	303	MISC INTANGIBLE PLANT	28%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
87	389	GENERAL PLANT-LAND	28%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
88	390	STRUCTURES AND IMPROVEMENTS	28%	(127,236)	(128,597)	(130,003)	(131,413)	(132,823)	(134,240)	(135,657)	(137,115)	(138,574)	(140,033)	(141,492)	(142,951)	(144,409)	(135,734)
89	3911	OFFICE FURNITURE	28%	(3,549)	(3,600)	(3,651)	(3,705)	(3,759)	(3,814)	(3,869)	(3,924)	(3,980)	(4,036)	(4,093)	(4,150)	(4,207)	(3,872)
90	3912	OFFICE MACHINES	28%	(12,708)	(12,966)	(13,224)	(13,483)	(13,743)	(14,004)	(14,268)	(14,534)	(14,801)	(15,068)	(15,338)	(15,609)	(15,882)	(14,279)
91	3913	COMPUTER EQUIPMENT	29%	(56,097)	(58,330)	(60,563)	(62,956)	(65,369)	(67,906)	(70,503)	(72,953)	(75,403)	(78,012)	(80,641)	(83,323)	(86,006)	(70,620)
92	391305	SOFTWARE	29%	(380,751)	(386,352)	(391,952)	(397,553)	(403,261)	(409,055)	(414,850)	(420,833)	(426,883)	(432,932)	(438,982)	(445,186)	(451,390)	(415,383)
93	3921	PASSENGER CARS	28%	(11,498)	(11,720)	(11,942)	(12,164)	(12,386)	(12,607)	(12,829)	(13,051)	(13,273)	(13,494)	(13,716)	(13,938)	(14,160)	(12,829)
94	3922	LIGHT TRUCKS & VANS	28%	(8,047)	(8,293)	(8,539)	(8,786)	(9,032)	(9,279)	(9,525)	(9,771)	(10,018)	(10,264)	(10,511)	(10,757)	(11,003)	(9,525)
95	397	COMMUNICATION EQUIPMENT	28%	6,678	6,465	6,252	6,039	5,827	5,614	5,401	5,188	4,975	4,763	4,550	4,337	4,124	5,401
96	398	MISCELLANEOUS EQUIPMENT	28%	(179)	(188)	(198)	(207)	(217)	(227)	(236)	(246)	(255)	(265)	(274)	(284)	(293)	(236)
97	399	MISCELLANEOUS TANGIBLE	28%	(2,335)	(2,466)	(2,596)	(2,727)	(2,857)	(2,988)	(3,130)	(3,272)	(3,415)	(3,557)	(3,699)	(3,853)	(4,007)	(3,146)
98																	
99																	
100																	
101		Total Allocated Common Plant		(595,723)	(606,048)	(616,419)	(626,954)	(637,620)	(648,506)	(659,466)	(670,512)	(681,626)	(692,898)	(704,196)	(715,713)	(727,233)	(660,224)

Supporting Schedules: B-9 (2008)

Recap Schedules: B-1 (2008), B-9 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Itemize major capital additions to and retirements from electric plant in service in excess of 0.5% of the sum of the total balance of Account 101-Electric Plant in Service, and Account 106, Completed construction not Classified for the most recent calendar year, the test year minus one, the test year, and the test year plus one.*

Type of Data Shown*:
Projected Year Ended 12/31/2009
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historic Year Ended 12/31/2006
Witness: Jim Mesite, Mark Cutshaw

Line No.	Description of Additions or (Retirements)	Most Recent Calendar Year 12/31/2006	Projected Test Year Minus One 12/31/2007	Projected Test Year 12/31/2008	Test Year Plus One Year 12/31/2009
	ADDITIONS:				
1	Replace transformer at Amelia Island Plantation Sub-station	625,922			
2	Replace Amelia Island Plantation Transformer (40 MVA)		790,000		
3	Construct Feeder #312 - Phase 1			500,000	See
4					Note
5	Addition of items with values less than .5%	3,915,988	4,699,349	4,209,300	Below
6	Common Additions - Allocated to Electric	115,985	323,824	184,750	
7	TOTAL ADDITIONS	4,657,895	5,813,173	4,894,050	5,121,706
8					
9	RETIREMENTS:				
10	Retirement of items with individual values less than .5%	(710,705)	(618,833)	(553,172)	
11	Common Retirements - Allocated to Electric	(14,638)	(12,345)	-	
12	TOTAL RETIREMENTS	(725,343)	(631,178)	(553,172)	(636,564)
13					
14					
15					
16	TOTAL NET ADDITIONS	3,932,552	5,181,995	4,340,878	4,485,142
17					
18					
19					
20	Note: Specific Plant Additions and Retirements are not feasible at this time. We do not develop budgets that far in advance.				

Note:
* If data shown represents a historical calendar year, the related annual status report may be substituted for this schedule.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: For each major construction project whose cost of completion exceeds 0.2 percent (.002) of gross plant, and for smaller projects within each category shown taken as a group, provide the requested data concerning projects for the test year.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Project Description	(1) Year End CWIP Balance	(2) Estimated Additional Project Costs	(3) Total Cost of Completion	(4) Initial Project Budget Per Construction Bid	(5) Date Construction Started	(6) Expected Completion Date	(7) Percent Complete (1) / (3)	(8) Amount of AFUDC Charged	(9) 13 Month Average Balance	(10) Jurisdictional Factor	(11) Jurisdictional Amount
1	STEAM PRODUCTION			-				NA			100%	-
2												
3	Subtotal	-		-				NA			100%	-
4												
5	NUCLEAR PRODUCTION			-				NA			100%	-
6												
7	Subtotal	-		-				NA			100%	-
8												
9	HYDRAULIC PRODUCTION			-				NA			100%	-
10												
11	Subtotal	-		-				NA			100%	-
12												
13	OTHER PRODUCTION			-				NA			100%	-
14												
15	Subtotal	-		-				NA			100%	-
16												
17	TRANSMISSION PLANT											
18	Various Smaller Projects	-	-	226,000	226,000	Various	Various	100%	-	17,692	100%	17,692
19	Subtotal	-	-	226,000	226,000				-	17,692		17,692
20												
21	DISTRIBUTION PLANT											
22	Construct Feeder #312 - Phase 1	-	-	500,000	500,000	11/1/2008	12/31/2008	100%	-	-	100%	-
23	Replace Cable at AIP	-	-	400,000	400,000	2/1/2008	6/30/2008	100%	-	46,154	100%	46,154
24	Various Smaller Projects	-	-	2,970,600	2,970,600	Various	Various	100%	-	11,154	100%	11,154
25	Subtotal	-	-	3,870,600	3,870,600				-	57,308		57,308
26												
27	GENERAL PLANT											
28	Replace Service Trk Veh #41943			170,000	170,000	11/1/2008	11/30/2008	100%	-	-	100%	-
29	Various Smaller Projects	-	-	442,700	442,700	Various	Various	100%	-	-	100%	-
30	Subtotal	-	-	612,700	612,700				-	-		-
31												
32	COMMON PLANT TO BE ALLOCATED											
33	GENERAL PLANT											
34	Various Smaller Projects											
35	All - Except Computer	-	-	186,500	186,500	Various	Various	100%	-	-	100%	-
36	Computer	-	-	457,000	457,000	Various	Various	100%	-	-	100%	-
37	Total	-	-	643,500	643,500				-	-		-
38												
39	COMMON PLANT - ALLOCATED											
40	GENERAL PLANT											
41	Various Smaller Projects											
42	All - Except Computer @ 28%	-	-	52,220	52,220	Various	Various	100%	-	-	100%	-
43	Computer @ 29%	-	-	132,530	132,530	Various	Various	100%	-	-	100%	-
44	Subtotal	-	-	184,750	184,750				-	-		-
45												
46												
47	TOTAL AFUDC TREATMENT											
48												
49	TOTAL RATE BASE TREATMENT	-	-	4,894,050	4,894,050				-	75,000	100%	75,000
50												
51	TOTAL CWIP									75,000	100%	75,000

Supporting Schedules: B-3 (2008) Recap Schedules: B-1 (2008), B-6 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule showing the adjusted 13 month average working capital allowance for the test year and the prior year if the test year is projected. All adjustments are to be provided by account number. Use a balance sheet method and any other methodology the company proposes to use.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account No.	Component	(1) Prior Year 2007 Company Total (Schedule B-3)	(2) Test Year 2008 Company Total (Schedule B-3)	(3) Test Year Jurisdictional Factor	(4) Test Year Jurisdictional Amount (2) x (3)
1		Current and Accrued Assets	8,004,436	9,463,776	100%	9,463,776
2						
3		Adjustments to Current and				
4		Accrued Assets (Specify)				
5		NONE	-	-	100%	-
6						
7		Adjusted Current and Accrued Assets	8,004,436	9,463,776	100%	9,463,776
8						
9						
10		Current and Accrued Liabilities	(9,178,618)	(10,774,430)	100%	(10,774,430)
11						
12						
13		Adjustments to Current and				
14		Accrued Liabilities				
15		(Specify)				
16						
17		None				
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33		Adjusted Current and	(9,178,618)	(10,774,430)	100%	(10,774,430)
34		Accrued Liabilities				
35						
36		Working Capital Allowance	(1,174,182)	(1,310,654)	100%	(1,310,654)
37						
38		Unbilled Revenue				
39		Adjustments (Specify)	-	-	100%	-
40						
41		Adjusted Working Capital				
42		Allowance	(1,174,182)	(1,310,654)	100%	(1,310,654)

Supporting Schedules: B-3 (2007), B-3 (2008) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule showing the following information for miscellaneous deferred debits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Cheryl Martin

Line No.	Description	Balance at Beginning of Year	Debits	Credits Account	Credits Amount	Balance at End of Year
1	1860.21- O/U RECOVERY-FUEL	862,214	1,143,377	4010.5551	(862,214)	1,143,377
2	1860.3 - MISC DEFERRED P/R	-	15,770	2320.8	-	15,770
3	1860.1 - MISC DIRECT DEFERRED	48,400	1,671	4010.928	-	50,071
4	1860.1 - MISC DIRECT DEFERRED-RATE CASE	190,702	385,959	4010.928	(35,315)	541,346
5						
6						
7						
8	Totals	1,101,316	1,546,777		(897,529)	1,750,564

Supporting Schedules: Recap Schedules: B-3 (2007)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a schedule showing the following information for miscellaneous deferred debits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Cheryl Martin

Line No.	Description	Balance at Beginning of Year	Debits	Credits Account	Credits Amount	Balance at End of Year
1	1860.21- O/U RECOVERY-FUEL	1,143,377	1,143,377	4010.5551	(1,143,377)	1,143,377
2	1860.3 - MISC DEFERRED P/R	15,770	-	2320.8	(763)	15,007
3	1860.1 - MISC DIRECT DEFERRED	50,071	957	4010.928	-	51,028
4	1860.1 - MISC DIRECT DEFERRED-RATE CASE	541,346	141,099	4010.928	(136,503)	545,942
5						
6						
7						
8	Totals	1,750,564	1,285,433		(1,280,643)	1,755,354

Supporting Schedules: Recap Schedules: B-3 (2008)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a Schedule showing the following information for other deferred credits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Cheryl Martin

Line No.	Description	Balance at Beginning of Year	Debits		Credits	Balance at End of Year
			Contra Accounts	Amount		
1	2530.61 Over-recovery Conservation	(44,652)	4000.4566	73,936	(30,541)	(1,257)
2						
3						
4						
5						
6	Total	(44,652)		73,936	(30,541)	(1,257)

Supporting Schedules: B-3 (2007) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide a Schedule showing the following information for other deferred credits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Curtis Young

Line No.	Description	Balance at Beginning of Year	Debits Contra Accounts	Debits Amount	Credits	Balance at End of Year
1	2530.61 Over-recovery Conservation	(1,257)	4000.4566	1,257	0	0
2						
3						
4						
5						
6	Total	(1,257)		1,257	0	0

Supporting Schedules: B-3 (2008)   Recap Schedules:

D:\Exhibit 2.8\COX

Back · Search · Folders

D:\Exhibit 2.8\COX

Folders	Name	Size	Type	Date Modified	Location
	RE Rate case schedules (21).msg	506 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
ocuments	RE Rate case schedules (22).msg	678 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
dobe	RE Rate case schedules (23).msg	2,005 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
CWin9	RE Rate case schedules (24).msg	1,708 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
orel User File:	RE Rate case schedules.msg	678 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
yberLink	RE rate case.msg	48 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
y eBooks	RE Ratio Analysis.msg	57 KB	Outlook Item	10/16/2007 2:26 PM	Files Currently on the CD
y Music	RE Retail Bond Coupon Rates for Dec 2006.msg	50 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
y Pictures	RE Revised C-11 (16).msg	40 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
egBak	RE Revised C-11 (17).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
omputer	RE Revised C-11 (18).msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
½ Floppy (A:	RE Revised C-11.msg	39 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
P3014 (C:)	RE Short-term debt (23).msg	39 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
DXIO122 (D:	RE Short-term debt (24).msg	40 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Exhibit 2.8	RE Short-term debt (25).msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
BACHMA	RE Short-term debt (26).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
COX	RE Short-term debt (27).msg	41 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
KHOJAS	RE Short-term debt (29).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
MARTIN	RE Short-term debt (36).msg	39 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
MESITE	RE Short-term debt (37).msg	40 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
eider on 'fp2	RE Short-term debt (38).msg	35 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
p on 'Fp1\Da	RE Short-term debt (39).msg	36 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ings on 'FP3	RE Short-term debt (40).msg	41 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
g on 'Fp1\Dat	RE Short-term debt (42).msg	36 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
o on 'Fp1\Dat	RE Short-term debt.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
23 on 'Fp1\Da	RE st.msg	26 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
ata on 'Fp1' (	RE SUMMER GLEN IR 21319.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ansfer on 'fp1	RE Summer Glenn and Lauderhill System Data.msg	50 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
o26dos on 'fp	RE Testimony.msg	200 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
at on 'fp1\dat	RE Update (41).msg	35 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
ublic on 'fp1\	RE Update (42).msg	39 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
ontrol Panel	RE Update (57).msg	35 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
etwork Places	RE Update (59).msg	39 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
cle Bin	RE Update on cost of capital.msg	29 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
	RE Update On Schedule D-2 (20).msg	31 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
	RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
	RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
	RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
	RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
	RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 09:43 AM

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Monday, August 13, 2007 3:31 PM
To: Martin Cheryl
Cc: Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: RE: Rate case schedules
Attachments: D's-Final-NoLinks.xls

Here are the D Schedules

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Monday, August 13, 2007 11:54 AM
To: Mike Welsh
Cc: Robert Camfield; Cox Doreen; Khojasteh Mehrdad; Mesite Jim
Subject: Rate case schedules

Please send the Bs, Cs, Ds, Gs and Fs for a final review before they get ready for print version. We can review them one more time for critical items. Send to both Jim and Mehrdad and Doreen since I will be out until Wed. Mark will be your contact if you need anything relating to Cost of service or rates . If you do need to talk to me before Wed, just let Mehrdad know. Thanks Cheryl

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Jurisdictional Capital Structure	(G) Ratio	(H) Cost Rate	(I) Weighted Cost Rate	(J) Interest Expense
	Regulatory Capital Structure, 2006										
1.	Long Term Debt	50,443,237			50,443,237	31%	15,801,612	0.4152	8.03%	3.33%	1,268,418
2.	Short Term Debt	3,309,077			3,309,077	31%	1,036,586	0.0272	7.29%	0.20%	75,536
3.	Preferred Stock	600,000			600,000	31%	187,953	0.0049	4.75%	0.02%	
4.	Common Equity	44,943,721			44,943,721	31%	14,078,859	0.3699	11.50%	4.25%	
5.	Customer Deposits	2,136,661			2,136,661		2,136,661	0.0561	6.07%	0.34%	129,626
6.	Deferred Income Taxes	4,674,449			4,674,449		4,674,449	0.1228	0.00%	0.00%	
7.	Tax Credits-Zero Cost	0			0		0	0.0000	0.00%	0.00%	
8.	Tax Credits-Weighted Cost	141,120			141,120		141,120	0.0037	9.55%	0.04%	
9.	TOTAL	106,248,266			106,248,266		38,057,241	1.0000		8.18%	1,473,580

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
	Conventional Capital Structure, 2006				
10.	Long Term Debt	50,443,237	0.5080	8.03%	4.08%
11.	Short Term Debt	3,309,077	0.0333	7.29%	0.24%
12.	Preferred Stock	600,000	0.0060	4.75%	0.03%
13.	Common Equity	44,943,721	0.4526	11.50%	5.21%
14.	TOTAL	99,296,036	1.0000		9.55%

Rate Base	$38,057,241
Direct Components	$6,952,231
	$31,105,010
Jurisdictional Factor	31.33%

Common Equity excludes Flo-Gas

Supporting Schedules: B-3 (2006) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:
Prior Year Ended 12/31/07
Witness: Doreen Cox, Robert Camfield

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Jurisdictional Capital Structure	(G) Ratio	(H) Cost Rate	(I) Weighted Cost Rate	(J) Interest Expense
	Regulatory Capital Structure, 2007										
1.	Long Term Debt	50,543,842			50,543,842	32%	15,941,895	0.3866	8.01%	3.10%	1,277,132
2.	Short Term Debt	5,729,846			5,729,846	32%	1,807,235	0.0438	6.86%	0.30%	123,947
3.	Preferred Stock	600,000			600,000	32%	189,244	0.0046	4.75%	0.02%	
4.	Common Equity	47,883,036			47,883,036	32%	15,102,657	0.3662	11.50%	4.21%	
5.	Customer Deposits	2,637,518			2,637,518		2,637,518	0.0640	6.32%	0.40%	166,567
6.	Deferred Income Taxes	5,452,539			5,452,539		5,452,539	0.1322	0.00%	0.00%	
7.	Tax Credits-Zero Cost	0			0		0	0.0000	0.00%	0.00%	
8.	Tax Credits-Weighted Cost	110,190			110,190		110,190	0.0027	9.52%	0.03%	
9.	TOTAL	112,956,971			112,956,971		41,241,279	1.0000		8.06%	1,567,647

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
	Conventional Capital Structure, 2007				
10.	Long Term Debt	50,543,842	0.4825	8.01%	3.87%
11.	Short Term Debt	5,729,846	0.0547	6.86%	0.38%
12.	Preferred Stock	600,000	0.0057	4.75%	0.03%
13.	Common Equity	47,883,036	0.4571	11.50%	5.26%
14.	TOTAL	104,756,724	1.0000		9.52%

Rate Base	$41,241,279
Direct Components	$8,200,247
	$33,041,032
Jurisdictional Factor	32%

Common Equity excludes Flo-Gas

Supporting Schedules: B-3 (2007) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield

COMPANY: Florida Public Utilities
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Jurisdictional Capital Structure	(G) Ratio	(H) Cost Rate	(I) Weighted Cost Rate	(J) Interest Expense
	Regulatory Capital Structure, 2008										
1.	Long Term Debt	49,777,370			49,777,370	30%	14,733,561	0.3425	7.96%	2.73%	1,173,525
2.	Short Term Debt	6,436,923			6,436,923	30%	1,905,259	0.0443	6.81%	0.30%	129,657
3.	Preferred Stock	600,000			600,000	30%	177,593	0.0041	4.75%	0.02%	
4.	Common Equity	57,755,879			57,755,879	30%	17,095,113	0.3974	11.50%	4.57%	
5.	Customer Deposits	2,948,763			2,948,763		2,948,763	0.0685	6.32%	0.43%	186,223
6.	Deferred Income Taxes	6,078,743			6,078,743		6,078,743	0.1413	0.00%	0.00%	
7.	Tax Credits-Zero Cost	0			0		0	0.0000	0.00%	0.00%	
8.	Tax Credits-Weighted Cost	81,965			81,965		81,965	0.0019	9.67%	0.02%	
9.	TOTAL	123,679,644			123,679,644		43,020,997	1.0000		8.07%	1,489,405

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
	Conventional Capital Structure, 2008				
10.	Long Term Debt	49,777,370	0.4345	7.96%	3.46%
11.	Short Term Debt	6,436,923	0.0562	6.81%	0.38%
12.	Preferred Stock	600,000	0.0052	4.75%	0.02%
13.	Common Equity	57,755,879	0.5041	11.50%	5.80%
14.	TOTAL	114,570,173	1.0000		9.67%

Rate Base	$43,020,997
Direct Components	$9,109,471
	$33,911,526
Jurisdictional Factor	30%

Common Equity excludes Flo-Gas

Supporting Schedules: B-3 (2008) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION:
1.) List and describe the basis for the specific adjustments appearing on Schedule D-1a.
2.) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.

COMPANY: Florida Public Utilities
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Projected Test Year Ended 12/31/08
Prior Year Ended 12/31/07
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

Line No.	Class of Capital	Description	Historic Base Year	Prior Year	Test Year
1		Specific Adjustments			
2					
3		The determination of the cost of capital for purposes of setting			
4		retail rates in the immediate docket incorporates no specific adjustments			
5		to the December '06, Prior Year '07, or The Test Year 2008 capital structure or cost rates			
6					
7					
8		Pro Rata Adjustments			
9					
10		The determination of the cost of capital for purposes of setting			
11		retail rates in the immediate docket incorporates no pro rata adjustments			
12		to the December '06, Prior Year '07, or The Test Year 2008 capital structure or cost rates			

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: For the subject Florida utility, all other regulated utility operations combined, all non-regulated operations combined, the parent company, and on a consolidated basis, provide the year-end capital structure for investor capital (i.e. common equity, preferred stock, long-term debt, and short-term debt) for the five years through the end of the projected test year.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Prior Year Ended 12/31/07
Historic Years Ended 12/31/04, 05 and 06
Witness: Doreen Cox, Robert Camfield

		2004 Year-End		2005 Year-End		2006 Year-End		2007 Year-End		2008 Year-End	
Line No.	Class of Capital	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
1	Long Term Debt	50,538,000	50.449%	50,620,000	47.628%	50,702,000	49.542%	50,784,602	45.141%	49,457,923	40.969%
2	Short Term Debt	5,825,000	5.815%	9,558,000	8.993%	3,466,000	3.387%	12,160,000	10.809%	5,860,000	4.854%
3	Preferred Stock	600,000	0.599%	600,000	0.565%	600,000	0.586%	600,000	0.533%	600,000	0.497%
4	Common Equity	43,213,000	43.137%	45,503,000	42.814%	47,573,000	46.485%	48,958,030	43.517%	64,803,263	53.680%
5	Total	100,176,000	100.000%	106,281,000	100.000%	102,341,000	100.000%	112,502,632	100.000%	120,721,186	100.000%

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: 1.) Provide the specified data on short-term debt issues on a 13-month average basis for the test year, prior year, and historical base year

2.) Provide a narrative description of the Company's policies regarding short-term financing. The following topics should be covered: ratio of short-term debt to total capital, plant expansion, working capital, timing of long-term financing, method of short-term financing (bank loans, commercial paper, etc.), and other uses of short-term financing.

Type of Data Shown:
Prior Year Ended 12/31/07
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

Year	Maturity Date	Interest Rate	Interest Expense	13-month Average Amount Outstanding During the Year	Weighted Average Cost of Short-term Debt
			For Historical Test Year 2006		
2006	July, 2008	7.29%	$145,595	1,998,015 *	0.20%
			For Prior Year 2007		
2007	July, 2008	6.86%	$381,070	5,556,250 *	0.30%

2.) The Company plans to use a combination of short term borrowing and an Equity Offering in 2008 to finance future growth and capital expenditures.

*Calculated using the average monthly line of credit balance which is appropriate for determining short term debt costs.

Supporting Schedules: B-3 Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: 1.) Provide the specified data on short-term debt issues on a 13-month average basis for the test year, prior year, and historical base year

2.) Provide a narrative description of the Company's policies regarding short-term financing. The following topics should be covered: ratio of short-term debt to total capital, plant expansion, working capital, timing of long-term financing, method of short-term financing (bank loans, commercial paper, etc.), and other uses of short-term financing.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

Year	Maturity Date	Interest Rate	Interest Expense	13-month Average Amount Outstanding During the Year	Weighted Average Cost of Short-term Debt
			For Test Year 2008		
2008	July, 2008	6.81%	$423,453	6,222,500 *	0.30%

2.) The Company plans to use a combination of short term borrowing and an Equity Offering in 2008 to finance future growth and capital expenditures.

*Calculated using the average monthly line of credit balance which is appropriate for determining short term debt costs.

Supporting Schedules: B-3 Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

HISTORICAL YEAR, 2006

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9)	(11) Interest Expense (Coupon Rate) (2) x (6)	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	9.57%	5/1/1988	5/1/2018	$10,000,000	$10,000,000	$0	$180,273	30	$7,211	$957,000	$964,211	N/A	$49,277
2													
3	10.03%	5/1/1988	5/1/2018	$5,500,000	$5,500,000	$0	$97,070	30	$3,883	$551,650	$555,533	N/A	$26,532
4													
5	9.08%	6/1/1992	6/1/2022	$8,000,000	$8,000,000	$0	$121,967	30	$4,066	$726,400	$730,466	N/A	$65,070
6													
7	6.85%	10/1/2001	10/1/2031	$15,000,000	$15,000,000	$0	$1,208,670	30	$40,289	$1,027,500	$1,067,789	N/A	$1,017,297
8													
9	4.90%	11/1/2001	11/1/2031	$14,000,000	$14,000,000	$0	$805,956	30	$26,865	$686,000	$712,865	N/A	$680,704
10													
11													
12	Loss on Re-acquired Debt						$548,516		$18,288	$0	$18,288		$217,883
13													
14													
15													
16													
17													
18													
19													
20													
21													
22	Total				$52,500,000	$0	$2,962,452		$100,602	$3,948,550	$4,049,152	N/A	$2,056,763
23													
24	Less Unamortized Premium, Discount, and												
25	Issuance Expense (13) + (14).				$2,056,763								
26													
27	Net LT Debt Outstanding				$50,443,237								
28													
29													
30	Embedded Cost of Long-term Debt				8.0271%								
31	(12) / Net												

Supporting Schedules: Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
Prior Year Ended 12/31/07
Witness: Doreen Cox, Robert Camfield

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

PRIOR YEAR, 2007

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9)	(11) Interest Expense (Coupon Rate) (2) x (6)	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	9.57%	5/1/1988	5/1/2018	$10,000,000	$10,000,000	$0	$180,273	30	$7,211	$957,000	$964,211	N/A	$42,066
2													
3	10.03%	5/1/1988	5/1/2018	$5,500,000	$5,500,000	$0	$97,070	30	$3,883	$551,650	$555,533	N/A	$22,649
4													
5	9.08%	6/1/1992	6/1/2022	$8,000,000	$8,000,000	$0	$121,967	30	$4,066	$726,400	$730,466	N/A	$61,002
6													
7	6.85%	10/1/2001	10/1/2031	$15,000,000	$15,000,000	$0	$1,208,670	30	$40,289	$1,027,500	$1,067,789	N/A	$977,008
8													
9	4.90%	11/1/2001	11/1/2031	$14,000,000	$14,000,000	$0	$805,956	30	$26,865	$686,000	$712,865	N/A	$653,854
10													
11													
12			Loss on Re-acquired Debt				$548,516		$18,288	$0	$18,288		$199,599
13													
14													
15			Rounding Adjustment										-$21
16													
17													
18													
19													
20													
21													
22	Total				$52,500,000	$0	$2,962,452		$100,602	$3,948,550	$4,049,152	N/A	$1,956,158
23													
24	Less Unamortized Premium, Discount, and												
25	Issuance Expense (13) + (14).				$1,956,158								
26													
27	Net LT Debt Outstanding				$50,543,842								
28													
29													
30	Embedded Cost of Long-term Debt				8.0112%								
31	(12) / Net												

Supporting Schedules: Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield

TEST YEAR, 2008

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9)	(11) Interest Expense (Coupon Rate) (2) x (6)	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	9.57%	5/1/1988	5/1/2018	$10,000,000	$9,440,615	$0	$180,273	30	$7,211	$903,467	$910,678	N/A	$34,855
2													
3	10.03%	5/1/1988	5/1/2018	$5,500,000	$5,192,308	$0	$97,070	30	$3,883	$520,788	$524,671	N/A	$18,766
4													
5	9.08%	6/1/1992	6/1/2022	$8,000,000	$8,000,000	$0	$121,967	30	$4,066	$726,400	$730,466	N/A	$56,935
6													
7	6.85%	10/1/2001	10/1/2031	$15,000,000	$15,000,000	$0	$1,208,670	30	$40,289	$1,027,500	$1,067,789	N/A	$936,719
8													
9	4.90%	11/1/2001	11/1/2031	$14,000,000	$14,000,000	$0	$805,956	30	$26,865	$686,000	$712,865	N/A	$627,025
10													
11													
12			Loss on Re-acquired Debt				$548,516		$18,288	$0	$18,288		$181,316
13													
14													
15			Rounding Adjustment										-$63
16													
17													
18													
19													
20													
21													
22	Total				$51,632,923	$0	$2,962,452		$100,602	$3,864,155	$3,964,757	N/A	$1,855,553
23													
24	Less Unamortized Premium, Discount, and												
25	Issuance Expense (13) + (14).				$1,855,553								
26													
27	Net LT Debt Outstanding				$49,777,370								
28													
29													
30	Embedded Cost of Long-term Debt				7.9650%								
31	(12) / Net												

Supporting Schedules: Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: Florida Public Utilities Consolidated Electric Division DOCKET NO.: 070304-EI	EXPLANATION: Supply a statement of the company's policy on treatment of profit or loss from reacquired bonds. Detail any profit or loss on recquired bonds for the test year and prior year.	Type of Data Shown: Projected Test Year Ended 12/31/08 Prior Year Ended 12/31/07 HistoricYear Ended 12/31/06 Witness: Doreen Cox, Robert Camfield

In the interest of its retail customers and shareholders, the policy of Florida Public Utilities Company on this issue is to profitably reacquire outstanding debt when economic and capital market conditions afford such opportunities. History suggests, however, that conditions vary substantially from one time to another, such that favorable opportunities to reacquire debt will occur infrequently and randomly. The Company will share the profits and losses associated with reacquired debt fairly with its retail customers.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide the data as specified for preferred stock on a 13-month average basis for the test year, prior year, and historical base year.

Type of Data Shown:
Prior Year Ended 12/31/07
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Call Provisions or Special Restrictions	(5) Principal Amount Sold	(6) 13-month Average Principal Amt. Outstanding	(7) (Discount) Premium on Principal Amount Sold	(8) (Discount) Premium Associated with (6)	(9) Issuing Expense on Principal Amount Sold	(10) Issuing Expense Associated with (6)	(11) Net Proceeds (6)+(8)-(10)	(12) Dollar Dividend on Face Value (2) X (6)	(13) Effective Cost Rate (12)/(11)
					For Historic Year 2006							
1.	4.75% Cumulative	12/28/1945		$600,000	$600,000	N/A	N/A	N/A	N/A	$600,000	$28,500	4.75%
2.	Preferred Stock											
3.												
4.					**For Prior Year 2007**							
5.	4.75% Cumulative	12/28/1945		$600,000	$600,000	N/A	N/A	N/A	N/A	$600,000	$28,500	4.75%
6.												
7.												
8.					**For Test Year 2008**							
9.	4.75% Cumulative	12/28/1945		$600,000	$600,000	N/A	N/A	N/A	N/A	$600,000	$28,500	4.75%
10.	Preferred Stock											
11.												
12.												
13.												
14.												
15.												
16.												
17.												
18.												
19.												
20.												
21.	Total			$600,000	$600,000	N/A	N/A	N/A	N/A	$600,000	$28,500	4.75%
22.	Weighted Average Cost of Preferred Stock											4.75%

Supporting Schedules:

Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year, and historical

Type of Data Shown:
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

(1) Line No.	(2) Month and Year	(3) Active Customer Deposits at 6.00%	(4) Active Customer Deposits at 7.00%	(5) Inactive Customer Deposits	(6) Total Deposits (3)+(4)+(5)	(7) Interest Payments (3) X 6%/12	(8) Interest Payments (3) X 7%/12	(9) Total Interest (7) + (8)	(10) Actual Payments and Credits on Bills
1	December, '05				2,075,368				
2	January, '06				2,082,190			10,806	
3	February				2,098,737			11,297	
4	March				2,107,316			9,618	
5	April				2,114,463			10,239	
6	May				2,119,052			10,657	
7	June				2,114,509			10,239	
8	July				2,126,739			11,656	
9	August				2,132,502			10,676	
10	September				2,132,452			11,391	
11	October				2,156,868			10,408	
12	November				2,194,167			11,987	
13	December				2,322,227			10,652	
14									
15	13 Month Average				$2,136,661				
16									
17	12 Month Total							$129,626	
18									
19									
20		Effective Interest Rate							
21		12 Month Interest							
22		Expense (9) divided							
23		by Total Deposits (6)			6.07%				

Supporting Schedules:

Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year, and historical

Type of Data Shown:
Prior Year Ended 12/31/07
Witness: Doreen Cox, Robert Camfield

(1) Line No.	(2) Month and Year	(3) Active Customer Deposits at 6.00%	(4) Active Customer Deposits at 7.00%	(5) Inactive Customer Deposits	(6) Total Deposits (3)+(4)+(5)	(7) Interest Payments (3) X 6%/12	(8) Interest Payments (3) X 7%/12	(9) Total Interest (7) + (8)	(10) Actual Payments and Credits on Bills
1	December, '06	1,590,029	732,198		2,322,227				
2	January, '07	1,589,106	731,773		2,320,879	7,946	4,269	12,214	
3	February	1,599,207	736,425		2,335,632	7,996	4,296	12,292	
4	March	1,809,061	833,061		2,642,123	9,045	4,860	13,905	
5	April	1,822,307	839,161		2,661,468	9,112	4,895	14,007	
6	May	1,835,650	845,305		2,680,956	9,178	4,931	14,109	
7	June	1,849,091	851,495	N/A	2,700,586	9,245	4,967	14,213	N/A
8	July	1,862,630	857,729		2,720,360	9,313	5,003	14,317	
9	August	1,876,269	864,010		2,740,278	9,381	5,040	14,421	
10	September	1,890,007	870,336		2,760,343	9,450	5,077	14,527	
11	October	1,903,845	876,709		2,780,554	9,519	5,114	14,633	
12	November	1,917,785	883,128		2,800,914	9,589	5,152	14,741	
13	December	1,931,828	889,594		2,821,422	9,659	5,189	14,848	
14									
15	13 Month Average				$2,637,518				
16									
17	12 Month Total					$109,434	$58,793	$168,227	
18									
19									
20	Effective Interest Rate								
21	12 Month Interest								
22	Expense (9) divided								
23	by Total Deposits (6)			6.32%					

Supporting Schedules:

Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year, and historical

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield

(1) Line No.	(2) Month and Year	(3) Active Customer Deposits at 6.00%	(4) Active Customer Deposits at 7.00%	(5) Inactive Customer Deposits	(6) Total Deposits (3)+(4)+(5)	(7) Interest Payments (3) X 6%/12	(8) Interest Payments (3) X 7%/12	(9) Total Interest (7) + (8)	(10) Actual Payments and Credits on Bills
1	December, '06	1,931,828	889,594		2,821,422				
2	January, '07	1,945,973	896,108		2,842,081	9,730	5,227	14,957	
3	February	1,960,221	902,669		2,862,890	9,801	5,266	15,067	
4	March	1,974,574	909,279		2,883,853	9,873	5,304	15,177	
5	April	1,989,032	915,937		2,904,968	9,945	5,343	15,288	
6	May	2,003,596	922,643		2,926,239	10,018	5,382	15,400	
7	June	2,018,266	929,399	N/A	2,947,665	10,091	5,421	15,513	N/A
8	July	2,033,044	936,204		2,969,248	10,165	5,461	15,626	
9	August	2,047,930	943,059		2,990,989	10,240	5,501	15,741	
10	September	2,062,925	949,964		3,012,889	10,315	5,541	15,856	
11	October	2,078,030	956,920		3,034,949	10,390	5,582	15,972	
12	November	2,093,245	963,926		3,057,172	10,466	5,623	16,089	
13	December	2,108,572	970,984		3,079,556	10,543	5,664	16,207	
14									
15	13 Month Average				$2,948,763				
16									
17	12 Month Total					$121,577	$65,316	$186,893	
18									
19									
20		Effective Interest Rate							
21		12 Month Interest							
22		Expense (9) divided							
23		by Total Deposits (6)		6.32%					

Supporting Schedules: Recap Schedules: D-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

EXPLANATION: Provide the most recent five year data for the company, or consolidated parent if the company is not publicly traded as indicated. To the extent the requested data is available from other sources, the Company can reference and attach the information to comply with the requirements of this MFR.

Type of Data Shown:
Historic Years Ended 12/31/02, 03 , 04, 05 ε
Witness: Doreen Cox, Robert Camfield

Line No.		2002 Year	2003 Year *	2004 Year	2005 Year	2006 Year
1	Pre-tax Interest Coverage Ratio (x)	2.5	2.3	2.6	3.0	2.9
2						
3	Earned Returns on Average Book Equity (%)	11.1%	6.9%	8.4%	9.5%	8.9%
4						
5	Book Value/Share ($)	$ 5.32	$ 7.08	$ 7.31	$ 7.64	$ 7.94
6						
7	Dividends/Share ($)	$ 0.38	$ 0.39	$ 0.40	$ 0.41	$ 0.43
8						
9	Earnings/Share ($)	$ 0.57	$ 0.43	$ 0.60	$ 0.71	$ 0.69
10						
11	Market Value/Share ($)	$ 9.90	$ 10.53	$ 12.77	$ 13.65	$ 13.25
12						
13	Market/Book Ratio (%)	186.1%	148.7%	174.7%	178.7%	166.9%
14						
15	Price/Earning Ratio (6) / (5)	17.37	24.49	21.28	19.23	19.20

* Excluding the Sale of Water Division
** Common Share information re-stated to reflect three for two stock split on July 25, 2005

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 070304-EI

EXPLANATION: 1.) If the test year is projected, provide a summary of financing plans and assumptions.

2.) Provide the company's capital structure objectives, the basis for assumptions (such as those for issue cost and interest rates), and any other significant assumptions.
Provide a statement of the Company's policy on the timing of the entrance into capital markets.

Type of Data Shown:
Projected Test Year Ended 12/31/08
Witness: Doreen Cox, Robert Camfield, George E

Financing Plans for the Year Ending 2008

			For Bonds			For Stock			
Line No.	Type of Issue	Date of Issue/ Retirement	Capitalization (Thousands)	Interest Rate	Life in Years	No. of Shares	Market Price	Issue Costs	Principal Amount
1	Common Stock	Jun-08				1,250,000	12	900,000	15,000,000
2									
3									
4									
5									
6									
7									
8	Capital Structure Objectives:				Percent of Total				
9									
10	Short-term Debt				2 - 14%				
11	Long-term Debt				40 - 45%				
12	Preferred Stock				0 - 1%				
13	Common Equity				43 - 56%				
14									
15									
16	Interest Rate Assumptions:		Short Term Interest Rates will gradually increase through 2008. The volatility of prior years is not expected.						
17									
18									
19	Company's Policy on the Timing of Entrance into Capital Markets:								
20	Cash requirements are forecasted to increase significantly due to environmental clean-up, land purchase, LT Debt payments and Pension Contributions.								
21	The Company plans to use a combination of short term borrowing and an Equity Offering in 2008 to finance future growth and capital expenditures.								
22	The timing of the Equity Offering is largely dependent on projected capital expenditures and environmental expenses.								

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide financial indicators for the test year under current and proposed rates, the prior year, and historical base year.

COMPANY: Florida Public Utilities
Consolidated Electric Division

DOCKET NO.: 070304-EI

Type of Data Shown:
Projected Test Year Ended 12/31/08
Prior Year Ended 12/31/07
Historic Year Ended 12/31/06
Witness: Doreen Cox, Robert Camfield

Line No.	Indicator	Historic Base Year 2006	Prior Year 2007	Test Year Current Rates 2008	Test Year Proposed Rates
1	Interest Coverage Ratios:				
2	Including AFUDC in Income Before Interest Charges	N/A	N/A	N/A	N/A
3	Excluding AFUDC in Income Before Interest Charges	4.52	4.01	2.50	4.06
4	AFUDC as a percent of Income Available for Common	N/A	N/A	N/A	N/A
5	Percent of Construction Funds Generated Internally	N/A	N/A	N/A	N/A
6					
7	Fixed Charges:				
8	Interest	1,473,580	1,567,647	1,489,405	1,489,405
9	Lease Payments	N/A	N/A	N/A	N/A
10	Sinking Funds Payments	-	-	417,049	417,049
11	Tax on Sinking Fund Payments	-	-	141,797	141,797
12					
13	Ratio of Earnings to Fixed Charges				
14	Including AFUDC	N/A	N/A	N/A	N/A
15	Excluding AFUDC	1.68	1.21	0.10	1.67
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

Supporting Schedules: Recap Schedules: D-1

Florida Public Utilities
Long-Term Debt

	GL #	Start of Sinking Fund Payments	March 31 2007	December 31 2006	December 31 2005
First mortgage bonds series					
9.57 % due 2018		5/1/2008	10,000,000	10,000,000	10,000,000
10.03 % due 2018		5/1/2008	5,500,000	5,500,000	5,500,000
9.08 % due 2022		n/a	8,000,000	8,000,000	8,000,000
4.90 % due 2031		n/a	14,000,000	14,000,000	14,000,000
6.85 % due 2031		n/a	15,000,000	15,000,000	15,000,000
Total long-term debt	2210		52,500,000	52,500,000	52,500,000
Unamortized debt discount	1810		(1,777,139)	(1,797,719)	(1,880,040)
LT DEBT net of Unamortized Debt Discount (10K & 10Q)			50,722,861	50,702,281	50,619,960
Unamortized Loss on Reacquired Debt	1890		(204,170)	(208,741)	(227,025)
				(2,006,460)	(2,107,065)
LT DEBT net of Unamortized Debt Discount & Loss on Reacq Debt			50,518,691	50,493,540	50,392,935
				(2,056,763)	

FPU
Unamortized Debt Discount
100.1810.1

	Monthly Amortization	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13 Mth Avg
$10M	$ 601	$ 52,882	$ 52,281	$ 51,680	$ 51,079	$ 50,478	$ 49,878	$ 49,277	$ 48,676	$ 48,075	$ 47,474	$ 46,873	$ 46,272	$ 45,671	$ 49,277
$5.5M	$ 324	$ 28,473	$ 28,150	$ 27,826	$ 27,502	$ 27,179	$ 26,855	$ 26,532	$ 26,208	$ 25,885	$ 25,561	$ 25,237	$ 24,914	$ 24,590	$ 26,532
$8M	$ 339	$ 67,103	$ 66,764	$ 66,425	$ 66,086	$ 65,747	$ 65,408	$ 65,070	$ 64,731	$ 64,392	$ 64,053	$ 63,714	$ 63,375	$ 63,036	$ 65,070
$15M	$ 3,357	$ 1,037,441	$ 1,034,084	$ 1,030,727	$ 1,027,369	$ 1,024,012	$ 1,020,654	$ 1,017,297	$ 1,013,940	$ 1,010,582	$ 1,007,225	$ 1,003,867	$ 1,000,510	$ 997,152	$ 1,017,297
$14M	$ 2,239	$ 694,140	$ 691,901	$ 689,661	$ 687,422	$ 685,183	$ 682,944	$ 680,704	$ 678,465	$ 676,226	$ 673,986	$ 671,747	$ 669,508	$ 667,269	$ 680,704
	$ 6,860	$ 1,880,040	$ 1,873,180	$ 1,866,319	$ 1,859,459	$ 1,852,599	$ 1,845,739	$ 1,838,879	$ 1,832,019	$ 1,825,159	$ 1,818,299	$ 1,811,439	$ 1,804,579	$ 1,797,719	$ 1,838,879

	Monthly Amortization	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 Mth Avg
$10M	$ 601	$ 45,671	$ 45,070	$ 44,469	$ 43,869	$ 43,268	$ 42,667	$ 42,066	$ 41,465	$ 40,864	$ 40,263	$ 39,662	$ 39,061	$ 38,460	$ 42,066
$5.5M	$ 324	$ 24,590	$ 24,267	$ 23,943	$ 23,620	$ 23,296	$ 22,972	$ 22,649	$ 22,325	$ 22,002	$ 21,678	$ 21,355	$ 21,031	$ 20,707	$ 22,649
$8M	$ 339	$ 63,036	$ 62,697	$ 62,358	$ 62,019	$ 61,680	$ 61,341	$ 61,002	$ 60,664	$ 60,325	$ 59,986	$ 59,647	$ 59,308	$ 58,969	$ 61,002
$15M	$ 3,357	$ 997,152	$ 993,795	$ 990,438	$ 987,080	$ 983,723	$ 980,365	$ 977,008	$ 973,651	$ 970,293	$ 966,936	$ 963,578	$ 960,221	$ 956,863	$ 977,008
$14M	$ 2,236	$ 667,269	$ 665,033	$ 662,797	$ 660,561	$ 658,326	$ 656,090	$ 653,854	$ 651,618	$ 649,383	$ 647,147	$ 644,911	$ 642,675	$ 640,440	$ 653,854
	$ 6,857	$ 1,797,719	$ 1,790,862	$ 1,784,006	$ 1,777,149	$ 1,770,292	$ 1,763,436	$ 1,756,579	$ 1,749,723	$ 1,742,866	$ 1,736,010	$ 1,729,153	$ 1,722,297	$ 1,715,440	$ 1,756,579

	Monthly Amortization	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13 Mth Avg
$10M	$ 601	$ 38,460	$ 37,860	$ 37,259	$ 36,658	$ 36,057	$ 35,456	$ 34,855	$ 34,254	$ 33,653	$ 33,052	$ 32,451	$ 31,851	$ 31,250	$ 34,855
$5.5M	$ 324	$ 20,707	$ 20,384	$ 20,060	$ 19,737	$ 19,413	$ 19,090	$ 18,766	$ 18,443	$ 18,119	$ 17,795	$ 17,472	$ 17,148	$ 16,825	$ 18,766
$8M	$ 339	$ 58,969	$ 58,630	$ 58,291	$ 57,952	$ 57,613	$ 57,274	$ 56,935	$ 56,597	$ 56,258	$ 55,919	$ 55,580	$ 55,241	$ 54,902	$ 56,935
$15M	$ 3,357	$ 956,863	$ 953,506	$ 950,149	$ 946,791	$ 943,434	$ 940,076	$ 936,719	$ 933,361	$ 930,004	$ 926,647	$ 923,289	$ 919,932	$ 916,574	$ 936,719
$14M	$ 2,236	$ 640,440	$ 638,204	$ 635,968	$ 633,732	$ 631,497	$ 629,261	$ 627,025	$ 624,789	$ 622,554	$ 620,318	$ 618,082	$ 615,846	$ 613,610	$ 627,025
	$ 6,857	$ 1,715,440	$ 1,708,583	$ 1,701,727	$ 1,694,870	$ 1,688,014	$ 1,681,157	$ 1,674,301	$ 1,667,444	$ 1,660,587	$ 1,653,731	$ 1,646,874	$ 1,640,018	$ 1,633,161	$ 1,674,301

LOSS ON RE'ACQD DEBT
100.1890.1

Monthly Amortization	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13 Mth Avg
1524	$ 227,025	$ 225,502	$ 223,978	$ 222,454	$ 220,931	$ 219,407	$ 217,883	$ 216,360	$ 214,836	$ 213,312	$ 211,789	$ 210,265	$ 208,741	$ 217,883

Monthly Amortization	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 Mth Avg
1524	$ 208,741	$ 207,218	$ 205,694	$ 204,170	$ 202,647	$ 201,123	$ 199,599	$ 198,076	$ 196,552	$ 195,028	$ 193,505	$ 191,981	$ 190,458	$ 199,599

Monthly Amortization	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13 Mth Avg
1524	$ 190,458	$ 188,934	$ 187,410	$ 185,887	$ 184,363	$ 182,839	$ 181,316	$ 179,792	$ 178,268	$ 176,745	$ 175,221	$ 173,697	$ 172,174	$ 181,316

Total 1810.1 & 1890.1	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	13 Mth Avg
2006	$ 2,107,065	$ 2,098,681	$ 2,090,297	$ 2,081,914	$ 2,073,530	$ 2,065,146	$ 2,056,763	$ 2,048,379	$ 2,039,995	$ 2,031,611	$ 2,023,228	$ 2,014,844	$ 2,006,460	$ 2,056,763
2007	$ 2,006,460	$ 1,998,080	$ 1,989,700	$ 1,981,320	$ 1,972,939	$ 1,964,559	$ 1,956,179	$ 1,947,799	$ 1,939,418	$ 1,931,038	$ 1,922,658	$ 1,914,278	$ 1,905,897	$ 1,956,179
2008	$ 1,905,897	$ 1,897,517	$ 1,889,137	$ 1,880,757	$ 1,872,377	$ 1,863,996	$ 1,855,616	$ 1,847,236	$ 1,838,856	$ 1,830,475	$ 1,822,095	$ 1,813,715	$ 1,805,335	$ 1,855,616

ST INTEREST ANALYSIS

	2005 DEC	2006 JAN	2006 FEB	2006 MAR	2006 APR	2006 MAY	2006 JUN	2006 JUL	2006 AUG	2006 SEP	2006 OCT	2006 NOV	2006 DEC	TOTAL or Average %	Rate
Method as per Surveillance Report															
Int Accrued on NP		36,282	29,480	18,251	5,263	2,665	1,815	2,825	1,102	1,111	2,678	(2,481)	9,599	108,590	
NP BAL @ End of Mth	9,558,000	10,662,000	7,266,000	3,443,000	1,101,000	582,000	1,437,000	761,000	130,000	1,687,000	916,000	2,009,000	3,466,000	3,309,077	3.28% Using End of Month Balance
Annualized Interest Rate		3.95%	5.22%	6.16%	5.74%	5.32%	1.52%	4.31%	9.84%	0.79%	3.40%	-1.48%	3.22%	4.00%	

	2005 DEC	2006 JAN	2006 FEB	2006 MAR	2006 APR	2006 MAY	2006 JUN	2006 JUL	2006 AUG	2006 SEP	2006 OCT	2006 NOV	2006 DEC	TOTAL or Average %	Rate
Interest Cost using Avg Mthly Bal															
Int Exp as per 4310.2		36,282	29,480	18,251	5,263	2,665	1,815	2,825	1,102	1,111	2,678	(2,481)	9,599	108,590	
Avg LOC Balance		7,831,548	6,889,536	3,763,677	1,082,440	517,968	355,800	523,806	204,387	214,167	499,935	305,433	1,787,483	1,998,015	5.43% Using Avg LOC Mthly Bal
		5.38%	5.50%	5.63%	5.83%	5.98%	6.12%	6.26%	6.26%	6.23%	6.22%	-9.75%	6.24%	4.66%	

	2005 DEC	2006 JAN	2006 FEB	2006 MAR	2006 APR	2006 MAY	2006 JUN	2006 JUL	2006 AUG	2006 SEP	2006 OCT	2006 NOV	2006 DEC	TOTAL or Average %	Rate
Effective Cost of ST Debt															
LOC Available	$ 12,000,000	12,000,000	[illegible]	[illegible]	12,000,000	[illegible]	12,000,000	12,000,000	[illegible]	[illegible]	12,000,000	12,000,000	[illegible]		
Int Exp as per 4310.2		$ 36,282	$ 29,480	$ 18,251	$ 5,263	$ 2,665	$ 1,815	$ 2,825	$ 1,102	$ 1,111	$ 2,678	$ (2,481)	$ 9,599	$ 108,590	5.43%
Fee on Unused Portion of LOC	0.25%	$ 868	$ 1,065	$ 1,716	$ 2,274	$ 2,392	$ 2,426	$ 2,391	$ 2,457	$ 2,455	$ 2,396	$ 2,436	$ 2,128	$ 25,005	1.25%
Fee on Total Available LOC	0.10%						$ 12,000							$ 12,000	0.60%
		37,150	30,545	19,966	7,537	5,057	16,241	5,216	3,560	3,567	5,074	(45)	11,726	145,595	7.29%

ST INTEREST ANALYSIS

	2006 DEC	2007 JAN	2007 FEB	2007 MAR	2007 APR	2007 MAY	2007 JUN	2007 JUL	2007 AUG	2007 SEP	2007 OCT	2007 NOV	2007 DEC	**TOTAL or Average %**	Rate	
Method as per Surveillance Report																
Int Accrued on NP	[redacted]	19,597	16,371	11,758	14,071	12,080	9,548	25,900	39,879	40,934	44,099	54,122	63,353	**351,711**		
NP BAL @ End of Mth	3,466,000	3,964,000	2,243,000	2,215,000	3,120,000	1,460,000	2,160,000	7,660,000	7,460,000	8,060,000	8,660,000	11,860,000	12,160,000	**5,729,846**	**6.14%**	Using End of Month Balance
Annualized Interest Rate		5.74%	9.38%	6.16%	5.41%	9.61%	5.30%	3.93%	6.21%	6.09%	5.91%	5.48%	6.05%	**6.27%**		
Interest Cost using Avg Mthly Bal																
Int Exp		19,597	16,371	11,758	14,071	12,080	9,548	25,900	39,879	40,934	44,099	54,122	63,353	**351,711**		
Avg LOC Balance		3,715,000	3,103,500	2,229,000	2,667,500	2,290,000	1,810,000	4,910,000	7,560,000	7,760,000	8,360,000	10,260,000	12,010,000	**5,556,250**	6.33%	Using Avg LOC Mthly Bal
		6.13%	6.78%	6.13%	6.33%	6.13%	6.33%	6.13%	6.13%	6.33%	6.13%	6.33%	6.13%	**6.25%**		
Effective Cost of ST Debt																
LOC Available	[redacted]															
Int Exp		$ 19,597	$ 16,371	$ 11,758	$ 14,071	$ 12,080	$ 9,548	$ 25,900	$ 39,879	$ 40,934	$ 44,099	$ 54,122	$ 63,353	**$ 351,711**	6.33%	
Fee on Unused Portion of LOC	0.25%	$ 1,726	$ 1,853	$ 2,036	$ 1,944	$ 2,023	$ 2,123	$ 1,477	$ 925	$ 883	$ 758	$ 988	$ 623	**$ 17,359**	0.31%	
Fee on Total Available LOC	0.10%						$ 12,000							**$ 12,000**	0.22%	
		21,323	18,224	13,794	16,015	14,103	23,671	27,377	40,804	41,817	44,857	55,109	63,976	**381,070**	**6.86%**	

ST INTEREST ANALYSIS

	2007 DEC	2008 JAN	2008 FEB	2008 MAR	2008 APR	2008 MAY	2008 JUN	2008 JUL	2008 AUG	2008 SEP	2008 OCT	2008 NOV	2008 DEC	TOTAL or Average %	Rate
Method as per Surveillance Report															
Int Accrued on NP	[redacted]	62,825	58,342	53,330	54,649	63,880	35,659	2,427	2,427	2,427	7,438	20,362	30,120	393,884	
NP BAL @ End of Mth	12,160,000	11,660,000	10,460,000	9,760,000	10,960,000	13,260,000	260,000	660,000	260,000	660,000	2,160,000	5,560,000	5,860,000	6,436,923	**6.12%** Using End of Month Balance
Annualized Interest Rate		6.26%	7.17%	6.35%	5.98%	5.59%	164.58%	4.27%	10.84%	4.41%	4.00%	4.39%	5.97%	19.15%	
					5.70%										
Interest Cost using Avg Mthly Bal															
Int Exp		62,825	58,342	53,330	54,649	63,880	35,659	2,427	2,427	2,427	7,438	20,362	30,120	393,884	
Avg LOC Balance		11,910,000	11,060,000	10,110,000	10,360,000	12,110,000	6,760,000	460,000	460,000	460,000	1,410,000	3,860,000	5,710,000	6,222,500	6.33% Using Avg LOC Mthly Bal
		6.13%	6.78%	6.13%	6.33%	6.13%	6.33%	6.13%	6.13%	6.33%	6.13%	6.33%	6.13%	6.25%	
Effective Cost of ST Debt															
LOC Available	[redacted]														
Int Exp		$ 62,825	$ 58,342	$ 53,330	$ 54,649	$ 63,880	$ 35,659	$ 2,427	$ 2,427	$ 2,427	$ 7,438	$ 20,362	$ 30,120	$ 393,884	6.33%
Fee on Unused Portion of LOC	0.25%	$ 644	$ 821	$ 1,019	$ 967	$ 602	$ 1,092	$ 2,404	$ 2,404	$ 2,404	$ 2,206	$ 1,696	$ 1,310	$ 17,569	0.28%
Fee on Total Available LOC	0.10%						$ 12,000							$ 12,000	0.19%
		63,469	59,162	54,349	55,616	64,482	48,751	4,831	4,831	4,831	9,644	22,057	31,431	423,453	**6.81%**

FLORIDA PUBLIC UTILITIES COMPANY
13 MONTH AVERAGE ADJUSTMENTS

REPORT GROUP NAME: ROR
REPORT NAME: ROR_DEBT
DATE: 3/21/2007
USER: YOUNG

ROR ST DEBT, LT DEBT, FUEL COST

	12 MTHS AG	11 MTHS AGO	10 MTHS AGO	9 MTHS AGO	8 MTHS AGO	7 MTHS AGO	6 MTHS AGO	5 MTHS AGO	4 MTHS AGO	3 MTHS AGO	2 MTHS AGO	1 MTH AGO	12 2006		
SHORT TERM DEBT															
INTEREST ON NP	26,280	36,282	29,480	18,251	5,263	2,665	1,815	2,825	1,102	1,111	2,678	(2,481)	9,599	108,590	125,271
NP BALANCE	(9,558,000)	(10,662,000)	(7,266,000)	(3,443,000)	(1,101,000)	(582,000)	(1,437,000)	(761,000)	(130,000)	(1,687,000)	(916,000)	(2,009,000)	(3,466,000)		(3,309,077)
												YR END RATE	(3.13)	13MTH RATE	(3.28)
LONG TERM DEBT															
INTEREST ON LT	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	337,430	4,049,160	
BONDS BALANCE	(50,392,935)	(50,401,319)	(50,409,703)	(50,418,086)	(50,426,470)	(50,434,854)	(50,443,237)	(50,451,621)	(50,460,005)	(50,468,389)	(50,476,772)	(50,485,156)	(50,493,540)		(50,443,237)
												YR END RATE	(8.01)	13MTH RATE	(8.02)
FUEL COST															
NW ELECTRIC	1,156,632	1,165,630	1,106,989	1,030,724	1,095,620	1,136,988	1,352,208	1,493,762	1,514,665	1,298,369	1,213,995	1,034,164	1,259,359	14,702,473	
NE ELECTRIC	1,137,900	1,269,031	1,530,156	1,270,866	1,148,331	1,273,012	1,382,424	1,638,229	1,507,120	1,416,524	1,233,994	1,082,550	1,151,723	15,903,960	
TOTAL ELEC FUEL	2,294,532	2,434,661	2,637,145	2,301,590	2,243,951	2,410,000	2,734,632	3,131,991	3,021,785	2,714,893	2,447,989	2,116,714	2,411,082	30,606,433	
SOUTH FL NG	3,430,052	4,294,279	4,299,796	1,030,472	1,858,022	1,583,638	1,203,237	1,246,402	1,327,756	1,291,243	806,040	2,448,440	2,909,942	24,299,267	
CENTRAL FL NG	1,423,145	2,135,007	1,971,094	2,887,701	1,201,338	649,862	557,142	616,849	677,061	638,409	352,079	987,343	1,146,149	13,820,034	
TOTAL NG FUEL	4,853,197	6,429,286	6,270,890	3,918,173	3,059,360	2,233,500	1,760,379	1,863,251	2,004,817	1,929,652	1,158,119	3,435,783	4,056,091	38,119,301	
SOUTH FL PRO	428,047	449,369	437,782	456,858	382,150	356,618	329,915	295,126	331,666	300,607	323,616	356,961	394,178	4,414,846	
CENTRAL FL PRO	103,424	123,704	105,097	100,896	66,910	73,382	71,489	61,675	74,581	64,846	64,088	76,046	102,543	985,257	
NE FL PROPANE	147,661	135,670	136,496	142,577	103,361	120,028	111,328	111,076	122,989	91,756	118,409	129,168	131,397	1,454,255	
NATURE COST PRO	66,175	80,362	76,887	70,352	51,543	44,245	43,131	42,742	41,844	48,314	41,382	54,140	74,916	669,858	
TOTAL FUEL PRO	745,307	789,105	756,262	770,683	603,964	594,273	555,863	510,619	571,080	505,523	547,495	616,315	703,034	7,524,216	

Consolidated Electric
Customer Deposits

5 year average growth year 0.732%

Year 2006			<<<<<<<<<ACTUALS >>>>>>>>>													13 mth
		Dec-2005	Jan-2006	Feb-2006	Mar-2006	Apr-2006	May-2006	Jun-2006	Jul-2006	Aug-2006	Sep-2006	Oct-2006	Nov-2006	Dec-2006		AVERAGE
Month End Balance		2,075,368	2,082,190	2,098,737	2,107,316	2,114,463	2,119,052	2,114,509	2,126,739	2,132,502	2,132,453	2,156,869	2,194,168	2,322,227		2,136,661
Interest			10,806	11,297	9,618	10,239	10,657	10,239	11,656	10,676	11,391	10,408	11,987	10,652		129,626

Effective Interest Rate 6.07%

2007		<<<<<<<< ACTUALS >>>>>>>>					<<<<<<<<<<<<< PROJECTED >>>>>>>>>>>>>>>									13 mth
		Dec-2006	Jan-2007	Feb-2007	Mar-2007	Apr-2007	May-2007	Jun-2007	Jul-2007	Aug-2007	Sep-2007	Oct-2007	Nov-2007	Dec-2007		AVERAGE
Month End Balance		2,322,227	2,320,879	2,335,632	2,642,123	2,661,468	2,680,956	2,700,586	2,720,360	2,740,278	2,760,343	2,780,554	2,800,914	2,821,422		2,637,518
Interest																
Ratio **68.47%**	**6%**	7,950	7,946	7,996	9,045	9,112	9,178	9,245	9,313	9,381	9,450	9,519	9,589	9,659	109,434	
31.53%	**7%**	4,271	4,269	4,296	4,860	4,895	4,931	4,967	5,003	5,040	5,077	5,114	5,152	5,189	58,793	
Total Interest		12,221	12,214	12,292	13,905	14,007	14,109	14,213	14,317	14,421	14,527	14,633	14,741	14,848	168,227	

Effective Interest Rate 6.378%

2008		<<<<<<<<< PROJECTED >>>>>>>>>														13 mth
		Dec-2007	Jan-2008	Feb-2008	Mar-2008	Apr-2008	May-2008	Jun-2008	Jul-2008	Aug-2008	Sep-2008	Oct-2008	Nov-2008	Dec-2008		AVERAGE
		2,821,422	2,842,081	2,862,890	2,883,853	2,904,968	2,926,239	2,947,665	2,969,248	2,990,989	3,012,889	3,034,949	3,057,172	3,079,556		2,948,763
Interest																
Ratio **68.47%**	**6%**	9,659	9,730	9,801	9,873	9,945	10,018	10,091	10,165	10,240	10,315	10,390	10,466	10,543	121,577	
31.53%	**7%**	5,189	5,227	5,266	5,304	5,343	5,382	5,421	5,461	5,501	5,541	5,582	5,623	5,664	65,316	
Total Interest		14,848	14,957	15,067	15,177	15,288	15,400	15,513	15,626	15,741	15,856	15,972	16,089	16,207	186,893	

Effective Interest Rate 6.338%

2007	**@6%**	1,590,029	1,589,106	1,599,207	1,809,061	1,822,307	1,835,650	1,849,091	1,862,630	1,876,269	1,890,007	1,903,845	1,917,785	1,931,828
	@7%	732,198	731,773	736,425	833,061	839,161	845,305	851,495	857,729	864,010	870,336	876,709	883,128	889,594
2008	**@6%**	1,931,828	1,945,973	1,960,221	1,974,574	1,989,032	2,003,596	2,018,266	2,033,044	2,047,930	2,062,925	2,078,030	2,093,245	2,108,572
	@7%	889,594	896,108	902,669	909,279	915,937	922,643	929,399	936,204	943,059	949,964	956,920	963,926	970,984

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
DECEMBER 2006

SCHEDULE 4

AVERAGE	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO (%)	LOW POINT COST RATE (%)	WEIGHTED COST (%)	MID POINT COST RATE (%)	WEIGHTED COST (%)	HIGH POINT COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	$15,530,581	394,925	$15,925,506	(8,054)		$15,917,452	41.43	8.02	3.32	8.02	3.32	8.02	3.32
SHORT TERM DEBT	$1,018,656	25,074	1,043,730	(528)		1,043,202	2.72	3.28	0.09	3.28	0.09	3.28	0.09
PREFERRED STOCK	184,925	3,135	188,060	(95)		187,965	0.49	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	2,136,661		2,136,661			2,136,661	5.56	6.61	0.37	6.61	0.37	6.61	0.37
COMMON EQUITY	14,609,089	(423,134)	14,185,955	(7,175)		14,178,780	36.91	10.50	3.88	11.50	4.24	12.50	4.61
DEFERRED INCOME TAXES	4,813,710		4,813,710			4,813,710	12.53						
TAX CREDITS-ZERO COST	1,461		1,461			1,461							
TAX CREDITS-WEIGHTED COST	139,658		139,658			139,658	0.36	8.96	0.03	9.41	0.03	9.87	0.04
TOTAL	$38,434,741		$38,434,741	($15,852)		$38,418,889	100.00		7.71		8.07		8.45

YEAR END	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO (%)	LOW POINT COST RATE (%)	WEIGHTED COST (%)	MID POINT COST RATE (%)	WEIGHTED COST (%)	HIGH POINT COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	$15,262,481	364,201	$15,626,682			$15,626,682	40.64	8.01	3.26	8.01	3.26	8.01	3.26
SHORT TERM DEBT	1,046,306	27,778	1,074,084			1,074,084	2.79	3.13	0.09	3.13	0.09	3.13	0.09
PREFERRED STOCK	182,100	3,087	185,187			185,187	0.48	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	2,322,227		2,322,227			2,322,227	6.04	5.50	0.33	5.50	0.33	5.50	0.33
COMMON EQUITY	14,373,585	(395,066)	13,978,519	4,461		13,982,980	36.36	10.50	3.82	11.50	4.18	12.50	4.55
DEFERRED INCOME TAXES	5,137,868		5,137,868			5,137,868	13.36						
TAX CREDITS-ZERO COST	1,450		1,450			1,450							
TAX CREDITS-WEIGHTED COST	123,511		123,511			123,511	0.33	8.96	0.03	9.41	0.03	9.86	0.03
TOTAL	$38,449,528		$38,449,528	$4,461		$38,453,989	100.00		7.55		7.91		8.28

SCHEDULE 4

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED GAS DIVISIONS
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
DECEMBER 2006

				ADJUSTMENTS				LOW POINT		MID POINT		HIGH POINT	
AVERAGE	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	PRORATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	$24,109,191	613,069	$24,722,260	(1,536,998)		$23,185,262	39.95	8.02	3.20	8.02	3.20	8.02	3.20
SHORT TERM DEBT	1,581,329	38,925	1,620,254	(100,732)		1,519,522	2.62	3.28	0.09	3.28	0.09	3.28	0.09
PREFERRED STOCK	287,072	4,866	291,938	(18,150)		273,788	0.47	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	5,277,158		5,277,158			5,277,158	9.09	6.61	0.60	6.61	0.60	6.61	0.60
COMMON EQUITY	22,678,696	(656,860)	22,021,836	(1,369,111)		20,652,725	35.59	10.25	3.65	11.25	4.00	12.25	4.36
DEFERRED INCOME TAXES	6,889,503		6,889,503			6,889,503	11.87						
TAX CREDITS-ZERO COST													
TAX CREDITS-WEIGHTED COST	231,503		231,503			231,503	0.41	8.85	0.04	9.30	0.04	9.75	0.04
TOTAL	$61,054,452		$61,054,452	($3,024,991)		$58,029,461	100.00		7.60		7.95		8.31

				ADJUSTMENTS				LOW POINT		MID POINT		HIGH POINT	
YEAR END	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	PRORATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	$24,000,671	572,716	$24,573,387	(1,422,085)		$23,151,302	39.75	8.01	3.18	8.01	3.18	8.01	3.18
SHORT TERM DEBT	1,645,344	43,682	1,689,026	(97,746)		1,591,280	2.73	3.13	0.09	3.13	0.09	3.13	0.09
PREFERRED STOCK	286,358	4,853	291,211	(16,853)		274,358	0.47	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	5,491,600		5,491,600			5,491,600	9.43	5.79	0.55	5.79	0.55	5.79	0.55
COMMON EQUITY	22,602,857	(621,251)	21,981,606	(1,272,096)		20,709,510	35.56	10.25	3.64	11.25	4.00	12.25	4.36
DEFERRED INCOME TAXES	6,806,954		6,806,954			6,806,954	11.69						
TAX CREDITS-ZERO COST													
TAX CREDITS-WEIGHTED COST	210,185		210,185			210,185	0.37	8.84	0.03	9.30	0.03	9.75	0.04
TOTAL	$61,043,969		$61,043,969	($2,808,780)		$58,235,189	100.00		7.51		7.87		8.24

Florida Public Utilities
CAPITAL COMPONENTS
December 2005 - December 2006

Line Ref	Florida Public Utilities:	Notes	Acct #	Dec-2005	Jan-2006	Feb-2006	Mar-2006	Apr-2006	May-2006	Jun-2006	Jul-2006	Aug-2006	Sep-2006	Oct-2006	Nov-2006	Dec-2006	13 mth AVERAGE
									<<<<<<<<<ACTUALS >>>>>>>>>								
15	Investment in Assoc. Co.		1230	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
16	Unamortized Debt/Loss on Reaq'd Debt		1810, 1890	2,107,065	2,098,681	2,090,297	2,081,914	2,073,530	2,065,146	2,056,763	2,048,379	2,039,995	2,031,611	2,023,228	2,014,844	2,006,460	2,056,763
17	ACCUM DEF TAXES	Electric only	1900	997,076	977,628	990,452	999,831	1,011,900	1,020,732	1,030,005	1,039,398	1,037,289	1,030,952	1,031,516	1,024,085	1,048,453	1,018,409
18	190 AC DE TAX ENVIRO	Electric only	1900	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Common Stock		2010	9,229,514	9,235,244	9,235,244	9,235,244	9,239,942	9,239,942	9,239,942	9,245,312	9,245,312	9,245,312	9,250,472	9,250,472	9,250,472	9,241,725
20	Preferred Stock		2040	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
21	Premium On Comm. Stk.		2070	5,373,461	5,419,874	5,419,874	5,419,874	5,460,089	5,460,089	5,460,089	5,500,364	5,500,364	5,500,364	5,542,986	5,542,986	5,542,986	5,472,569
22	DISC ON CAP STK		2130	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Misc Paid in Capital		2110	1,052,761	965,642	965,642	985,274	985,274	972,268	971,910	891,616	891,616	919,988	919,988	919,988	938,906	952,375
24	Retained Earnings		2160	31,396,084	32,168,208	32,877,175	32,570,836	32,988,370	33,194,984	32,653,972	32,945,093	33,139,894	32,544,236	32,743,777	33,176,512	32,826,619	32,709,674
25	Capital Stock Expense		2140	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441
26	Treasury Stock		2170	3,349,121	3,127,001	3,127,001	3,127,001	3,127,001	3,074,018	3,074,018	2,841,531	2,841,531	2,841,531	2,841,531	2,841,531	2,841,531	3,004,181
27	1st Mortgage Bonds		2210	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000
28	DEBENTURES		2240	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	Notes Payable		2310	9,558,000	10,662,000	7,266,000	3,443,000	1,101,000	582,000	1,437,000	761,000	130,000	1,687,000	916,000	2,009,000	3,466,000	3,309,077
30	Customer Deposits	Electric only	2350	2,075,368	2,082,190	2,098,737	2,107,316	2,114,463	2,119,052	2,114,509	2,126,739	2,132,502	2,132,453	2,156,869	2,194,168	2,322,227	2,136,661
31	INVEST TAX CRED	Electric only	2550	157,283	154,589	151,895	149,201	146,507	143,813	141,119	138,425	135,731	133,037	130,343	127,649	124,971	141,120
32	ACCUM DEF TAXES*	Electric only	2820 2821 & 2830	5,522,358	5,488,112	5,445,440	5,442,853	5,406,934	5,382,719	5,482,702	5,495,227	5,466,017	6,265,063	6,218,437	6,198,423	6,192,870	5,692,858
33	DEF TAX-UNDERREC	Electric only	2830 Included above	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	CURRENT BONDS		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	3% INV TAX CRED			0	0	0	0	0	0	0	0	0	0	0	0	0	0
36																	
37																	
38	Flo-Gas Corp.:																
39	Investment in Assoc. Co.	Zeroed	1230	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	ACCUM DEF TAXES	Zeroed	1900	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41	Common Stock		2010	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
42	Retained Earnings		2160	2,229,013	2,379,946	2,570,762	2,650,315	2,704,584	2,674,624	2,654,986	2,602,121	2,535,153	2,446,880	2,408,093	2,424,438	2,386,526	2,512,880
43	Comprehensive Income		2190	0	0	0	0	0	0	0	0	0	0	0	0	103,245	7,942
44	Customer Deposits	Zeroed	2350	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45	INV TAX CREDIT	Zeroed	2550	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46	ACCUM DEF TAXES	Zeroed	2820	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	3% INV TAX CRED	Zeroed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
48																	
49	Consolidated:		Line Reference														
50	Long Term Debt		L27-L16	50,392,935	50,401,319	50,409,703	50,418,086	50,426,470	50,434,854	50,443,237	50,451,621	50,460,005	50,468,389	50,476,772	50,485,156	50,493,540	50,443,237
51	Short Term Debt		L29	9,558,000	10,662,000	7,266,000	3,443,000	1,101,000	582,000	1,437,000	761,000	130,000	1,687,000	916,000	2,009,000	3,466,000	3,309,077
52	Preferred Stock		L20	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
53	Customer Deposits	Electric only	L30	2,075,368	2,082,190	2,098,737	2,107,316	2,114,463	2,119,052	2,114,509	2,126,739	2,132,502	2,132,453	2,156,869	2,194,168	2,322,227	2,136,661
54	Common Equity		-L15+L19+L21+L23+L24-L25-L26-L39+L41+L42-L43	45,503,271	46,613,473	47,513,256	47,306,101	47,822,818	48,039,448	47,478,441	47,914,533	48,042,367	47,386,808	47,595,343	48,044,424	47,572,292	47,448,660
55	Common Equity-Excl Flo-Gas		+L19+L21+L23+L24-L25-L26	43,274,258	44,233,527	44,942,494	44,655,787	45,118,233	45,364,824	44,823,455	45,312,412	45,507,214	44,939,928	45,187,250	45,619,985	45,289,010	44,943,721
56	DEFERRED INC TAXES	Electric only	-L17+L32-L33	4,525,282	4,510,484	4,454,988	4,443,022	4,395,034	4,361,987	4,452,697	4,455,829	4,428,728	5,234,111	5,186,921	5,174,338	5,144,417	4,674,449
57	TAX CREDITS-ZERO CST	Electric only	+L35	0	0	0	0	0	0	0	0	0	0	0	0	0	0
58	TAX CREDITS-WEIGHTED	Electric only	+L31-L35	157,283	154,589	151,895	149,201	146,507	143,813	141,119	138,425	135,731	133,037	130,343	127,649	124,971	141,120
59	TOTAL INCL FLO-GAS EQUITY			112,812,140	115,024,056	112,494,579	108,466,727	106,606,292	106,281,154	106,667,004	106,448,148	105,929,333	107,641,798	107,062,249	108,634,735	109,723,447	108,753,205
60	TOTAL EXCL FLO-GAS EQUITY			110,583,127	112,644,110	109,923,817	105,816,412	103,901,708	103,606,530	104,012,017	103,846,027	103,394,180	105,194,917	104,654,155	106,210,296	107,440,165	106,248,266
61	TOTAL LTD,STD,EQUITY			106,054,206	108,276,792	105,788,958	101,767,188	99,950,288	99,656,302	99,958,678	99,727,155	99,232,372	100,142,197	99,588,116	101,138,580	102,131,831	101,800,974
62	TOTAL LTD,STD,EQUITY EXCL FLO-GAS			103,825,193	105,896,846	103,218,197	99,116,873	97,245,703	96,981,678	97,303,692	97,125,034	96,697,219	97,695,316	97,180,023	98,714,141	99,848,550	99,296,036
	Debt/Equity Ratio																
	Debt			60%	59%	58%	56%	55%	55%	55%	55%	55%	56%	56%	56%	57%	56%
	Equity			40%	41%	42%	44%	45%	45%	45%	45%	45%	44%	44%	44%	43%	44%

2007 Pg. 1 of 2

Florida Public Utilities
CAPITAL COMPONENTS ******
December 2006 - December 2007

Line Ref	Florida Public Utilities:	Notes	Acct #	<<<<<<<<< ACTUALS Dec-2006	Jan-2007	Feb-2007	Mar-2007 >>>>>>>>>	Apr-2007	May-2007	<<<<<<<<<<<<< PROJECTED Jun-2007	Jul-2007	Aug-2007	Sep-2007 >>>>>>>>>>>>>>	Oct-2007	Nov-2007	Dec-2007	13 mth AVERAGE	Basis of Projection
15	Investment in Assoc. Co.		1230	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	Constant
16	Unamortized Debt/Loss on Reaq'd Debt	1	1810, 1890	2 006.460	1.998,076	1,989.693	1.981.309	1.972.925	1.964,542	1.956.158	1.947.774	1.939.390	1,931,007	1,922.623	1.914,239	1,905.855	1.956.158	Amortization Schedule
17	ACCUM DEF TAXES	Electric only	1900	1,048.453	1,056,992	1,054,958	1,062,642	1,191,364	1,184,411	1,175,849	1,170.658	1,160,356	1,157,897	1,157,750	1,158,210	1,167,843	1,134,414	2004 - 2006 trend (Storm Resv on 2005-2006)
18	190 AC DE TAX ENVIRO	Electric only	1900	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	Common Stock		2010	9,250,472	9,256,367	9,256,367	9,256,367	9,261,017	9,261,017	9,261,017	9,266,280	9,266,280	9,266,280	9,271,517	9,271,517	9,271,517	9,262,770	Cash Flow Projection for DRIP & ESPP
20	Preferred Stock		2040	600.000	600.000	600.000	600.000	600.000	600.000	600.000	600.000	600,000	600.000	600,000	600.000	600,000	600,000	Constant
21	Premium On Comm. Stk.		2070	5.542,986	5,589,111	5,589,111	5,589,111	5,544,611	5,544,611	5,544,611	5,500,111	5,500,111	5,500,111	5,455,611	5,455,611	5,455,611	5,523,948	Qtrly increase of $44.500
22	DISC ON CAP STK		2130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	Misc Paid in Capital		2110	938,906	837,046	837,046	848,840	848,840	835,834	835,476	755,182	755,182	783,554	783,554	783,554	802,472	818,883	Based on 2006 Monthly changes
24	Retained Earnings		2160	32.826.619	33.447.261	33.965.988	35.651.318	36.049.321	36.187.321	35.584.332	35.722.332	35.879.332	35.297.343	35.431.343	35.723.167	35.446.425	35.170.162	NOI based on Revised 2007 Budget
25	Capital Stock Expense		2140	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428,441	428.441	428,441	428,441	Constant
26	Treasury Stock		2170	2,841.531	2.584.414	2.584.414	2.584.414	2.584.414	2.531.431	2.531.431	2.298.945	2.298.945	2.298.945	2.298.945	2.298.945	2.298.945	2.464.286	Based on 2006 Monthly changes
27	1st Mortgage Bonds		2210	52,500,000	52,500,000	52,500,000	52,500,000	52,500.000	52,500,000	52,500,000	52,500.000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	Sinking Fund Schedule
28	DEBENTURES		2240	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	Notes Payable		2310	3,466,000	3,964,000	2,243,000	2,215,000	3,120,000	1,460,000	2,160,000	7,660,000	7,460,000	8,060,000	8,660,000	11,860,000	12,160,000	5,729,846	Jan - Mar actual Apr- Dec Cash Flow Projections
30	Customer Deposits	Electric only	2350	2.322.227	2.320,879	2.335,632	2.642.123	2.661.468	2.680,956	2.700.586	2.720.360	2.740.278	2.760.343	2.780.554	2.800.914	2.821.422	2.637.518	5 Year Average Growth Rate 2002 - 2006
31	INVEST TAX CRED	Electric only	2550	124,971	122,499	120,037	117,575	115,113	112,651	110,189	107,727	105,265	102,803	100,341	97,879	95,417	110,190	Monthly $2.462
32	ACCUM DEF TAXES*	Electric only	2820 2821 & 2830	6.192.870	6.178.346	6.110.725	6.057.959	6.746.280	6.725.802	6.745.142	6.765.025	6.757.378	6.859.349	6,846.446	6.829.678	6.815.388	6.586.953	2004 - 2006 trend
33	DEF TAX-UNDERREC	Electric only	2830 Included above	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
34	CURRENT BONDS		0	0													0	
35	3% INV TAX CRED			0													0	
36																		
37																		
38	Flo-Gas Corp.:																	
39	Investment in Assoc. Co.	Zeroed	1230	0													0	
40	ACCUM DEF TAXES	Zeroed	1900	0													0	
41	Common Stock		2010	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	Constant
42	Retained Earnings		2160	2.386.526	2.472.443	2.598.924	705.053	754.057	760.057	759.057	758.057	761.057	776.057	817.057	883.057	975.057	1.185.112	NOI based on Revised 2007 Budget
43	Comprehensive Income		2190	103,245	103,245	103,245	79,110	79,110	79,110	53,463	53,463	53,463	28,571	28,571	28,571	265,667	81,449	OCI Projection Schedule
44	Customer Deposits	Zeroed	2350	0													0	
45	INV TAX CREDIT	Zeroed	2550	0													0	
46	ACCUM DEF TAXES	Zeroed	2820	0													0	
47	3% INV TAX CRED	Zeroed	0	0													0	
48																		
49	Consolidated:		Line Reference															
50	Long Term Debt		L27-L16	50.493.540	50.501.924	50.510.307	50.518.691	50.527.075	50.535 458	50.543.842	50.552.226	50.560.610	50.568.993	50.577.377	50.585.761	50.594.145	50.543.842	
51	Short Term Debt		L29	3,466,000	3,964,000	2,243,000	2,215,000	3,120,000	1,460,000	2,160,000	7,660,000	7,460,000	8,060,000	8,660,000	11,860,000	12,160,000	5,729,846	
52	Preferred Stock		L20	600.000	600,000	600.000	600,000	600.000	600,000	600.000	600.000	600.000	600,000	600.000	600.000	600,000	600,000	
53	Customer Deposits	Electric only	L30	2,322,227	2,320,879	2,335,632	2,642,123	2,661,468	2,680,956	2,700,586	2,720,360	2,740,278	2,760,343	2,780,554	2,800,914	2,821,422	2,637,518	
54	Common Equity		L15+L19+L21+L23+L24-L25-L26-L39+L41+L42+L43	47,572.292	48.486.127	49.131.336	48.958.725	49.365.881	49,549.858	48,971.158	49.221 114	49.381.114	48,867,389	49,003.125	49,360.949	48.958,030	48,986,700	
55	Common Equity-Excl Flo-Gas		+L19+L21+L23+L24-L25-L26	45,289,010	46,116,929	46,635,657	48,332,782	48,690,934	48,868,910	48,265,564	48,516,519	48,673,519	48,119,902	48,214,639	48,506,463	48,248,639	47,883,036	
56	DEFERRED INC TAXES	Electric only	L17+L32-L33	5.144.417	5.121.354	5.055.767	4.995.317	5.554.916	5.541.391	5,569.293	5.594.368	5.597.022	5,701,452	5,688,696	5.671.468	5.647.545	5.452,539	
57	TAX CREDITS-ZERO CST	Electric only	+L35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
58	TAX CREDITS-WEIGHTED	Electric only	+L31-L35	124.971	122.499	120.037	117.575	115.113	112.651	110.189	107.727	105.265	102.803	100.341	97.879	95.417	110.190	
59	TOTAL INCL FLO-GAS EQUITY			109,723.447	111,116,782	109,996,078	110,047,430	111,944,453	110,480,313	110,655,068	116,455,794	116,444,288	116,660,980	117,410,093	120,976,971	120,876,557	114,060,635	
60	TOTAL EXCL FLO-GAS EQUITY			107.440.165	108.747.584	107.500.399	109.421.487	111.269.506	109.799.366	109.949.473	115.751 199	115.736.694	115,913.494	116,621.607	120.122.484	120.167.167	112,956,971	
61	TOTAL LTD,STD,EQUITY			102,131,831	103,552,051	102,484,643	102,292,416	103,612,956	102,145,316	102,275,000	108,033,339	108,001,723	108,096,382	108,840,502	112,406,710	112,312,174	105,860,388	
62	TOTAL LTD.STD.EQUITY EXCL FLO-GAS			99 848 550	101,182,853	99,988,964	101,666.473	102.938.009	101.464.369	101.569.406	107 328 745	107.294.129	107.348,896	108,052.016	111.552.224	111.602.784	104.756.724	
	Debt/Equity Ratio																	
	Debt			57%	56%	55%	56%	56%	55%	56%	58%	58%	58%	58%	59%	59%	57%	
	Equity			43%	44%	45%	44%	44%	45%	44%	42%	42%	42%	42%	41%	41%	43%	

					Mthly Amort
1 Unamortized Debt Discount					
	$14M	$	2 239		
	$15M	$	3 357		
	$10M	$	601		
	$5 5M	$	324		
	$8M	$	339	$	5,860
Loss on Reacquired Debt	$5M	$	1 524	$	1,524
				$	8,384

2 Flo-Gas Dividend declared March 13 2007 $2 000 per share on the outstanding capital stock of the Company payable April 2, 2007
1000 x $2.000 $2 000.000

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Assumptions
RETAINED EARNINGS:
Annual Profit Margin Projected Increase

			TOTAL	Jan-2006	Feb-2006	Mar-2006	Apr-2006	May-2006	Jun-2006	Jul-2006	Aug-2006	Sep-2006	Oct-2006	Nov-2006	Dec-2006		
PRIOR YEAR NET INCOME (Actual)		2006	4,169	923	900	398	472	177	90	238	128	(32)	161	449	265		
		FPU	4,013	772	709	318	418	207	110	291	195	57	200	433	303		
		FLO-GAS	156	151	191	80	54	(30)	(20)	(53)	(67)	(89)	(39)	16	(38)		
				Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007		
	Revised Budget	2007	3,879	707	645	446	447	144	99	137	160	136	175	320	463		
	(671,194)	FPU	3,291	621	519	340	398	138	100	138	157	121	134	254	371		
	(1,999,469)	FLO-GAS	588	86	126	106	49	6	(1)	(1)	3	15	41	66	92		
FPU RETAINED EARNINGS 2007	Note			Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007		
B/F				32,826,619	33,447,262	33,965,990	35,651,321	36,049,321	36,187,321	35,584,332	35,722,332	35,879,332	35,297,343	35,431,343	35,723,167	32,826,619	
NET INCOME		FPU		620,643	518,728	340,116	398,000	138,000	100,000	138,000	157,000	121,000	134,000	254,000	371,000	3,290,487	
Preferred Dividend						(7,125)			(7,125)			(7,125)			(7,125)	(28,500)	
Common Dividend						(647,660)		0	(695,864)			(695,864)			(695,864)	(2,735,252)	
Flo-Gas Dividend	2					2,000,000										2,000,000	
Projected Interim Rate Relief														37,824	55,247	93,071	
BALANCE C/F				33,447,262	33,965,990	35,651,321	36,049,321	36,187,321	35,584,332	35,722,332	35,879,332	35,297,343	35,431,343	35,723,167	35,446,425	35,446,425	2,619,806
FLO-GAS RETAINED EARNINGS																	
B/F				2,386,526	2,472,443	2,598,925	705,057	754,057	760,057	759,057	758,057	761,057	776,057	817,057	883,057	2,386,526	
NET INCOME				85,917	126,482	106,132	49,000	6,000	(1,000)	(1,000)	3,000	15,000	41,000	66,000	92,000	588,531	
DIVIDEND	2					(2,000,000)										(2,000,000)	
BAL C/F				2,472,443	2,598,925	705,057	754,057	760,057	759,057	758,057	761,057	776,057	817,057	883,057	975,057	975,057	(1,411,469)
CONSOLIDATED PROJECTED RETAINED EARNINGS																	
B/F				35,213,145	35,919,705	36,564,915	36,356,378	36,803,378	36,947,378	36,343,389	36,480,389	36,640,389	36,073,400	36,248,400	36,568,400	35,213,145	
NET INCOME				706,560	645,210	446,248	447,000	144,000	99,000	137,000	160,000	136,000	175,000	320,000	463,000	3,879,018	
Preferred Dividend				0	0	(7,125)	0	0	(7,125)	0	0	(7,125)	0	0	(7,125)	(28,500)	
Common Dividend				0	0	(647,660)	0	0	(695,864)	0	0	(695,864)	0	0	(695,864)	(2,735,252)	
BALANCE C/F				35,919,705	36,564,915	36,356,378	36,803,378	36,947,378	36,343,389	36,480,389	36,640,389	36,073,400	36,248,400	36,568,400	36,328,411	36,328,411	1,115,266
	0																
Projected Interim Rate Relief	Ann NOI	490,000	Nov-07	**92,423**	**77,246**	**50,648**	**59,268**	**20,550**	**14,891**	**20,550**	**23,380**	**18,019**	**19,954**	37,824	55,247	490,000	
				35,919,705	36,564,915	36,356,378	36,803,378	36,947,378	36,343,389	36,480,389	36,640,389	36,073,400	36,248,400	36,606,225	36,421,483		
Financials				35,919,703	36,564,911	36,356,371											
				2	4	7											
						(3)											
						(4)											

Florida Public Utilities
CAPITAL COMPONENTS ******
December 2007 - December 2008

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Line Ref	Florida Public Utilities:	Notes	Acct #	Dec-2007	Jan-2008	Feb-2008	Mar-2008	Apr-2008	May-2008	Jun-2008	Jul-2008	Aug-2008	Sep-2008	Oct-2008	Nov-2008	Dec-2008	13 mth AVERAGE	Basis of Projection
								<<<<<<<<< PROJECTED >>>>>>>>>										
15	Investment in Assoc. Co.		1230	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	Constant
16	Unamortized Debt/Loss on Reaq'd Debt	Amort Sch	1810, 1890	1,905,855	1,897,472	1,889,088	1,880,704	1,872,321	1,863,937	1,855,553	1,847,169	1,838,786	1,830,402	1,822,018	1,813,634	1,805,251	1,855,553	Amortization Schedule
17	ACCUM DEF TAXES	Electric only	1900	1,167,843	1,144,089	1,256,804	1,256,991	1,256,722	1,256,484	1,256,270	1,256,401	1,253,370	1,252,493	1,251,737	1,249,486	1,253,227	1,239,378	2005 - 2007 trend
18	190 AC DE TAX ENVIRO	Electric only	1900	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	Common Stock	2	2010	9,271,517	9,276,783	9,276,783	9,276,783	9,281,933	9,281,933	11,156,933	11,162,196	11,162,196	11,162,196	11,167,433	11,167,433	11,167,433	10,293,196	Cash Flow Proj Equity Off (June)
20	Preferred Stock		2040	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	Constant
21	Premium On Comm. Stk.	2	2070	5,455,611	5,411,111	5,411,111	5,411,111	5,366,611	5,366,611	18,491,611	18,447,111	18,447,111	18,447,111	18,402,611	18,402,611	18,402,611	12,420,226	Qtrly increase of $44,500 & Equity Off in J
22	DISC ON CAP STK		2130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	Misc Paid in Capital		2110	802,472	715,354	715,354	734,985	734,985	721,979	721,621	641,327	641,327	669,699	669,699	669,699	688,617	702,086	Based on 2006 Monthly changes
24	Retained Earnings		2160	35,446,425	36,178,517	36,790,361	37,465,383	37,934,582	38,118,654	37,377,274	37,561,347	37,770,763	37,055,441	37,234,178	37,572,978	37,190,708	37,207,432	NOI based on Est 3% Inc
25	Capital Stock Expense		2140	428,441	428,441	428,441	428,441	428,441	428,441	1,328,441	1,328,441	1,328,441	1,328,441	1,328,441	1,328,441	1,328,441	913,056	Constant + Equity Off Issuance Cost June
26	Treasury Stock		2170	2,298,945	2,076,825	2,076,825	2,076,825	2,076,825	2,023,842	2,023,842	1,791,356	1,791,356	1,791,356	1,791,356	1,791,356	1,791,356	1,954,005	Based on 2006 Monthly changes
27	1st Mortgage Bonds	1	2210	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	51,091,000	51,091,000	51,091,000	51,091,000	51,091,000	51,091,000	51,091,000	51,091,000	51,632,923	Sinking Fund Schedule
28	DEBENTURES		2240	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	Notes Payable		2310	12,160,000	11,660,000	10,460,000	9,760,000	10,960,000	13,260,000	260,000	660,000	260,000	660,000	2,160,000	5,560,000	5,860,000	6,436,923	Cash Flow Projections
30	Customer Deposits	Electric only	2350	2,821,422	2,842,081	2,862,890	2,883,853	2,904,968	2,926,239	2,947,665	2,969,248	2,990,989	3,012,889	3,034,949	3,057,172	3,079,556	2,948,763	5 Year Average Growth Rate 2002 - 2006
31	INVEST TAX CRED	Electric only	2550	95,417	93,175	90,933	88,691	86,449	84,207	81,965	79,723	77,481	75,239	72,997	70,755	68,513	81,965	Monthly $2,462
32	ACCUM DEF TAXES*	Electric only	2820 2821 & 2830	6,815,388	6,562,491	7,420,855	7,403,201	7,396,734	7,378,249	7,398,047	7,419,437	7,412,743	7,501,563	7,490,045	7,474,899	7,461,928	7,318,121	2005 - 2007 trend
33	DEF TAX-UNDERREC	Electric only	2830 Included above	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
34	CURRENT BONDS		0	0													0	
35	3% INV TAX CRED			0													0	
36																		
37				0														
38	Flo-Gas Corp.:			0														
39	Investment in Assoc. Co.	Zeroed	1230	0													0	
40	ACCUM DEF TAXES	Zeroed	1900	0													0	
41	Common Stock		2010	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	Constant
42	Retained Earnings		2160	975,057	1,063,637	1,193,417	302,597	353,067	359,247	358,217	357,187	360,277	375,727	417,957	485,937	580,697	552,540	NOI based on Est 3% Inc
43	Comprehensive Income		2190	265,667	265,667	265,667	226,002	226,002	226,002	186,337	186,337	186,337	146,672	146,672	146,672	107,007	198,542	OCI Projection Schedule
44	Customer Deposits	Zeroed	2350	0													0	
45	INV TAX CREDIT	Zeroed	2550	0													0	
46	ACCUM DEF TAXES	Zeroed	2820	0													0	
47	3% INV TAX CRED	Zeroed	0	0													0	
48				0														
49	Consolidated:		Line Reference	0														
50	Long Term Debt		L27-L15	50,594,145	50,602,528	50,610,912	50,619,296	50,627,679	49,227,063	49,235,447	49,243,831	49,252,214	49,260,598	49,268,982	49,277,366	49,285,749	49,777,370	
51	Short Term Debt		L29	12,160,000	11,660,000	10,460,000	9,760,000	10,960,000	13,260,000	260,000	660,000	260,000	660,000	2,160,000	5,560,000	5,860,000	6,436,923	
52	Preferred Stock		L20	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	
53	Customer Deposits	Electric only	L30	2,821,422	2,842,081	2,862,890	2,883,853	2,904,968	2,926,239	2,947,665	2,969,248	2,990,989	3,012,889	3,034,949	3,057,172	3,079,556	2,948,763	
54	Common Equity		-L15+L19+L21+L23+L24-L25-L26-L39+L41+L42+L43	48,958,030	49,874,469	50,616,094	50,459,593	50,939,911	51,170,140	64,567,037	64,863,035	65,075,541	64,443,707	64,625,410	65,032,190	64,803,263	58,109,878	
55	Common Equity-Excl Flo-Gas		+L19+L21+L23+L24-L25-L26	48,248,639	49,076,499	49,688,343	50,382,997	50,812,845	51,036,894	64,395,157	64,692,185	64,901,601	64,214,651	64,354,125	64,692,925	64,329,572	57,755,879	
56	DEFERRED INC TAXES	Electric only	-L17+L32-L33	5,647,545	5,418,402	6,164,051	6,146,210	6,140,012	6,121,764	6,141,777	6,163,036	6,159,373	6,249,069	6,238,308	6,225,413	6,208,701	6,078,743	
57	TAX CREDITS-ZERO CST	Electric only	+L35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
58	TAX CREDITS-WEIGHTED	Electric only	+L31+L35	95,417	93,175	90,933	88,691	86,449	84,207	81,965	79,723	77,481	75,239	72,997	70,755	68,513	81,965	
59	TOTAL INCL FLO-GAS EQUITY			120,878,557	121,090,655	121,404,880	120,557,642	122,259,019	123,389,413	123,833,891	124,578,872	124,415,598	124,301,502	126,000,647	129,822,895	129,905,783	124,033,643	
60	TOTAL EXCL FLO-GAS EQUITY			120,167,167	120,292,684	120,477,129	120,481,047	122,131,954	123,256,168	123,662,010	124,408,022	124,241,658	124,072,446	125,729,361	129,483,630	129,432,092	123,679,644	
61	TOTAL LTD,STD,EQUITY			112,312,174	112,736,998	112,287,006	111,438,888	113,127,590	114,257,203	114,662,484	115,366,866	115,187,755	114,964,305	116,654,392	120,469,556	120,549,012	114,924,172	
62	TOTAL LTD,STD,EQUITY EXCL FLO-GAS			111,602,784	111,939,027	111,359,255	111,362,293	113,000,525	114,123,957	114,490,604	115,196,015	115,013,815	114,735,249	116,383,107	120,130,290	120,075,322	114,570,173	
	Debt/Equity Ratio																	
	Debt			59%	59%	58%	58%	58%	59%	48%	48%	48%	48%	49%	50%	50%	53%	
	Equity			41%	41%	42%	42%	42%	41%	52%	52%	52%	52%	51%	50%	50%	47%	

Notes

1 Sinking Fund Payments on LT Debt May 1 2008	$10M	$	909,000
	$5.5M	$	500,000
		$	1,409,000

2 Projected Equity Offering June 2008 $ 15 M

2007 Pg. 2 of 2

Assumptions:
RETAINED EARNINGS: 1.03
Annual Profit Margin Projected Increase

PRIOR YEAR NET INCOME (Revised Budget)			TOTAL	Jan-2007	Feb-2007	Mar-2007	Apr-2007	May-2007	Jun-2007	Jul-2007	Aug-2007	Sep-2007	Oct-2007	Nov-2007	Dec-2007		
		2007	3,879	707	645	446	447	144	99	137	160	136	175	320	463		
		FPU	3,291	621	519	340	398	138	100	138	157	121	134	254	371		
		FLO-GAS	588	86	126	106	49	6	(1)	(1)	3	15	41	66	92		
				Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008		
		2008	3,995	728	664	459	460	148	102	141	165	140	180	330	477		
		FPU	3,390	640	535	350	410	142	103	142	162	125	138	262	382		
	(1.000.000)	FLO-GAS	606	89	130	109	50	6	(1)	(1)	3	15	42	68	95		
FPU RETAINED EARNINGS 2008				Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008		
B/F				35.446.425	36.178.517	36.790.361	37.465.383	37.934.582	38.118.654	37.377.274	37.561.347	37.770.763	37.055.441	37.234.178	37,572,978	35,446.425	
NET INCOME		FPU		639.630	534.570	350.200	409.940	142.140	103.000	142.140	161.710	124.630	138.020	261.620	382.130	3.389.730	
Preferred Dividend						(7.125)			(7.125)			(7.125)			(7.125)	(28.500)	
Common Dividend				0	0	(718.676)	0	0	(867.641)	0	0	(869.594)	0	0	(870.007)	(3.325.917)	
Flo-Gas Dividend						1,000,000										1.000.000	
Projected Interim Rate Relief	Ann NOI	490.000	Nov-07	92.461	77.274	50.623	59.259									279.617	
Projected NOI - Elec Rate Case	Annual	1.000.000	May-08					41,933	30.386	41.933	47.706	36.767	40.717	77.180	112.732	429.353	
BALANCE C/F				36.178.517	36.790.361	37.465.383	37.934.582	38.118.654	37.377.274	37.561.347	37.770.763	37.055.441	37.234.178	37.572.978	37.190.708	37.190.708	1.744.283
FLO-GAS RETAINED EARNINGS																	
B/F				975,057	1.063.637	1.193.417	302.597	353.067	359.247	358.217	357.187	360.277	375.727	417.957	485.937	975.057	
NET INCOME				88.580	129.780	109.180	50.470	6.180	(1.030)	(1.030)	3,090	15.450	42.230	67,980	94.760	605.640	
DIVIDEND						(1,000,000)										(1.000.000)	
BAL C/F				1,063,637	1.193.417	302.597	353.067	359.247	358.217	357.187	360,277	375.727	417.957	485.937	580,697	580.697	(394.360)
CONSOLIDATED PROJECTED RETAINED EARNINGS																	
B/F				36.421.483	37.242.154	37.983.778	37,767,981	38.287.649	38.477.902	37.735.492	37,918.534	38.131.040	37.431.169	37.652.136	38.058.916	36.421.483	
NET INCOME				728.210	664.350	459.380	460.410	148.320	101.970	141.110	164.800	140.080	180.250	329.600	476,890	3.995.370	
Preferred Dividend				0	0	(7.125)	0	0	(7.125)	0	0	(7.125)	0	0	(7.125)	(28.500)	
Common Dividend				0	0	(718.676)	0	0	(867.641)	0	0	(869.594)	0	0	(870.007)	(3.325.917)	
Projected NOI - Elec Rate Case				0	0	0	0	41932 5433	30385 90094	41932 5433	47705 86448	36766 94014	40717 10726	77180.18839	112731 6925	429.353	
BALANCE C/F				37.149.693	37.906.504	37.717.358	38.228.391	38.477.902	37.735.492	37.918.534	38.131.040	37.431.169	37.652.136	38.058.916	37.771.405	37.491.788	1.070.306
			Effective														
Projected Rate Relief		1,000,000	May-08	188,698	167,703	103,312	120,936	41.933	30.386	41.933	47.706	36.767	40.717	77.180	112.732	1.000.000	
Projected Interim Rate Relief	Ann NOI	490,000	Nov-07	92.461	77.274	50.623	59.259	20,547	14,880	20,547	23,376	18,016	19,951	37,818	55,239	490.000	
			112.312.174	112,736.998	112.287.006	111.438.888	113.127.590	114.257.203	114.662.484	115.366.866	115.187.755	114.964.305	116.654.392	120.469.556	120.549.012	114.924.172	

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Wednesday, Apr 09, 2008 10:04 AM

Clara Leider

From:	Martin Cheryl
Sent:	Monday, July 09, 2007 8:43 AM
To:	Mike Welsh
Cc:	Cox Doreen; rjcamfield@lrca.com; Khojasteh Mehrdad
Subject:	RE: rate case
Categories:	Elec Rate Case

There is no AFUDC so that cell on C23 would be 0. Cheryl

-----Original Message-----
From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Tuesday, July 03, 2007 9:45 AM
To: Cox Doreen; Robert Camfield
Cc: Martin Cheryl; Khojasteh Mehrdad
Subject: RE: rate case

Doreen: Here is the latest version of the C Schedules. (I had sent version 3 last week for review). Anyway, you will find C-23 here. As you will see there is one cell highlighted in red. I still need to know if there is a value that needs to go here or if this item is zero.

-----Original Message-----
From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Tuesday, July 03, 2007 8:19 AM
To: Robert Camfield
Cc: Martin Cheryl; Mike Welsh; Khojasteh Mehrdad
Subject: RE: rate case

Robert
Do we have Sch C-23 (old C-44) available yet? If so, please forward us a copy - it's a supporting schedule needed for the tax rate.
Thanks
Doreen

-----Original Message-----
From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Monday, July 02, 2007 6:10 PM
To: Cox Doreen
Cc: Martin Cheryl; Mike Welsh; Khojasteh Mehrdad
Subject: RE: rate case

Mike,

OK, it is 7.72% overall, using the 6.32%, as I had originally calculated. Robert

-----Original Message-----
From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Monday, July 02, 2007 5:02 PM
To: Robert Camfield
Cc: Martin Cheryl; Mike Welsh; Khojasteh Mehrdad
Subject: RE: rate case

Robert
I agree with your method of calculating the Interest on the Customer Deposits which result in a cost rate of 6.32% (12 Mth Int / 13 Mth Avg Cust Dep Bal). As we discussed the Surveillance Report is using a different methodology (13 Mth Int Exp / 13 Mth Avg) resulting in a Cost Rate of 6.61%. I will discuss with Cheryl on her return, but have forwarded the revised schedule using 6.32%.
Thanks
Doreen

-----Original Message-----
From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Monday, July 02, 2007 4:30 PM
To: Cox Doreen
Cc: Martin Cheryl; Mike Welsh; Khojasteh Mehrdad
Subject: RE: rate case

Doreen,

I accept your corrections and edits, which include:

1) Your addition of the Loss on reacquired debt. I did not have these data available, or at least I did know where the data were reported.

2) Remaining balances on unamortized issuance expenses, where you had pulled these data from financial records, I had estimated them.

There remains a couple of points:

First, your version of my spreadsheet does not utilize the calculated cost of LT Debt, or of ST Debt. The calculated LT Debt rate is 8.03%, vs. the surveillance value of 8.02% (my first calculated value was also 8.02%). In the case of ST Debt, the daily vs. month-end balances issue (which I brought up earlier) suggests that the observed and calculated values can diverge significantly.

Second, the customer deposits rate of 6.61% is significantly above the value that I had calculated, 6.32%. This is a significant difference that I cannot explain. While it is appropriate to utilize the value reported in the surveillance reports (6.61%), the difference suggests that our methodology, as used to obtain '07 and '08 may be in error. I can't figure out the reason for the discrepancy, though I have not looked into the surveillance report in depth.

MIKE: The rate of return value provided on tab D-1a,'06 - currently at 7.73% - of the attached file (D's 06,07_a DC, RC) should be used for the determination of the revenue requirement amount for interim relief.
This value includes a 10.50% return on equity, and should hold, notwithstanding Doreen's review of the customer deposits interest rate issue discussed above. If Doreen adopts 6.32% in lieu of 6.61% (as currently used) for deposits, the overall rate of return for interim relief remains virtually unchanged (7.72%).

Robert

-----Original Message-----
From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Monday, July 02, 2007 2:16 PM
To: Robert Camfield
Cc: Martin Cheryl; Mike Welsh; Khojasteh Mehrdad
Subject: RE: rate case

Robert:
Please find attached a revised Cost of Capital Worksheet and D schedules.

The changes to the Cost of Capital Worksheet are twofold:
1 The Deferred Taxes have been revised to reconcile to the Surveillance Report which excludes fuel under-recoveries which are not allowed by the PSC for determining working capital.
2 Regulatory Assets & Liabilities are also excluded and remain as reconciling items to the Surveillance Report.
3 Additional total lines have been added to show totals excluding Flo-Gas Equity.

Schedules Ds
Please note that I have made changes or updates to the cells highlighted in yellow. The

projected rate base figures for 2007 and 2008 are not yet available, so the figures in blue are just hypothetical. We should have the projected rate base by mid-week.

The MFR requirements, not yet addressed have been highlighted in green.

Please review and let us know if you have any questions, or would like to discuss.
Thanks
Doreen

-----Original Message-----
From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, June 28, 2007 8:42 AM
To: Cox Doreen
Cc: Martin Cheryl; Mike Welsh
Subject: RE: rate case

Doreen,

Attached please find the latest set of D Schedules. I think these schedules are correct. Nonetheless, the schedules need your review, particularly as regards to the calculation of long-term debt costs as related to issuance expenses and amortization of expenses.

I will return to the office tomorrow morning.

Thanks, Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Wed 6/27/2007 2:50 PM
To: Martin Cheryl; Mesite Jim
Cc: Robert Camfield
Subject: RE: rate case

As discussed in the last Electric Rate Case we filed the Schedule D's including Flo-Gas Equity and using Year-end balances (the way FPU deems to be correct). The staff however, adjusted the capital structure to exclude Flo-Gas and use the 13 Mth Average.

As agreed we will use the Commission's methodology of excluding Flo-Gas and using the 13 month average. We will however state what we believe to be the correct approach in our testimony.

Robert

Please note.

From: Martin Cheryl
Sent: Wednesday, June 27, 2007 3:22 PM

To: Cox Doreen
Cc: Mesite Jim
Subject: rate case

We are showing cost of capital after the FLogas equity is removed, correct?

Cheryl Martin

Controller

Florida Public Utilities Company

(561) 838-1725

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Wednesday, Apr 09, 2008 10:05 AM

Clara Leider

From: Lundgren April
Sent: Tuesday, May 01, 2007 3:41 PM
To: Cox Doreen
Subject: RE: Ratio Analysis
Attachments: Purchased power compliance ratios.xls

Hi Doreen:

I prepared my side-by-side calculations of the purchased power ratios and have a bit of a difference in the numbers. I have attached the computation prepared for quarters past, updated for 03/07 amounts.

Thanks,
April Lundgren
x 1788

-----Original Message-----
From: Cox Doreen
Sent: Tuesday, May 01, 2007 10:43 AM
To: Lundgren April
Subject: Ratio Analysis

April
Please review the Ratio Analysis schedule.
Thanks
Doreen

P:\Departments & Divisions\Accounting Departments\10Q 10K\2007\1q07\Analysis\ARP-02 debt WC ratios Q1 2007.xls

		3/2007	12/2006	9/2006	6/2006	3/2006	12/2005
Net income from Continuing ops		1,798,015	874,832	334,645	738,378	2,220,917	783,263
Depreciation & Amortization		2,072,262	1,923,775	1,915,000	1,924,570	1,978,173	1,858,650
Deferred IT		(615,975)	(453,311)	(566,781)	497,664	(1,370,740)	532,272
Gross Interest Expense		1,167,188	1,139,284	1,137,206	1,118,904	1,213,148	1,176,430
Ratio Calc		4,421,490	3,484,580	2,820,070	4,279,516	4,041,498	4,350,615
	/	1,167,188	1,139,284	1,137,206	1,118,904	1,213,148	1,176,430
Ratio		3.79	3.06	2.48	3.82	3.33	3.70
						6 Qtr Avg	3.36

		3/2007	12/2006	9/2006	6/2006	3/2006	12/2005
Long term Debt		50,722,861	50,702,281	50,681,701	50,661,121	50,640,541	50,619,960
Current Maturities					-	-	-
Commercial Paper					-	-	-
Other short term borrowings		2,215,000	3,466,000	1,687,000	1,437,000	3,443,000	9,558,000
shareholder's equity (incl. preferred)		49,534,593	48,172,470	47,986,862	48,078,440	47,906,101	46,103,471
Minority Interest					-	-	-
Ratio calc		52,937,861	54,168,281	52,368,701	52,098,121	54,083,541	60,177,960
	/	102,472,454	102,340,751	100,355,563	100,176,561	101,989,642	106,281,431
Ratio		0.52	0.53	0.52	0.52	0.53	0.57
						6 Qtr Avg	0.53

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Wednesday, Apr 09, 2008 10:07 AM

Clara Leider

From: Sprouse,Kevin E [kevin.sprouse@edwardjones.com]
Sent: Thursday, February 08, 2007 4:14 PM
To: Cox Doreen
Cc: Bachman George; Hoyt Brian; Khojasteh Mehrdad
Subject: RE: Retail Bond Coupon Rates for Dec 2006

Yes 2006... I just copies the text template and update the rates.

Best,

Kevin

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, February 08, 2007 3:02 PM
To: Sprouse,Kevin E
Cc: Bachman George; Hoyt Brian; Khojasteh Mehrdad
Subject: RE: Retail Bond Coupon Rates for Dec 2006

Thanks Kevin!
Please confirm that these rates are for December 2006 and not December 2005 as indicated below.
We do appreciate your assistance.

-----Original Message-----
From: Sprouse,Kevin E [mailto:kevin.sprouse@edwardjones.com]
Sent: Thursday, February 08, 2007 3:55 PM
To: Cox Doreen
Cc: Bachman George; Hoyt Brian; Khojasteh Mehrdad
Subject: RE: Retail Bond Coupon Rates for Dec 2006

Using the relevant treasury yields as a benchmark and assuming an equivalent spread to the benchmarks as compared to today...

Current (30 year retail offerings):
insured taxable: 5.65% - 5.75%
insured tax-exempt: 4.45% - 4.55%
rated taxable (BBB range): 6.15%-6.35%

December 2005 mid month approximate range
insured taxable: 5.75% - 5.90% range
insured tax-exempt: 4.55% - 4.65%
rated taxable (BBB range): 6.25%-6.45%

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, February 08, 2007 12:30 PM
To: Sprouse,Kevin E
Cc: Bachman George; Hoyt Brian; Khojasteh Mehrdad
Subject: Retail Bond Coupon Rates for Dec 2006

Kevin:
Could you please provide us with the Edward Jones retail market 30 year retail bond coupon rates (Rated, Insured & Tax-exempt) for December 2006?
Thanks so much.
Doreen

-----Original Message-----
From: Sprouse,Kevin E [mailto:kevin.sprouse@edwardjones.com]
Sent: Thursday, March 02, 2006 4:31 PM
To: Cox Doreen
Subject: RE: Retail Bond Coupon Rates for Dec 2005

Using the relevant treasury yields as a benchmark and assuming an equivalent spread to the benchmarks as compared to today...

Current:
insured taxable: 5.65% - 5.75%
insured tax-exempt: 4.45% - 4.55%
rated taxable (BBB range): 6.15%-6.35%

December 2005 mid month approximate range
insured taxable: 5.75% - 5.85%
insured tax-exempt: 4.50% - 4.65%
rated taxable (BBB range): 6.25%-6.45%

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, March 02, 2006 10:23 AM
To: Sprouse,Kevin E
Subject: RE: Retail Bond Coupon Rates for Dec 2005

Welcome back Kevin. Is it possible to get rates on or around Dec 05?
Thanks
Doreen

-----Original Message-----
From: Sprouse,Kevin E [mailto:kevin.sprouse@edwardjones.com]
Sent: Thursday, March 02, 2006 11:19 AM
To: Cox Doreen
Subject: RE: Retail Bond Coupon Rates for Dec 2005

The approximate current rates for long-term debt as of the end of February 2006 for Edward Jones retail market are:

insured taxable: 5.65% - 5.75%
insured tax-exempt: 4.45% - 4.55%
rated taxable (BBB range): 6.15%-6.35%

Best,

Kevin

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Friday, February 24, 2006 9:53 AM
To: Sprouse,Kevin E

Cc: Bachman George; Martin Cheryl; Sterling Ingrid
Subject: Retail Bond Coupon Rates for Dec 2005

Kevin:
Could you please provide us with the 30 year retail bond coupon rates (Rated, Insured & Tax-exempt) for December 2005?
Thanks
Doreen
Florida Public Utilities
Financial Analyst
(561) 838-1797

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Wednesday, Apr 09, 2008 10:07 AM

Clara Leider

From: Khojasteh Mehrdad
Sent: Friday, August 03, 2007 8:03 AM
To: Cox Doreen
Cc: Mike Welsh
Subject: RE: Revised C-11

Doreen?

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Friday, August 03, 2007 7:50 AM
To: Khojasteh Mehrdad
Cc: Cox Doreen
Subject: RE: Revised C-11

I understand the issue with what would have appeared to be a large jump in the bad debt rate for the projected year 2008.

The issue I was asking about relates to which bad debt rate to use for calculating the gross up factor used in determining the 2008 revenue requirement. Currently I would be using whatever the 2008 estimated rate turns out to be. However, I was wondering since in C-11 we are now showing an average for 2006-2008, whether there was some thought that we would use the average 2006-2008 in the gross up factor instead of the projected 2008 bad debt rate. Just let me know.

From: Khojasteh Mehrdad [mailto:mkhojasteh@fpuc.com]
Sent: Friday, August 03, 2007 6:18 AM
To: Mike Welsh
Cc: Cox Doreen
Subject: RE: Revised C-11

We felt the previous rate was too high. It is used on some of Doreen's schedules.

Thanks,

Mehrdad Khojasteh

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 7:22 PM
To: Khojasteh Mehrdad
Subject: RE: Revised C-11

I have made these revisions. Do you know if we will be using the newly calculated average bad debt rate for any particular purpose?

From: Khojasteh Mehrdad [mailto:mkhojasteh@fpuc.com]
Sent: Thursday, August 02, 2007 6:16 PM
To: Mike Welsh

Cc: Robert Camfield; Dan Hansen; Martin Cheryl; Cox Doreen
Subject: Revised C-11

Mike,

I have attached a revised C-11. We revised the 2008 bad debt rate on the C-11 you sent us. The cells that were revised are highlighted in pink.

If you have any questions or comments, please let me know.

Mehrdad Khojasteh

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Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Friday, August 03, 2007 7:50 AM
To: Khojasteh Mehrdad
Cc: Cox Doreen
Subject: RE: Revised C-11

I understand the issue with what would have appeared to be a large jump in the bad debt rate for the projected year 2008.

The issue I was asking about relates to which bad debt rate to use for calculating the gross up factor used in determining the 2008 revenue requirement. Currently I would be using whatever the 2008 estimated rate turns out to be. However, I was wondering since in C-11 we are now showing an average for 2006-2008, whether there was some thought that we would use the average 2006-2008 in the gross up factor instead of the projected 2008 bad debt rate. Just let me know.

From: Khojasteh Mehrdad [mailto:mkhojasteh@fpuc.com]
Sent: Friday, August 03, 2007 6:18 AM
To: Mike Welsh
Cc: Cox Doreen
Subject: RE: Revised C-11

We felt the previous rate was too high. It is used on some of Doreen's schedules.

Thanks,

Mehrdad Khojasteh

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 7:22 PM
To: Khojasteh Mehrdad
Subject: RE: Revised C-11

I have made these revisions. Do you know if we will be using the newly calculated average bad debt rate for any particular purpose?

From: Khojasteh Mehrdad [mailto:mkhojasteh@fpuc.com]
Sent: Thursday, August 02, 2007 6:16 PM
To: Mike Welsh
Cc: Robert Camfield; Dan Hansen; Martin Cheryl; Cox Doreen
Subject: Revised C-11

Mike,

I have attached a revised C-11. We revised the 2008 bad debt rate on the C-11 you sent us. The cells that were revised are highlighted in pink.

If you have any questions or comments, please let me know.

Mehrdad Khojasteh

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Wednesday, Apr 09, 2008 10:08 AM

Clara Leider

From: Khojasteh Mehrdad
Sent: Friday, August 03, 2007 7:18 AM
To: Mike Welsh
Cc: Cox Doreen
Subject: RE: Revised C-11

We felt the previous rate was too high. It is used on some of Doreen's schedules.

Thanks,

Mehrdad Khojasteh

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 7:22 PM
To: Khojasteh Mehrdad
Subject: RE: Revised C-11

I have made these revisions. Do you know if we will be using the newly calculated average bad debt rate for any particular purpose?

From: Khojasteh Mehrdad [mailto:mkhojasteh@fpuc.com]
Sent: Thursday, August 02, 2007 6:16 PM
To: Mike Welsh
Cc: Robert Camfield; Dan Hansen; Martin Cheryl; Cox Doreen
Subject: Revised C-11

Mike,

I have attached a revised C-11. We revised the 2008 bad debt rate on the C-11 you sent us. The cells that were revised are highlighted in pink.

If you have any questions or comments, please let me know.

Mehrdad Khojasteh

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Wednesday, Apr 09, 2008 10:09 AM

Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Friday, August 03, 2007 8:11 AM
To: Cox Doreen
Subject: RE: Revised C-11

Thanks. I am focusing for the near term on the COS model and will put this on my list of things to do – but please feel free to check in with me later this afternoon or on Monday to make sure I have gotten back to it.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Friday, August 03, 2007 7:13 AM
To: Mike Welsh
Cc: Khojasteh Mehrdad; Martin Cheryl
Subject: RE: Revised C-11

Mike
Yes, we will be using the average for calculating the Revenue Expansion Factors.
Thanks
Doreen

From: Khojasteh Mehrdad
Sent: Friday, August 03, 2007 8:03 AM
To: Cox Doreen
Cc: Mike Welsh
Subject: RE: Revised C-11

Doreen?

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Friday, August 03, 2007 7:50 AM
To: Khojasteh Mehrdad
Cc: Cox Doreen
Subject: RE: Revised C-11

I understand the issue with what would have appeared to be a large jump in the bad debt rate for the projected year 2008.

The issue I was asking about relates to which bad debt rate to use for calculating the gross up factor used in determining the 2008 revenue requirement. Currently I would be using whatever the 2008 estimated rate turns out to be. However, I was wondering since in C-11 we are now showing an average for 2006-2008, whether there was some thought that we would use the average 2006-2008 in the gross up factor instead of the projected 2008 bad debt rate. Just let me know.

From: Khojasteh Mehrdad [mailto:mkhojasteh@fpuc.com]
Sent: Friday, August 03, 2007 6:18 AM
To: Mike Welsh
Cc: Cox Doreen
Subject: RE: Revised C-11

We felt the previous rate was too high. It is used on some of Doreen's schedules.

Thanks,

Mehrdad Khojasteh

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 7:22 PM
To: Khojasteh Mehrdad
Subject: RE: Revised C-11

I have made these revisions. Do you know if we will be using the newly calculated average bad debt rate for any particular purpose?

From: Khojasteh Mehrdad [mailto:mkhojasteh@fpuc.com]
Sent: Thursday, August 02, 2007 6:16 PM
To: Mike Welsh
Cc: Robert Camfield; Dan Hansen; Martin Cheryl; Cox Doreen
Subject: Revised C-11

Mike,

I have attached a revised C-11. We revised the 2008 bad debt rate on the C-11 you sent us. The cells that were revised are highlighted in pink.

If you have any questions or comments, please let me know.

Mehrdad Khojasteh

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Wednesday, Apr 09, 2008 10:10 AM

Clara Leider

From: Bachman George
Sent: Friday, July 06, 2007 11:15 AM
To: Robert Camfield
Cc: Cox Doreen
Subject: RE: Short-term debt
Categories: Elec Rate Case

They really belong as part of the cost of debt. You, Doreen, and I need to discuss the theory. Thanks.

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Friday, July 06, 2007 11:09 AM
To: Bachman George; Cox Doreen
Cc: Martin Cheryl
Subject: RE: Short-term debt

George,

Can we incorporate the fees for unused balances of the ST Debt Facility, within the cost of rate for ST Debt? I recall from previous conversations that such fees are accounted for elsewhere within the operating expenses.
Robert

From: Bachman George [mailto:gbachman@fpuc.com]
Sent: Friday, July 06, 2007 7:15 AM
To: Cox Doreen
Cc: Martin Cheryl; Robert Camfield
Subject: RE: Short-term debt

Now let's see if Robert picks the right one! ☺

From: Cox Doreen
Sent: Friday, July 06, 2007 7:55 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Robert
Attached is a worksheet showing two methodologies for calculating ST cost – end of month balance and average monthly balance. Details per month of the balances are also included.

Please call at your convenience to discuss.
Thanks
Doreen

(561) 838-1797

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:52 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Yes, let's dig into this a little. Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Tuesday, July 03, 2007 11:54 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Robert
Let me take a closer look at how the 3.28% was calculated for the Surveillance Report.

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:34 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: Short-term debt

Doreen,
George,

The observed short-term debt cost rate for FPU, based on month-end balances, is 3.28% for 2006. This interest rate level is remarkably low in view of the contractual rate, which I estimate to be 6.03%, also for '06. I have reasoned that the actual contractual rate is applicable to daily balances, and so if the daily balances are substantially below month-end balances, then 3.28% is conceivable. However, the differences between the daily average and month-end balances would need to be very large in order to ever obtain 3.28%. The result is a substantial understatement of true interest costs for ST Debt, and what I suggest is this:

1) calculate the daily balances, by month, and use the average daily balance in lieu of month-end balances. Essentially, short-term debt is a special case because of the variation in balances over the course of the month, and year.

2) use this daily balance approach for the determination of cost of capital for all years. The result is a more accurate reflection of the weighted average cost of capital, which is inherently higher than that suggested by month balances.

This is an important issue, and we should turn to it immediately.

I should mention that, if I don't have the story right - daily vs. month-end balances, then something else is wrong, and we need to understand why such large differences in the calculated vs. actual cost rates.

Thanks, Robert

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Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Friday, July 06, 2007 11:09 AM
To: Bachman George; Cox Doreen
Cc: Martin Cheryl
Subject: RE: Short-term debt

George,

Can we incorporate the fees for unused balances of the ST Debt Facility, within the cost of rate for ST Debt? I recall from previous conversations that such fees are accounted for elsewhere within the operating expenses. Robert

From: Bachman George [mailto:gbachman@fpuc.com]
Sent: Friday, July 06, 2007 7:15 AM
To: Cox Doreen
Cc: Martin Cheryl; Robert Camfield
Subject: RE: Short-term debt

Now let's see if Robert picks the right one! ☺

From: Cox Doreen
Sent: Friday, July 06, 2007 7:55 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

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Attached is a worksheet showing two methodologies for calculating ST cost – end of month balance and average monthly balance. Details per month of the balances are also included.

Please call at your convenience to discuss.
Thanks
Doreen
(561) 838-1797

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:52 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Yes, let's dig into this a little. Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Tuesday, July 03, 2007 11:54 AM

To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

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Let me take a closer look at how the 3.28% was calculated for the Surveillance Report.

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:34 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: Short-term debt

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This is an important issue, and we should turn to it immediately.

I should mention that, if I don't have the story right - daily vs. month-end balances, then something else is wrong, and we need to understand why such large differences in the calculated vs. actual cost rates.

Thanks, Robert

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Wednesday, Apr 09, 2008 10:11 AM

Clara Leider

From:	Robert Camfield [rjcamfield@CAEnergy.com]
Sent:	Friday, July 06, 2007 10:25 AM
To:	Cox Doreen; Bachman George
Cc:	Martin Cheryl; Mike Welsh
Subject:	RE: Short-term debt
Categories:	Elec Rate Case

This is more like it. We have achieve two things:

1) higher interest rate for ST Debt
2) lower balances of ST Debt for inclusion within the capital structure.

Great job. Thanks, Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Fri 7/6/2007 6:54 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Robert

Attached is a worksheet showing two methodologies for calculating ST cost - end of month balance and average monthly balance. Details per month of the balances are also included.

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Thanks

Doreen

(561) 838-1797

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Wednesday, Apr 09, 2008 10:11 AM

Clara Leider

From: Bachman George
Sent: Friday, July 06, 2007 8:21 AM
To: Cox Doreen
Subject: RE: Short-term debt
Categories: Elec Rate Case

But what a great theory discussion you two can have, should the payments on the line be included. I say yes. ☺

From: Cox Doreen
Sent: Friday, July 06, 2007 8:17 AM
To: Bachman George
Subject: RE: Short-term debt

My guess is that he is going to calculate the effective cost based on the daily balances.

From: Bachman George
Sent: Friday, July 06, 2007 8:15 AM
To: Cox Doreen
Cc: Martin Cheryl; 'Robert Camfield'
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Now let's see if Robert picks the right one! ☺

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Sent: Tuesday, July 03, 2007 12:34 PM
To: Cox Doreen; Bachman George

Cc: Martin Cheryl; Mike Welsh
Subject: Short-term debt

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Wednesday, Apr 09, 2008 10:12 AM

Clara Leider

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Clara Leider

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To: Robert Camfield
Cc: Cox Doreen
Subject: RE: Short-term debt
Categories: Elec Rate Case

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Wednesday, Apr 09, 2008 10:14 AM

Clara Leider

From:	Robert Camfield [rjcamfield@CAEnergy.com]
Sent:	Friday, July 06, 2007 10:25 AM
To:	Cox Doreen; Bachman George
Cc:	Martin Cheryl; Mike Welsh
Subject:	RE: Short-term debt
Categories:	Elec Rate Case

This is more like it. We have achieve two things:

1) higher interest rate for ST Debt
2) lower balances of ST Debt for inclusion within the capital structure.

Great job. Thanks, Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Fri 7/6/2007 6:54 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Robert

Attached is a worksheet showing two methodologies for calculating ST cost - end of month balance and average monthly balance. Details per month of the balances are also included.

Please call at your convenience to discuss.

Thanks

Doreen

(561) 838-1797

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:52 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Yes, let's dig into this a little. Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Tuesday, July 03, 2007 11:54 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Robert

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From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
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To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: Short-term debt

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This is an important issue, and we should turn to it immediately.

I should mention that, if I don't have the story right - daily vs. month-end balances, then something else is wrong, and we need to understand why such large differences in the calculated vs. actual cost rates.

Thanks, Robert

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Wednesday, Apr 09, 2008 10:14 AM

Clara Leider

From: Bachman George
Sent: Friday, July 06, 2007 8:21 AM
To: Cox Doreen
Subject: RE: Short-term debt
Categories: Elec Rate Case

But what a great theory discussion you two can have, should the payments on the line be included. I say yes. ☺

From: Cox Doreen
Sent: Friday, July 06, 2007 8:17 AM
To: Bachman George
Subject: RE: Short-term debt

My guess is that he is going to calculate the effective cost based on the daily balances.

From: Bachman George
Sent: Friday, July 06, 2007 8:15 AM
To: Cox Doreen
Cc: Martin Cheryl; 'Robert Camfield'
Subject: RE: Short-term debt

Now let's see if Robert picks the right one! ☺

From: Cox Doreen
Sent: Friday, July 06, 2007 7:55 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
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Robert
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Please call at your convenience to discuss.
Thanks
Doreen
(561) 838-1797

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To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Yes, let's dig into this a little. Robert

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Wednesday, Apr 09, 2008 10:15 AM

Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:52 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt
Categories: Elec Rate Case

Yes, let's dig into this a little. Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Tuesday, July 03, 2007 11:54 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Robert
Let me take a closer look at how the 3.28% was calculated for the Surveillance Report.

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:34 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: Short-term debt

Doreen,
George,

The observed short-term debt cost rate for FPU, based on month-end balances, is 3.28% for 2006. This interest rate level is remarkably low in view of the contractual rate, which I estimate to be 6.03%, also for '06. I have reasoned that the actual contractual rate is applicable to daily balances, and so if the daily balances are substantially below month-end balances, then 3.28% is conceivable. However, the differences between the daily average and month-end balances would need to be very large in order to ever obtain 3.28%. The result is a substantial understatement of true interest costs for ST Debt, and what I suggest is this:

1) calculate the daily balances, by month, and use the average daily balance in lieu of month-end balances. Essentially, short-term debt is a special case because of the variation in balances over the course of the month, and year.

2) use this daily balance approach for the determination of cost of capital for all years. The result is a more accurate reflection of the weighted average cost of capital, which is inherently higher than that suggested by month balances.

This is an important issue, and we should turn to it immediately.

I should mention that, if I don't have the story right - daily vs. month-end balances, then something else is wrong, and we need to understand why such large differences in the calculated vs. actual cost rates.

Thanks, Robert

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Wednesday, Apr 09, 2008 10:15 AM

Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Friday, July 06, 2007 3:28 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Categories: Elec Rate Case

Got it...Thank you. We should clarify with George and Cheryl how they would like to have this issue handled.

Robert

-----Original Message-----
From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Friday, July 06, 2007 2:16 PM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Robert
Pending our discussion with George, please see attached. I have revised the Bank Fee of .10% on the available line which is payable every June to be a flat rate - it was previously shown for one month only.
Thanks
Doreen

-----Original Message-----
From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Friday, July 06, 2007 10:25 AM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

This is more like it. We have achieve two things:

1) higher interest rate for ST Debt
2) lower balances of ST Debt for inclusion within the capital structure.

Great job. Thanks, Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Fri 7/6/2007 6:54 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Robert

Attached is a worksheet showing two methodologies for calculating ST cost - end of month balance and average monthly balance. Details per month of the balances are also included.

Please call at your convenience to discuss.

Thanks

Doreen

(561) 838-1797

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:52 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Yes, let's dig into this a little. Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Tuesday, July 03, 2007 11:54 AM
To: Robert Camfield; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Short-term debt

Robert

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From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:34 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: Short-term debt

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George,

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Thanks, Robert

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Wednesday, Apr 09, 2008 11:30 AM

Clara Leider

From: Martin Cheryl
Sent: Monday, July 09, 2007 8:03 AM
To: Cox Doreen
Subject: RE: st
Categories: Elec Rate Case

900am would be fine.

From: Cox Doreen
Sent: Monday, July 09, 2007 8:03 AM
To: Martin Cheryl
Subject: RE: st

Let me know when u r available to discuss.

From: Martin Cheryl
Sent: Monday, July 09, 2007 7:51 AM
To: Cox Doreen
Subject: st

What is the bottom line summary of what we are proposing doing for ST debt?

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

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Wednesday, Apr 09, 2008 11:31 AM

Clara Leider

From: Kitner Don
Sent: Thursday, August 02, 2007 2:13 PM
To: Grimeson Bill
Cc: Cox Doreen
Subject: RE: SUMMER GLEN IR 21319

Are you saying the 382 dollars are still on the IR? If so we have been charging the meter sets to blankets for almost 2 years. I thought we transferred all 382 dollars to blankets?

Don Kitner
General Manager, Central Florida
386-668-9201

From: Grimeson Bill
Sent: Thursday, August 02, 2007 2:09 PM
To: Kitner Don
Subject: RE: SUMMER GLEN IR 21319

There weren't any costs charged to 384 on this IR. As far as the blankets, I wouldn't know what was for this project or regular blanket costs. There wasn't any way to distinguish these costs.

Bill

From: Kitner Don
Sent: Thursday, August 02, 2007 1:51 PM
To: Grimeson Bill
Subject: FW: SUMMER GLEN IR 21319

Bill,
What about account 384? And this does include all of the blankets, correct?

Don Kitner
General Manager, Central Florida
386-668-9201

From: Kitner Don
Sent: Thursday, August 02, 2007 1:24 PM
To: Cox Doreen
Cc: Martin Cheryl
Subject: FW: SUMMER GLEN IR 21319

These are the capital dollars Bill came up with. All but 311 should be transferred.

Don Kitner
General Manager, Central Florida
386-668-9201

From: Grimeson Bill
Sent: Wednesday, August 01, 2007 10:13 AM

To: Kitner Don
Subject: SUMMER GLEN IR 21319

Don,

The list below reflects the costs for Summer Glen as of 6/07:

Acct. 311 16,317.39

Acct. 376 622,045.19

Acct. 380 62,909.97

Acct. 381 1812.14

Acct. 382 12,255.38

Total 715,340.07

Bill

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Wednesday, Apr 09, 2008 11:31 AM

Clara Leider

From: Mesite Jim
Sent: Monday, June 04, 2007 9:12 AM
To: Cox Doreen; Schneidermann Marc
Subject: RE: Summer Glenn and Lauderhill System Data

Isn't that what I said???!!! :>)

Thanks,
Jim
tel.561.838.1733
fax.561.366.1533

From: Cox Doreen
Sent: Monday, June 04, 2007 9:07 AM
To: Mesite Jim; Schneidermann Marc
Cc: Bachman George
Subject: RE: Summer Glenn and Lauderhill System Data

Marc
With regard to your data request for the captioned projects:

1. Summer Glen
   Attached is a summary as at April 2007 of the capital expenditures under IR# 21319. Please note that the IR has not yet been closed and these construction costs may therefore not be the final. There has been no depreciation on these assets as the IR has not yet been closed.

2. Lauderhill
   Attached is a Fixed Asset Analysis that was done in Nov 2005 using the Net Book Value as per the Fixed Assets Register to estimate the value of the assets that were convertible to Natural Gas.

   What Jim was out-lining below was the methodology applied in previous conversions to determine net asset values. The column headed "Assets" in the worksheet attached will provide you with the un-depreciated values. We would have to determine from George whether a straight line depreciation would be sufficient, or whether we need to be consistent with the methodology applied in previous conversions and update the schedules accordingly.

Hopefully this clarifies some of the issues.
Thanks
Doreen

From: Mesite Jim
Sent: Saturday, June 02, 2007 1:54 PM
To: Schneidermann Marc
Cc: Cox Doreen
Subject: RE: Summer Glenn and Lauderhill System Data

Beats me, The e-mail was sent 45 days ago... ...I don't even remember writing it!!?? Doreen is probably the best source at this point.

Thanks,

Jim

tel.561.838.1733
fax.561.366.1533

From: Schneidermann Marc
Sent: Friday, June 01, 2007 7:04 PM
To: Mesite Jim; Cox Doreen
Subject: RE: Summer Glenn and Lauderhill System Data

Maybe I'm missing something, but I do not think my questions about Lauderhill were answered (were they?).

From: Mesite Jim
Sent: Wednesday, April 18, 2007 12:16 PM
To: Cox Doreen
Cc: Martin Cheryl; Bachman George; Khojasteh Mehrdad; Schneidermann Marc; Grimeson Bill
Subject: RE: Summer Glenn and Lauderhill System Data

Doreen:

To reiterate some of what we discussed this morning...

Summer Glenn has not been closed so there is no depreciation. Since it is not closed, it would seem that a simple transfer of the 1070 balance of the pertinent accounts would take care of the conversion to NG. The non-converted unclosed items should be closed and/or expensed as appropriate.

However, if this system is gassed and producing revenue (as MLS' e-mail seems to indicate), why is it not yet closed, at least partially? Perhaps, it should be transferred and partially closed ASAP. The remaining items should be also accounted for ASAP.

As for Lauderhill, typically once the plant accounts have been identified for transfer, the reserve is transferred by account at the same ratio as the amount of transferred plant to the total plant account: i.e., if $24K from account 1010.376 is being transferred and the 1010.376 account balance is $71K, then 24/71^{sts} of the balance in 1080.376 is transferred as well. This is the methodology that the FPSC has historically accepted for conversions and other regulated/non-regulated transfers.

Thank you,

Jim

Senior Project Accountant
jmesite@fpuc.com
phone (561) 838-1733
fax (561) 366-1533

-----Original Message-----
From: Cox Doreen
Sent: Tuesday, April 17, 2007 09:40
To: Mesite Jim
Cc: Martin Cheryl; Bachman George
Subject: FW: Summer Glenn and Lauderhill System Data

Jim
Please see request from Marc and file attached showing the un-depreciated investment in the Summer Glen propane system as at Feb 2007. Would you be able to assist with the calculation of the accumulated depreciation on those assets as at Feb 2007?
Thanks
Doreen

-----Original Message-----
From: Schneidermann Marc
Sent: Monday, April 16, 2007 8:02 AM
To: Cox Doreen; Oakes Kathi; Favors Calvin; Joyce Kevin
Cc: Kennedy Barry; Petty Julie
Subject: Summer Glenn and Lauderhill System Data

Doreen, Can you isolate the total plant (depreciated and undepreciated) for Summer Glenn by type of plant (mains, services, bulk plant)? Also can you dig up the same categories of data for the Lauderhill distribution system?

KO, Can you provide to me the latest 12 months sales data (therms and $ without taxes) for customers on the Summer Glenn system and for customers on the Lauderhill System? If I could get a listing showing Customer Name, Address, rate, usage, $, that would be terrific.

Doreen & KO, Both systems are expected to be converted to natural gas, so my main purpose is to reasonably estimate the impacts on 121 and 991. Thanks

Calvin / Kevin, Please send me the 7100 Reports filed this February 2007 for Gas Operations, specifically the ones for Summer Glenn and Lauderhill's distribution system. I would appreciate getting the Reports by Tuesday 7am. Thanks

Sincerely,
Marc L. Schneidermann
Director, Corporate Services
Florida Public Utilities Company

401 South Dixie Highway
West Palm Beach, Florida 33401
office: 561.838.1767
cell: 561.723.3467
fax: 561.366.1577

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Back · Search · Folders

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Wednesday, Apr 09, 2008 11:32 AM

Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Thursday, August 16, 2007 9:51 AM
To: Cox Doreen
Subject: RE: Testimony

Attachments: DIRECT TESTIMONY_v2T.doc

DIRECT
TIMONY_v2T.

Doreen,

Attached is the latest testimony in process. Please review at your convenience, parrticularly the discussion on short term debt, ending at page 34.

More forthcoming...

Robert

From: Robert Camfield
Sent: Tue 8/14/2007 11:13 AM
To: Cox Doreen
Subject: RE: Testimony

Doreen,

Does 3pm work for you, for a phone call?

Robert

From: Robert Camfield
Sent: Tue 8/14/2007 10:58 AM
To: Cox Doreen
Subject: RE: Testimony

Doreen,

I am working from my Michigan address, and can be reached at 269-373-8887. I will give you a ring shortly.

Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Mon 8/13/2007 9:34 AM
To: Robert Camfield
Subject: RE: Testimony

Robert the conference call is 11 our time.

From: Cox Doreen
Sent: Monday, August 13, 2007 10:14 AM
To: 'Robert Camfield'
Subject: RE: Testimony

My apologies for asking.

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Monday, August 13, 2007 9:55 AM
To: Cox Doreen
Subject: RE: Testimony

NO.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Monday, August 13, 2007 7:33 AM
To: Robert Camfield
Cc: Martin Cheryl
Subject: Testimony

Hi Robert

Do we have a 2nd Draft available for review?

Thanks

Doreen Cox

Financial Analyst

(561) 838-1797

DIRECT TESTIMONY

DOREEN COX
ROBERT CAMFIELD

COST OF EQUITY AND RATE OF RETURN REQUIREMENTS
of
FLORIDA PUBLIC UTILITIES COMPANY

Q. Please state your name, title, and business address.

A. Witness Cox. My name is Doreen Cox. I am a Financial Analyst with Florida Public Utilities Company. My business address is 401 South Dixie Highway, West Palm Beach, Florida, 33401.

Witness Camfield. My name is Robert Camfield. I am Vice President with Christensen Associates Energy Consulting LLC, and my business address is Suite 700, 4610 University Avenue, Madison, Wisconsin, 53705.

Q. What is the scope of your testimony?

A. The scope of our testimony is twofold. First, we address the issue of the cost of common equity to Florida Public Utilities Company. Estimates of the equity cost rate underlie our common equity rate of return recommendation. Second, we integrate the equity rate of return with the other financial components of Florida

Public Utilities Company's capital structure to determine the weighted average cost of capital and accompanying overall rate of return recommendation. Our rate of return recommendation should be used by the Commission to set retail electricity prices of Florida Public Utilities Company in the current docket.

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Q. Please review your professional background and experience that qualifies you to provide such recommendations.

A. Witness Cox. I received a Bachelor of Science Degree in Management from the University of West Indies in 1979, with a concentration in Accounting. I subsequently earned a Master of Science Degree in Accounting, also from the University of West Indies. I am a member of the Jamaican Institute of Chartered Accountants.

I joined Florida Public Utilities Company in 1999, and I hold the position of Financial Analyst, which reports to the Chief Financial Officer. In this position, I support the CFO, the Accounting and Finance Divisions of Florida Public Utilities. My position covers a variety of operating and planning responsibilities including project assessment, budget and financial projections, and cash flow analysis. I assist in the preparation of quarterly reports to our Board of Directors, and the compliance monitoring with respect to the Financial Covenants of Florida Public Utilities Company's long- and short-term sources of external funds.

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Witness Camfield. Yes. I joined the Michigan Public Service Commission in 1976 as a staff economist. During my tenure with the Michigan Commission, I was involved in several retail electricity and natural gas pricing issues, and I testified in rate case proceedings regarding cost of capital and retail gas tariff design. I joined the New Hampshire Public Service Commission in 1979 as the senior economist, and held the position of chief economist beginning in 1981. As Chief Economist, I was responsible for the administration of the economics department of the Commission Staff. I oversaw the analysis of regulatory issues, the coordination and guidance of staff participation in regulatory proceedings, the preparation and development of testimony, and I provided policy advice to the Commission on a variety of issues such as construction work in progress, financial planning, and the determination of PURPA Section 133 rates. I joined Southern Company in 1983, and held positions in several departments including Pricing and Economic Analysis at Georgia Power Company, Costing Analysis of Southern Company Services, and Southern Company's Strategic Planning Group. In 1994, I joined Laurits R. Christensen Associates, Inc. ("Christensen Associates") as a senior economist, and currently hold the position of Vice President with Christensen Associates Energy Consulting LLC., a subsidiary consulting group of Christensen Associates.

My experience covers a gamut of issues facing regulated industries. I have been involved in the negotiation of power supply contracts and the terms of franchise licenses. My overseas assignments are several, and I have managed a large market restructuring project in Central Europe. I have served on national and regional advisory panels, and I have advised integrated electric utilities, independent power producers, transmission and distribution companies, utility associations, offices of consumer advocate, and regulatory agencies on numerous policy and technical issues. Innovations include two-part tariffs for transmission services, web-based self-designing retail electric products, marginal cost-based cost-of-service methods, and principles for efficient pricing of distribution services. I have published chapters in technical books, reports, and articles in noted journals such as *The Electricity Journal, IEEE Transactions on Power Systems*, and *CIGRE.* Currently, I serve as Program Director of the Edison Electric Institute's Market Design and Transmission Pricing School.

Q. Can you please review the statutory mandates that guide the determination of rate of return for public utilities?

A. Yes, the statutory principles of rate of return for public utilities substantially rest with two decisions of the Supreme Court of the United States. In the Bluefield Water Works and Improvement Co. v. Public Service Commission of West Virginia case (262 U.S. 679, 1923), the U.S. Supreme Court set forth its view on fair rate of return, as follows:

> "...A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for the convenience of the public equal to that generally being made at the same time and in the same general part of the country on investments in other business undertakings which are attended by corresponding risks and uncertainties; but it has no

constitutional right to profits such as are realized or anticipated in highly profitable enterprises or speculative ventures. The return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties. A rate of return may be reasonable at one time and become too high or too low by changes affecting opportunities for investment, the money market and business conditions generally."

A second landmark decision of U.S. Supreme Court echoed, fortified, and expanded upon the fair return standard established by the "Bluefield" decision cited above for capital committed to public utilities. This second decision is the Federal Power Commission v. Hope Natural Gas Company case (320 U.S. 391, 1944). A most relevant passage of this latter decision is as follows:

> "From the investor or company point of view it is important that there be enough revenue not only for operating expenses but also for the capital costs of the business. These include service on the debt and dividends on the stock… By that standard the return to the equity owner should be commensurate with return on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and attract capital."

These longstanding decisions provide the recognized framework for the fair rate of return on capital committed by investors to public service. In these decisions, the U.S. Supreme Court codified, in clear and readily understandable terms, a statutory benchmark that serves as the basis to set fair and equitable prices for retail public services such as natural gas, while also providing a fair rate of return on the capital provided by investors. Though they reach back many years, these decisions remain to this day the cornerstone for the determination of rate of return requirements. The challenge for regulators, regulated utilities, and interested parties to regulatory proceedings is to operationalize these principles in contemporary regulatory processes.

Q. Please provide an overview of your approach to the determination of the rate of return requirements for Florida Public Utilities Company.

A. Our approach follows the prescribed methodology of the Florida Public Service Commission to determine the overall weighted average cost of capital ("WACC") and the overall rate of return, for regulatory purposes. Specifically, we develop a forward-looking consolidated capital structure for the year 2008 with the exclusion of capital structure balances associated with the Company's propane subsidiary, Flo-Gas. For determining retail prices in the instant docket, the recommended capital structure is determined on the basis of the 13-month average balances of the components that comprise the capital structure of the Company. We develop a traditional capital structure including the key elements of long-term debt, short-term

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debt, preferred stock, and common shareholder equity. Similarly, we develop a regulatory capital structure that contains, in addition to these components, balances for customer deposits, accumulated deferred taxes and accumulated investment tax credits of the Company dedicated to providing retail electricity services. Traditional elements of the capital structure are scaled pro rata, such that the regulatory capital structure, in total, matches the rate base attributable to the provision for electricity services.

It is good regulatory policy to accurately capture the means by which Florida Public Utilities Company underwrites its assets and rate within the regulatory capital structure, providing that such structure contains an appropriate balance of equity and debt, given the regulatory and operational business risks facing the Company. Contemporary business, regulatory, and financial risks confronting energy utilities are higher than in past years. Consequently, and consistent with the business objectives of providing low-cost and reliability service, Florida Public Utilities will fund its assets with larger equity participation in total capital than in years past and, to this end, the year-end 2008 capital structure is a better representation of the expected capital structure of the Company. This is because the year-end balances capture the prospective weight, on average, that common equity will assume within the Company's capital structure. Furthermore, the year-end balances of the components of capital provide a better balance of debt and equity for the purpose of minimizing the weighted average cost of capital. Accordingly, the adoption of the projected year-end capital structure to determine retail prices, which would constitute a departure of the Florida PSC from its general policy of using the 13-

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month average capital structure, would be in the long-term interests of retail consumers and the Company as well. Accordingly, we offer the year-end capital structure as an alternative to the 13-month average approach.

The cost rates applied to the 13-month 2008 balances of long-term debt and preferred stock include the interest rate on the face amount and issuance costs unique to each individual issue, and related debt expenses where appropriate. The cost rate applied to customer deposits balances is based upon market segment-specific interest rates, as determined by the Commission. The balances for accumulated deferred taxes and investment tax credits are included in the regulatory capital structure at cost rates of zero and the overall cost of capital stated on a traditional basis, respectively.

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The rate of return for common equity is determined by applying four capital cost assessment methodologies including Discounted Cash Flow, Capital Asset Pricing Model, and an assessment of Realized Historical Returns. The latter approach constitutes a benchmark by which investors gauge the prospects attending financial assets and, along with other information, form expectations of future returns. By assumption and empirical assessment, efficient markets value (price) financial assets accordingly. These three methods are well founded by modern finance theory and are often used to determine the cost rate for common equity capital. A fourth methodology, referred to as *ex post* Risk Premium, infers the underlying opportunity cost of capital on a basis of the relative risks of debt and equity capital.

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Q. Can you please summarize your findings and recommendations?

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A. Yes. Our studies give rise to an overall rate of return recommendation of 8.07%. The determination of the 8.07% rate of return is shown on Exhibit 1, which reveals the balance amounts for each financial component of the capital structure, the share that each component represents, the attending cost rate, and the overall rate of return. As mentioned above, the overall rate of return recommendation is based upon a 13-month 2008 regulatory capital structure that, consistent with utility regulatory policy in the State of Florida incorporates customer deposits, accumulated deferred income taxes, and investment tax credit balances.

The recommended 8.07% overall return level incorporates a common equity return of 11.50%. As mentioned, the opportunity cost of shareholders of Florida Public Utilities Company is assessed with four analysis methods. The results of studies employing these valuation methods are shown on Exhibit 2, along with the equity return recommendation.

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This recommendation, if adopted by the Florida Public Service Commission, will enable Florida Public Utilities Company to continue to provide highly reliable electricity service to its customers at favorable prices. At the same time, the recommendation provides an adequate level of compensation to the shareholders of Florida Public Utilities Company on the capital that they have committed to the Company. Satisfactory returns to equity also enable the Company to continue to attract long- and short-term debt at favorable terms and interest rates that, in both the near-term future and the long-run, are in the best interest of retail electricity consumers.

Fair and adequate allowed returns to capital are vital, and we cannot over-emphasize to the Commission the importance of setting the overall rate of return at a sufficient level, particularly in the current environment of considerable levels of risk and uncertainty. The determination of an adequate return level by the Florida Public Service Commission signals to the investment community including mutual funds, long-term private investors, speculators, mortgage bankers, and commercial banks that the business and regulatory environment in which Florida Public Utilities Company operates has continuity and stability over the long term. Importantly, it also signals that the Commission is supportive of the Company and the job that we do on an on-going basis for retail consumers.

Q. Electricity is intermingled with and highly dependent upon energy markets, particularly markets for primary fuels. Can you please provide a profile of contemporary electricity markets and the implications for electricity distributors and the cost of equity capital?

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A. Infrastructure industries, including the electricity services industry in particular, is undergoing significant restructuring with no immediate end in sight. The dimensions of restructuring assume a number of dimensions including service

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unbundling in both retail and wholesale markets including competitive entry, new mechanisms to determine the prices for services. At the wholesale level, utilities face and are part of the expansion of wholesale services and contract mechanisms to hedge varying degrees of risks; divestiture of generation; and the appearance of wide scale participation in wholesale electricity commodity markets by power traders and speculators, who are deeply involved in commodity markets generally. Wholesale markets are being organized through the auspices of regional transmission organizations referred to as RTOs. RTOs serve as the agent for markets as a whole, where regional markets are unbundled according to time (hourly markets), space (locational pricing of energy), and services including energy, reserves (including regulation, spin, non-spin, and supplemental categories), as well as financial transmission rights (FTRs) of various types. While wide scale change has been in the works for years and is arguably most pronounced at the wholesale level, as precipitated in a major way by the Energy Act of 1992, significant change has been and is currently underway within retail markets as well. At the retail level, regulated utilities face a gamut of changes regarding new regulatory governance arrangements including pre-approval, decoupling, and various performance assessment mechanisms; auctions for provider of last resort ("POLR") services; renewable resource portfolio standards, and new rules and requirements regarding reliability requirements, aside from the new reliability (and implied cost) commitments imposed on service providers by the North American Electric Reliability Council ("NERC"), which has been recently appointed by the

Federal Energy Regulatory Commission ("FERC") as the national reliability organization ("ERO").

Driven to improve earnings performance and exploit growth opportunities, many integrated electric utilities have since the late-1980s pursued non-regulated business ventures including activities fairly far afield from electricity services such as real estate and insurance, and diversified energy services including distribution operations, nuclear generation, and renewable resources, and power trading. In a number of cases, generation (and to a lesser extent transmission) assets have been sold off to independent generation companies or unregulated generation entities have been formed from the generation business units of the integrated utilities. At this point a much larger range of business activities and business organizations and entity structure is present within the electricity services sector of the economy, obtained through competitive entry and consolidation of functionality across entities. The financial performance of entities within the electricity services industry, included the expected returns to capital and the risks attending those returns, and is much more closely linked to energy markets, generally.

The net result is generally positive, as competitive entry arguably obtains reduced costs to the benefit of consumers, at least in the long run. Nonetheless, these changes in structure, much of which have been accompanied by and ushered in through regulatory changes, have also raised capital risks associated with electricity

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services, as perceived by investors. This backdrop of higher capital risks occur at a time when electricity service providers including Florida Public Utilities Company face steadily expanding electricity service demands and an array of new requirements covering, among other things, capital renewal at a time of fast rising costs for electrical equipment.

(further discussion forthcoming)

Q. Your testimony mentions capital risks and capital renewal. Perhaps you can elaborate on the meaning of capital, and how it comes about.

A. Capital refers to economic resources. Capital is accumulated savings over time, where savings refers to the proportion of the output of an economy that is not consumed as current goods and services. Essentially, savings is the share of output held back and invested in—i.e., put into—capital resources. In the broadest interpretation, capital is output-producing goods (and services). The cumulative level of investment over time, covering many years and centuries, constitutes the capital stock of an economy and a society. It is useful to mention that capital can assume various investment forms aside from financial assets in private and public companies and other entities. The stock of capital includes real estate, household goods, education, public property and infrastructure such as libraries, museums, parks, roads, and transit systems. Individuals, firms, and government entities invest funds in capital resources if the expected flows of benefits realized by the investments in the future are equal to or greater than the value of current consumption given up or foregone.

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Q. Please review the notions of cost of capital, opportunity cost of capital, and discuss how risk affects the opportunity cost of capital.

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A. The cost of capital is the compensation required by investors for postponing consumption, for expected inflation, and for exposure to capital risks of various dimensions. *Cost of capital* refers to the underlying interest rate used to discount expected benefit flows of capital resources including returns to financial assets, and is sometimes referred to as the rate of discount, or simply the discount rate.

Financial assets include a multitude of debt vehicles, equity, and derivatives, and are tailored to participants of capital markets including household, small business, corporate, and government segments. Participants across these segments can supply capital—i.e., investors including lenders and holders of common and preferred stock—and also demand capital (borrowers and common stock issuing companies). Commercial banks, credit unions, finance companies, capital exchanges, and investment banks serve as intermediaries that provide the institutional means that facilitates the interaction and linkage of the supply and demand sides of financial markets. These functions essentially include lending, borrowing, and the issuance of equity vehicles. Banks and credit unions borrow (and store) financial assets that in turn are invested in the form of debt and to a lesser extent equity.

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Household debt vehicles include, for example, personal loans covering appliances, household services, and credit card mechanisms through finance companies and banks, and real estate and so-called home equity loans. Business loads include short-term loans and lines of credit with banks, inventory financing through business wholesalers, and commercial paper of various terms. Corporate debt can be in the form of lines of credit with banks, and mortgage and debenture bonds, while government debt can be in the form of revenue bonds of cities, and short- and long-term debt of various terms.

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Equity refers to common and preferred stock, where the investor assumes a share in the ownership of a corporate entity. In some cases, debt instruments can participate in equity returns and have rights of conversion to common stock. Derivatives refers to options and forward contracts that are specifically designed for speculation and risk hedging, where the market worth of the derivative is determined by investor expectations in the underlying price of a financial asset or commodity.

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The underlying cost of capital is relevant to investors and, in the large, individuals and entities (including government entities) that provide savings and thus the accumulation of capital within the macro economy. In the case of financial assets, expected benefits are in the form of future cash flows including interest payments, dividend payments, market appreciation, and return of principal. When investors supply funds to entities such as utilities and government entities and municipalities, not only are they postponing consumption—giving up the value of alternative

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expenditures in some other way, they are also exposing funds to the devaluation of ongoing inflation and various uncertainties and risk attending future cash flows. Investors are willing to incur these risk factors only if they are adequately compensated. While the market prices of other inputs including labor, materials, energy can be easily verifiable, the cost of capital—essentially, the price of capital—is not easily discerned and, all too often, requires estimation through the cautious application of analytical methods.

The cost of capital, however, remains positive (>0) absent inflation and risks, as savers require compensation for foregoing the right to use the funds saved for consumption of goods and services—essentially, the time value of money.

The cost of capital is determined by the demand for capital, supply of savings, expectations of inflation, and perceptions of risks harbored by participants in capital markets. The demand for and supply of capital are determined by expectations of future levels of economic activity, while expected inflation is driven largely by monetary policy over the relevant timeframe. Perceptions of risk, in turn, cover many dimensions including uncertain government policy and the effects of natural phenomena such as weather. The cost of capital—the discount rate stated in nominal terms—increases with rising demand for capital, with expectations of higher rates of inflation, and with heightened perceptions of risk.

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Dimensions of risk also cover idiosyncratic risks associated with specific capital resources, such as that of individual entities or companies. Accordingly, financial markets will re-price downward the bonds of a private company, should the *current* financial condition of the company suddenly decline. Essentially, the decrease in the company's current condition, reflected as reduced interest coverage—causes the expectation of the future condition of the company to also decline. Expectations of future financial conditions (possible states) of the specific company are idiosyncratic risks. Because cost of capital rises with increased risks, the price of the bonds decline. Bond prices and discount rates, in the form of the net interest rates or bond yields (and yield to maturity), move in opposite directions; bond yields increase as bond prices decline, and decrease as bond prices rise.

Resources migrate to the highest valued use and worth, given perceived risks, such that the returns to capital are equivalent to opportunity costs. The various forms of capital compete among themselves for savings and with other non-capital resource inputs and opportunities. Similarly, the vehicles of investment of individual entities, such as the specific bonds of a municipality or the common stock of a company, must compete for savings through a process of capital attraction. That is, if the outlook for earnings of a company rises, participants in capital markets—investors—allocate more capital to the company by bidding up the price of the stock thus increasing the company's market capitalization. Conversely, perceptions of heightened risks associated with the debt of a company or municipality precipitates a decline in the market value of the outstanding bonds, as capital migrates from the company/municipality to other resource opportunities. Thus, the prices of financial assets of entities including debt and equity securities are highly sensitive to perceptions of risk. Capital markets trade off risks and expected returns, given the overall menu of available choices, as alternative opportunities. At an undefined point in time such that levels of supply and demand for capital and expectations of inflation are roughly equivalent (as a matter of consensus), the cost of capital is a matter of risk. Essentially, then, the cost of a specific source of capital is basically determined by the underlying riskiness of that investment in view of alternative opportunities that, together, represent the investors' current opportunity set. Hence, cost of capital associated with specific investment opportunities, are only differentiated by risks, as the other factors that impact cost of capital—i.e., supply-demand, inflation expectations—are common to all investments, and capital more generally. Competitive capital markets, through the process of assessing, buying, and selling, ensure that the expected payoff in the form of market rate of return is approximately equal to that of other investments of equivalent risk. In short, debt and equity investment vehicles of comparable risk are priced the same. If not, investors as participants in capital markets will bid up securities with comparatively low risks and bid down others with comparatively high risks. If investor perceptions of capital risks attending a utility increase—or the expectations for returns decline—markets bid down the securities of the utility. This implies that a utility will be unable to attract capital on equivalent terms, a result that is manifested in either of two ways: the quantity of capital acquired, in the form of new securities offerings, is reduced for a given level of return (stated in

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dollars), or a higher prospective rate of return attends the new offerings—it costs more to obtain an equivalent quantity of capital.

As mentioned above, investor rate of return is the discount rate that causes the present value of the expected cash flows, as receipts realized by investors, to equal the market value of the financial asset. From the utility side, the cost of funds raised to the utility through the sale of securities is equal to the discounted present value of the cash outflows to be paid by the utility, as expected by investors. But since the (positive) cash flows stream to the investor is identical to the cash outflows of the utility, the two discount rates must be identical, abstracting from the effects of flotation costs, which causes the costs to the issuer to exceed the return required by investors to the extent that flotation costs decrease the net amount of funds actually available to the issue. In other words, the cost of capital to the utility is synonymous with the investors' expected rate of return. Hence, the cost of capital is the discounted expected cash flows necessary for the security to "pay the price"—i.e., in order to satisfy investors' required rate of return.

When capital markets are sufficiently competitive, they ensure that the market value and worth of financial vehicles of the outstanding debt and equity—as held by the investment community, which can include households, financial institutions, government entities, and non-financial companies, is set (i.e., priced) at a level such that the returns to capital approximate the cost of capital. Because investors are averse to risks, competitive financial markets price financial assets inversely according to perceptions of risks, all other factors held constant.

Q. Why is this conceptual construct relevant and how does it relate to Florida Public Utilities and its capital needs?

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A. As discussed, capital resources are the result of cumulative investment, and are obtained or funded directly or indirectly from savings of households and firms over time. Savings is the share of income of the economy as a whole that is not expended as consumption within a current period, and is typically measured as dollars or percentage shares in either quarterly or annual periods. This means that the capital resources employed by Florida Public Utilities Company including power delivery systems such as transformers and lines, meters, trucks and vehicles, computer systems, software, office facilities and buildings, inventory and stores, and land are costly, where cost is reflected as the annual carrying charges on capital, measured in the form of the net utility rate base.

Whereas the cost of skilled labor, materials and supplies, purchases of generation and transmission services, or other inputs used into the production process of utilities are expressed in money terms – *e.g.*, purchased power stated as dollars per megawatt hour – the cost of capital is expressed as an interest rate, typically shown as an annual percentage of the principal amount committed by investors. The cost of capital – or perhaps more accurately, the *cost rate of capital* – to the firm can be referred to as the *required rate of return* (%) on the capital resources committed by investors. In the case of public utilities, invested capital is referred to as the rate base, valued at either original cost or fair market value. For the determination of setting retail prices in the U.S., the regulatory convention is to value the capital of public utilities at original cost.

To facilitate the commitment of capital (investment) by savers and their agents to the firm, the firm offers property rights, including bonds or promissory notes to debt holders and shares of stock to equity investors. These property rights define the commercial terms and conditions under which savers and their agents, as investors, commit capital. Property rights are capital (financial) assets, and are generally tradable. Financial assets are claims on the income of the firm as compensation for the commitment of capital, and are the financial obligations of the firm. Shares of stock constitute ownership in the firm.

In the case of long-term debt – *i.e.*, mortgage bonds, debentures, and long-term notes – the interest on the principal (face) amount of a bond (debt) or the coupon rate on the share of preferred stock defines the level of compensation. Often, the interest rate is a predefined annual rate that remains fixed over the term of the debt. However, long-term debt instruments can have a number of other provisions that, in essence, provide for more complete contracting by managing risks through risk sharing between the debt holders and the borrower (the firm). These provisions can include 1) adjustments to the rate of interest to reflect contemporary market conditions *and* rates of inflation, 2) participation in earnings of the firm, 3) conversion rights, and 4) voting rights in the management of the firm.

In the case of short-term promissory notes, agreements with commercial banks define the mechanism by which interest, stated in dollars, is determined. Often, the commercial terms of promissory notes define interest to be paid monthly on the outstanding daily balance (principal) outstanding. The rate of interest applied to the outstanding balance is typically tied (indexed) to the interest rate on obligations of some widely known financial market – say, the London Inter Bank Offer Rate (LIBOR) or Fed Funds – which also varies daily or monthly.

Common stock property rights are somewhat different from other financial obligations because, as owners of the firm, the returns to shareholders are residual amounts following the compensation of other resources employed by the firm including debt obligations. Common equity is essentially compensated last, and bears the burden of much of the business, regulatory, and financial risks of the firm. For this reason, common equity is, in virtually all cases, more costly than other forms of financial instruments.

As with other markets, capital markets have primary and secondary dimensions. Primary markets are the institutions and processes that facilitate the initial sale of the financial obligations of the firm to initial investors, whereas secondary markets are structured market processes that provide the means by which investors can purchase and sell existing rights, including shares of stock and debt obligations. Financial instruments can assume many forms, and debt securities (bonds) and equity shares are actively traded in financial markets, which are generally considered to be highly liquid and competitive. However, to the degree that the financial obligations 1) carry specialized and non-common commercial terms, and 2) for firms that are of small scale, the secondary – and to a lesser extent, primary market – is less liquid. In short, the pool of buyers and sellers is limited; thus, the volume of transactions is comparatively small and sometimes intermittent. Relatively low levels of liquidity imply higher transaction costs and risks to investors, which translates directly into higher costs of capital to the firm.

Competition is a term that describes some markets, and markets are said to be competitive if certain conditions exist. Markets can be characterized as competitive if they involve: 1) a very large number of buyers and sellers, 2) information relevant to the determination of prices is readily available, complete and not costly, and 3) transactions costs are low. Because of the workably competitive nature of financial markets, arbitrage opportunities are more or less exhausted. This means that, for both primary and secondary markets, financial property rights trade at levels (prices) such that perceived risks and opportunity for prospective returns to capital are appropriately balanced and approximate that of other investment opportunities. Thus, above-normal returns, which implicitly include compensation for risks, cannot be seemingly realized by investors over prospective periods in systematic fashion.

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Competition inherent to U.S. and worldwide financial markets ensures that the prices of common shares (share prices) and bonds are at a level that reflects the opportunity cost of capital. As an example, assume that the perceived risks attending the returns to common shareholders of firm A are equivalent to that of firm B and other firms. If the share prices of firm A suggest a market return 10%, while the prices of firm B and other firms of comparable risks suggest (allow) market returns of 13%, the market price of firm A will fall to a level that provides a basis for market returns of just 13%, prospectively. A price that allowed for a 10% prospective market return is insufficient in the presence of opportunities for market return of 13% on alternate investments of comparable risk. Essentially, the 13% market rate of return on investment alternatives constitutes the opportunity cost of capital. Most remarkable is the expedience – literally, in minutes – with which share prices adjust to levels that appropriately balance prospective returns to equilibrium levels *based upon perceptions of risks*. In short, equivalent and comparable risks translate directly into comparable rates of return, which is the cost of capital of common shareholders in – and thus of – the firm.

As mentioned early on, the cost of capital is a function of the demand for and supply of capital, investor expectations of inflation, and investor perceptions of risks. Because the conditions of demand and supply as well as expectations of inflation are more-or-less common to financial markets at any point in time, financial vehicles are differentiated by risks. Hence, the expected returns and prices of bonds and common shares (normalized for denomination and size) at any point in time are largely if not exclusively differentiated by perceptions of risk.

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Q. Would you please review the capital structure, interest coverage requirements, and the implications for sufficient coverage?

A. Interest coverage refers to the times that debt interest is covered by income, and is the most important measure of investment risk of corporate debt. Interest coverage is a major concern of Florida Public Utilities Company as it is the basis upon which the Company maintains its favorable credit standing with markets and continues to obtain long- and short-term debt at favorable rates of interest. Pre- and After-Tax Interest coverage under the recommended capital structure and rate return is **XXX** and **XXX** times, respectively.

For purposes of comparison, we also show interest coverage over the historical timeframe on Exhibit 13. As can be seen the coverage implied by the recommended rate of return is adequate though not at a robust level. Two conclusions are reached:

1) While the implied coverage level is acceptable, the Company must sustain a flow of earnings at consistent levels in order to maintain adequate coverage and also satisfy debt covenants.

2) Contingency events and business conditions that give rise to sudden and unexpected changes in revenue or cost flows can imply immediate shortfall in coverage. In short, the coverage level obtained from earnings

at the recommended rate of return is only adequate in today's environment of higher capital risks.

The importance of coverage cannot be overstated. Indeed, in discussions with investment banks, commercial banks, and stock analysts regarding the financial conditions and soundness of the Company, a salient point of concern continues to be coverage of debt. Lending entities, private investors, and investment banks continue to emphasize the importance of consistently-realized adequate interest coverage as the essential measure of the Company's capability to service long- and short-term corporate debt.

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As can be seen, the recommended rate of return requirement, 8.07%, provides satisfactory interest coverage. And although the overall return recommendation provides adequate coverage, it is certainly not abundant. Hence, it is absolutely necessary that Florida Public Utilities Company realize adequate and sustained flows of income to ensure that the Company satisfies credit risk requirements. Coverage is our window of access to capital at favorable rates of interest and under reasonable terms, enables the Company to provide electricity services. Setting the overall rate of return at a satisfactory level of 8.07% is necessary and in the best interest of retail electricity consumers.

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Q. **What is the appropriate capital structure for determining retail prices in this docket?**

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A. In the absence of large-scale subsidiary operations, the Florida Commission should generally utilize a consolidated capital structure where such approach provides a reasonable balance between debt and equity. Under such conditions, the Commission is assured that the service provider is, in the best interest of retail consumers, underwriting its assets dedicated to providing utility services at least cost.

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This can be viewed as a principle that defines criteria useful to the Commission in regulatory decisions regarding the issue of the appropriate capital structure for the determination of retail prices. Specifically, and as a general rule, the Commission should only deviate from a consolidated capital structure when this condition – i.e., an appropriate balance between debt and equity – is not satisfied. The corollary to this principle is that the Commission and its staff should never remove or add accounting-based line items from a consolidated capital structure that is appropriately balanced. Two facts of financial accounting underlie this corollary, as follows:

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1) A firm cannot ever trace and identify, as a matter of dollar flows, specific sources of funds to specific uses of funds. The Treasury of a firm essentially constitutes a pool or inventory of current funds, cash, that continually experiences fund inflows and outflows. One cannot say that a specific source of funds is earmarked for a specific use. As an example, one cannot say that cash flow returns and operating income that arise from the Company's electricity operations are used solely to underwrite resources for the electricity business. Electricity-sourced cash flows are, in fact, used across the combined

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operations of the natural gas, electricity, and propane businesses of the Company – and similarly for the natural gas and propane operations.

2) The Company's balances of long-term debt, short-term debt, preferred stock, and common equity stated on a consolidated basis represent the accrual over years of the net flows of funds of the Company including external and internal sources. The balances for these financing vehicles can and should be used as the basis by which the Company underwrites any and all of its assets, stated on either a consolidated or an individual basis. This is simply a business, accounting, and financial fact.

There is no reasonable basis, thus, to exclude Flo-Gas balances from the Company's capital structure for purposes of setting retail electricity prices in the current docket. Indeed, exclusion of Flo-Gas balances may harm retail electricity consumers in various ways, aside from the inherent contradiction to the realities and facts of financial accounting identified above.

Second, exclusion of Flo-Gas balances from the capital structures used to set prices for the regulated operations, including electricity and natural gas, implicitly assigns common equity, which is comparatively high cost, to the Company's unregulated propane operations, placing the propane operations at a competitive disadvantage with other propane companies. One can expect that other companies will leverage assets in a manner similar to that of the Company, in order to finance propane and competitive, non-regulated energy services. As a consequence, the Company needs to follow a similar policy. If the Company is required to assign only equity to non-

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regulated operations, it is implicitly forced to charge correspondingly higher prices in order to generate adequate returns.

Third, the consolidated capital structure of Florida Public Utilities Company stated on 13-month average basis for 2008 represents a sound balance of debt and equity financing that fully satisfies the financial needs of the Company, particularly in view of the comparatively small size of Florida Public Utilities. This is evidenced by the comparative sample of electric utilities used to determine the cost of capital. Specifically, equity participation within the Company's 2008 capital structure resides within one standard deviation of the average participation of the sample. Hence, the Company's financing policy and strategy conforms to a reasonableness standard, in addition to fully satisfying the financial prudence and flow of funds criteria outlined above.

Nonetheless, the recommended weighted average cost of capital presented within our testimony follows the Commission's prescription. Namely, the Flo-Gas balances are excluded from common shareholder equity for purposes of determining the overall rate of return to set retail electricity prices within the immediate docket.

Q. Can you please review your recommendation for the cost rate of long-term debt?

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A. Yes. Florida Public Utilities Company has raised long-term debt from time to time based upon the need for capital and our Company's financial policy of maintaining a balanced capital structure. Because of our conservative management philosophy, we have consistently raised new debt issues at favorable rates of interest at the time of issue. Contributing to favorable interest rates are the conservative sinking fund provisions of the earlier higher cost debt issues of the late-1980s – early-1990s. The cost rate of 7.96% for long-term debt, shown in the column entitled "Annual Cost Based Rate" of Exhibit 3, reflects the weighted average cost of the five issues of long-term mortgage bonds of the Company, currently. These debt issues have face interest rates of 4.90% to 10.03%, and were issued by the Company over the period 1988 – 2001. The balances shown reflect the amounts that the Company expects to carry on its balance sheet on average over the year 2008 and beyond. The Company does not plan to issue long-term debt during the interim two years. The 7.96% overall cost of long-term debt reflects issuance costs and losses on reacquired debt, which causes the effective cost rate to be somewhat greater than that of the weighted cost of the face interest rates alone. The 7.96% overall cost rate for long term debt is calculated using the amortization schedule for debt expenses. This costing procedure follows the conventional accounting approach to determining the cost rate for long-term debt, and is consistent with the policy endorsed by the Florida Public Service Commission.

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Q. Please review the cost rate of short-term debt and related issues?

A. Florida Public Utilities Company maintains, and expects to maintain over the foreseeable future, a short-term debt facility that makes available short-term debt at a cost rate determined by London Inter Bank Offer Rate (LIBOR). The short-term debt cost rate is equal to the 30-day LIBOR plus 90 basis points, plus other charges related to unused facility balances as well as fees charged for the facility itself. The amount of capital available through the Company's short-term debt facility is equal to $15 million currently, and is expected to decline to $12 million beginning in June of 2008. The change in the level of short-term funds available corresponds with the issuance of additional shares of common equity, which is scheduled for the middle of 2008.

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The interest rate margin above LIBOR (90 basis points) for the Company's current short-term debt facility is somewhat above that of the Company's previous short-term debt facility, which reached the end of its contract in March 2003. The higher margin requirements, as imposed by financial lending institutions internationally, reflect higher perceived risks, both generally and within energy markets, than in previous years.

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The expected effective short-term debt cost rate incurred by the Company for short-term debt, for use to determine prices in the current docket, is determined by first projecting the Federal Funds rates in the U.S. for the timeframe over which the retail electricity prices will apply. Then, given the historical relationship between LIBOR and the rate for U.S. Fed Funds, the LIBOR rate is estimated. Once

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determined, the short-term debt cost to Florida Public Utilities is obtained by recognition of the 90 basis points margin above LIBOR plus other charges covering the unused balances and the fee for the availability of the credit facility.

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The key short-term interest rate is the Fed Funds rate. Historically, Fed Funds have traded 18 Basis Points below LIBOR over the 1990 – 2006 timeframe. The interest rate on Fed Funds is determined by the monetary policy of the Board of Governors of the Federal Reserve Bank, and closely follows that of short-term U.S. Treasury Bills. Historically, Federal Funds "trade" at interest rates slightly above that of 90-day T-Bills. At this point, we anticipate with the apparent consensus view that monetary policy and thus the short term interest rates will hold firm at current levels over the foreseeable future, which implies a fed funds rate of 5.25%, which implies a LIBOR interest rate of 5.43%. In turn, this result translates into a cost rate of 6.33% for the outstanding balances on short-term debt balances, once the margin above LIBOR is recognized. The fees associated with the unused credit line and direct charges when coupled to charges for the outstanding balances obtains an overall effective short-term debt interest rate of 6.81%, which is applied to the 13-month average balances of short-term debt.

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It is useful to briefly describe the longer history, as it relates to the determination of short-term interest rates. Specifically, the Federal Reserve followed a policy interest rate targeting for a number of years prior to late-1979, when money supply targeting was abruptly adopted. The result was high and volatile short-term interest

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rates though money supply targeting arguably reduced substantially the high levels of inflation and inflation expectations of the early 1980s. From the mid-1980s forward, monetary policy has been more accommodative of economic conditions and needs, with the long-term objective of containing overall inflation at moderate levels. As observed during the 1990s, the Federal Reserve has employed an array of indicators and metrics to determine monetary policy including reserve targeting. As a general rule, reserve targeting gives rise to greater variation in short-term interest rates, while interest rate targeting, which suggests greater variation in the supply of reserves, suggests less variation but, depending upon the stage of the economy, substantially higher or lower interest rates. At this writing, short-term interest rates, with fed funds residing at 5.25%, are expected to hold over the foreseeable future barring changes in the expected level of economic activity or current escalation of core inflation.

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The use of the current 5.25% fed funds interest rate as the basis for the Company's effective short-term debt cost rate is in keeping with the Commission's decisions regarding the Company's rate change filings of 2003 and 2004. Also and as mentioned above, this interest rate level appears at this time to be likely to hold over the foreseeable future.

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Finally, we wish to discuss methodology used to determine the effective interest rate for 2006. The interest rate charges on the Company's short-term debt facility is based on daily balances. If the daily balances closely approximate month-end balances, month-end balances provide a useful basis to determine the average short-term debt cost rate, where the cost rate is determined by dividing interest charges by the outstanding balances. Where the daily balances deviate significantly from the month end balances, however, this approach will not obtain accurate reflection of the Company's true cost rate on short-term funds. This was the case for the Company during 2006. Accordingly, the short-term debt interest rate for the historical year 2006 is developed using the average daily balances, which accurately reflects the true cost rate incurred by the Company on short-term debt during that year.

Q. Please review the cost rate of preferred stock?

A. Florida Public Utilities preferred stock consists of a single issue of 6000 shares that dates to December 28, 1945 at a coupon rate of 4.75%, as shown on Exhibit 5.

Q. You briefly discussed methods for the determination of the cost of equity capital in the summary of your approach to rate of return. Can you elaborate on the methods?

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A. Yes. We begin by reiterating three essential points. First, the cost of equity of the firm – and of investors in the firm – is a function of perceptions of risk, the demand for and supply of capital, and expectations of inflation. Second, the cost of common equity of the firm is equal to the opportunity cost of capital incurred by common shareholders of the firm contemporaneously, though the experience of long-term history guides the assessment of opportunity costs. Third, the cost of equity of the firm is equal to the expected market rate of return on alternative investments of comparable risks available to shareholders – *i.e.,* the opportunity cost of capital.

The determination of the opportunity cost rate for equity capital is challenging for two reasons. In the case of debt, both the market price and future expected cash flow returns to capital are observable by inspection. Thus, the net expected yield to maturity, which reflects the opportunity cost of capital to holders of debt, can be determined directly. This *is* the market rate of return, *ex ante.* For purposes of determining the overall utility rate of return, however, the cost rate of long-term debt is that which is set at the time of issuance in primary financial markets.

In contrast, expectations of investors about the prospective cash flows and market returns on common equity cannot be observed directly, and must be inferred with estimation procedures. Also, allowed equity rate of return is typically set according to the current and expected cost of capital, though much of the equity investment was committed in many years past.

In the determination of cost rate for debt obligations, investors' perceptions of risks are implicit in the primary and secondary market prices of the debt obligations themselves, and need not be known or even estimated. In contrast, the determination of the cost of common equity involves the perceptions of future risks harbored by investors, as a matter of the consensus view. Perceptions of risk are also not observable directly, and thus must be inferred.

In short, the cost of common equity can only be discerned through the proper and careful application of well established methods that provide the cornerstone for modern finance theory. While the methods employed herein are well-established, the procedures to determine the cost of equity capital require estimation of key parameters.

As mentioned, the recommendation for the rate of return on equity for Florida Public Utilities Company is developed by applying four estimation methods. These procedures include variations of the constant growth Discounted Cash Flow model (DCF), and the Capital Asset Pricing Model (CAPM). These classical approaches are commonly recognized within modern finance theory and are readily utilized by the investment community. The results of these two formal models of the cost of capital are augmented by historical returns realized by utility and non-utility companies of comparable risks, and results inferred from the so-called risk-premium methodology.

The constant growth Discounted Cash Flow (DCF) model was originally developed by Myron Gordon in 1957, and was advanced actively during the early 1960s. In its classical form, the derived DCF model defines the cost of capital as the sum of the adjusted dividend yield, and expectations of future growth in cash flows to investors including dividends and future appreciation in share prices. The classical (one-stage) DCF model is as follows:

$$k_{e,j} = D_{0,j}(1+E(g_j))/P_{0,j} + E(g_j)$$

with,

$k_{e,j}$ = cost of equity capital, asset j

$D_{0,j}$ = current dividends per common share, asset j

$E(g_j)$ = expected growth in future cash flow returns to investors in asset j

$P_{0,j}$ = current price per common share, asset j

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The one-stage form of DCF model is an elegant and intuitively tractable model with two terms, a mathematical result derived from the constant growth present value model. A cursory review of historical returns of equities suggests substantial variation in growth in the internal returns to capital and market appreciation is both the typical and dominant pattern. It is palpable that the *expected path of future returns* harbored by investors may assume a pattern of non-constant growth. This means that, at least under some market conditions, the constant growth form of discounted cash flow may not represent investor expectations of growth with sufficient accuracy. Arguably, other forms of DCF may serve as better approximations of investor expectations.

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A plausible means to better model expectations of varying growth might be with stochastic models, where the path of returns and growth is a function of time, with a random component. However, stochastic models introduce considerable complexity. As a first order approximation to stochastic processes, multiple step constant growth models known as multi-stage DCF can serve nicely. Essentially, multi-stage DCF is a variation of present value theory which postulates that future returns assume a pattern of several growth steps or stages. While any number of stages of constant growth is possible, two- or three- stages are typically applied. In stylized fashion, the Three-Stage DCF model is shown below:

$$P_{0,j} = (1+g_j)/(k_{e,j}-g_j)\{D_{0,j}(1 - F^5_j) + D_{5,j}(F^5_j - F^{10}_j) + D_{10,j}(F^{10}_j)$$

with,

$k_{e,j}$ = cost of equity capital, asset j

$D_{t,j}$ = current and future dividends per common share, asset j

$E(g_j)$ = expected growth in future cash flow returns to investors in asset j

$P_{0,j}$ = current price per common share, asset j

F = $(1+E(g_j))/(1+k_{e,j})$

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Appendix I provides a step-by-step derivation of the classical and multi-stage discounted cash flow models shown above.

The Capital Asset Price Model (CAPM) was developed by William Sharpe (1961) and John Lintner (1964). CAPM was derived from mean-variation analysis and, in particular, portfolio selection developed by H. Markowitz (1952). The derived CAPM shows how the valuation of a financial asset (price) is based upon two components: risk free returns and an *adjusted risk-based return.* Surrogates for risk free returns can be observed directly in capital markets, and include market returns on short- and intermediate-term debt. As a general rule, the cost rates and market returns on government debt obligations serve as appropriate surrogates.

The adjusted risk-based return is based upon three factors: 1) the covariation of the returns to the asset and that of markets for risky assets, 2) the statistical variance of returns of the market for risky assets, and 3) the *difference* between expected overall returns on risky assets, and risk free returns. The third parameter is referred to as the excess return, and is equal to the difference between the overall returns to risky assets for the market as a whole, and the risk free return rate. The CAPM is shown below:

$$k_{e,j} = r_f + B_{jm}*(r_m - r_f) \qquad \text{with, } B_{jm} = \sigma_{jm}/\sigma_m^2$$

where,

$k_{e,j}$ = cost of capital for risky asset *j*, stated in percentage terms

r_f = risk free rate of return

B_{jm} = ratio of the covariation between risky asset *j* and the market as a whole, σ_{jm}, and the variance of market returns, σ_m^2

r_m = rate of return on the market as a whole

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Appendix II derives the Capital Asset Pricing Model, as shown above.

The efficient market hypothesis plays an essential role in the determination of the cost of capital. Specifically, the working assumption, which is largely though not completely borne out by empirical analysis, is that capital markets are fairly efficient. This means that the supply and demand for risky financial assets, as reflected in bid and ask prices to buy and sell shares, result in financial assets being traded at price levels where *rates of return above the cost of capital cannot be systematically realized.* Above-normal returns – returns above the cost of capital – are realized only randomly. Essentially, the opportunities to systematically realize returns above the underlying cost of capital are exhausted by the competitive market process.

Estimating the cost of capital though not trivial can be fairly straightforward, and both the DCF and CAPM approaches provide a useful framework. The risks to investors in various sectors of the energy services industry cannot ever be known directly; risks – and hence the implied cost of capital – can only be inferred. Specifically, the determination of useful estimates of the cost of common equity capital within either framework requires a discerning application of theory through careful analysis such as that presented herein. In particular, the determination of the cost of equity capital faces two overarching challenges, as follows:

- both approaches are forward looking and thus the results are highly dependent upon useful estimates of investor expectations about future market performance.
- The underlying assumptions for DCF and CAPM include, among other things, an efficient market and rational behavior of investors such that all opportunities for above- and below-normal returns to capital are exhausted on an expected value basis. In short, capital markets value financial assets

at the implied opportunity costs of capital, given investor perceptions of risk.

It is useful to mention that the notion of *risky assets* can apply to any real or financial asset wherein the prospective returns from holding the asset are uncertain. Risky assets include commodity contracts, financial property rights, financial derivatives, and real assets such as transmission facilities. Risk assessment and option theory, moreover, can be applied to the analysis of unbundled services, such as electricity transmission development plans. Within the context of this discussion, however, risky assets refers to financial obligations of firms – common stock – and asset values refers to prices of common stock as observed on major stock exchanges.

Measurement of historical returns and risk metrics are increasingly used as a basis to assess plausible returns in the future. As discussed, efficient markets suggest that *all* financial assets are priced at levels such that the *expected* future returns of individual assets are equivalent to the underlying opportunity cost. Thus, if historical returns guide expectations of future returns, historical returns provide a useful benchmark and, within reasonable bounds, reflect the opportunity cost of capital. In this respect, the Historical Returns methodology can be viewed as a market-based approach of Comparable Earnings, and thus fully satisfies *Bluefield* and *Hope* criteria. The key to successfully applying this approach is to identify and measure historical returns in a manner that reasonable reflects expectations of investors about the future outlook.

Historically realized returns and future expected returns of financial assets are ordered according to risks. This ordering according to risks is a natural and inevitable result of competitive financial markets: because risk is costly, higher costs must be offset by higher returns. While it is not based upon an explicit model, the analysis of the risk premia among classes of risky assets provides a means to infer the underlying opportunity cost of capital. The underlying concept of the risk premium approach is that *differences* in perceptions of risks among financial assets such as equities and debt are revealed in differences between the historical market returns. The historical differences between equity and debt returns – *i.e.*, the Risk Premium – can thus serve as a surrogate for the compensation for risk in the future. Risk premia, when combined with the expected cost of debt prospectively, provides a useful benchmark to gauge the underlying cost of equity capital.

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Application of the Risk Premium approach contains two potential pitfalls, as follows:

- the opportunity cost of common equity capital, stated in nominal terms, is sensitivity to the demand for and supply of capital;
- the observed risk premia between debt and equity is quite sensitivity to expected inflation, and Risk Premium analysis must account for expected inflation in the future. That is, the underlying rate of inflation and

conditions of the historical period over which risk premiums are estimated must match that of the expected conditions of the relevant period over which the common equity recommendation is being applied, and over which retail electricity prices are being set.

Q. You discuss the importance of comparability and measures of risk as the basis to determine the cost of common equity. Please elaborate.

A. As defined by the "Bluefield" and "Hope" decisions of the U.S. Supreme Court, a public utility is (to paraphrase) entitled to a rate of return on shareholder capital committed for the convenience and necessity of the public equivalent to that realized by companies in other businesses of comparable risk. Thus, the immediate task at hand is comparability: to identify and select companies of comparable business, regulatory, and financial risks to that of Florida Public Utilities Company. Once selected, we determine the cost of common equity for the sample(s) of comparable companies that, by definition, is the opportunity cost of capital.

The starting point is the market portfolio; that is, we begin with virtually all common shares traded on U.S. equity exchange markets. Specifically, we have drawn heavily though not exclusively from a set of data sources including the Value Line data banks, to which we have full access. The Value Line data banks cover some 7000 listings. For these listings, Value Line reports a wide range of financial data, business descriptions and classification, historical price experience, and various diagnostic statistics of interest.

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From the market portfolio we proceed to develop two samples. One sample known as the *Electric Utilities* sample is limited to electricity service providers that have modest yet significant market participation, and are of comparable risk to Florida Public Utilities Company. The second sample relaxes the "line of business" restriction, and covers natural gas distribution companies. This sample is referred to as the *Comparable Risk Gas Distribution Utilities* sample. The second sample closely matches the market participation of Florida Public Utilities Company, while also satisfying comparable risk criteria.

The determination of the first sample involves two steps. The first step is to conduct an initial screen according to the defined selection criteria. As mentioned, these criteria are as follows:

- Liquidity: companies that are of modest size but yet have sufficient market presence and participation to ensure sufficient market activity and transaction volume; and,
- Business Line: companies whose primary business line is retail electricity services.

This first screen produced the twenty two electric utility companies shown on Exhibit 6-A, including Florida Public Utilities Company. As can be seen, the revenues of these

companies range from $XX for Y1, to over $XX for Y2.

Some of these twenty two companies have substantial involvement in non-gas retail business lines. On the surface, we might expect that such endeavors to diversify the

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overall business would tend to reduce variation in earnings, variation in internal cash flow, and variation in market returns thus reducing overall investment risk. Hence, members of the utility sample are gas distribution utility companies that are largely if not exclusively in the retail electric business – sometimes referred to as a *pure play*. The second selection step of determining the utility sample applies risk criteria. These criteria include three dimensions or metrics:

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- the coefficient of variation in earnings per share over five and ten years;
- the coefficient of variation in internal cash flow per share over five and ten years; and,
- market Beta, which as discussed above is the ratio of the covariation of the market returns of the individual companies and the market as a whole; and the statistical variance of the returns of the market.

(Completed Testimony Forthcoming)

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Wednesday, Apr 09, 2008 11:33 AM

Clara Leider

From:	Martin Cheryl
Sent:	Friday, June 15, 2007 9:34 AM
To:	Robert Camfield
Cc:	Cox Doreen
Subject:	RE: Update
Categories:	Elec Rate Case

On another note. The ST rate has to be as filed with our ROR using that same methodology. I agree for projections we should use the daily average instead of month end, but we lost that issue in our rate proceeding so for historic and interim purposes we have to use the approved methodology for rate computation. For 2008 we should use the daily average and provide testimony why that is appropriate vs. month end. Thanks Cheryl Martin

-----Original Message-----
From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, June 14, 2007 6:21 PM
To: Bachman George
Cc: Martin Cheryl
Subject: FW: Update

George,

I had intended to send this message to you. Robert

From: Robert Camfield
Sent: Thu 6/14/2007 4:49 PM
To: Cox Doreen; Cheryl Martin
Cc: Mike Welsh; Dan Hansen
Subject: Update

Cheryl,
Doreen,

With the exception of customer deposits, the substantive D Schedules for the years 2006 and 2007 are completed, and I intend to complete customer deposits for these two years later on tonight. Remaining to be completed are the historical capital structure for the historical years 2002 - 2006 inclusive (D-2) as well as the financial ratios for '06 and '07 (D-7). These latter two elements plus D-9 affect the request for interim relief and are important; I will try to get them completed by tomorrow COB; the operative constraint is historical data which should be available via the 10-K's filed with the SEC, and inputs from other schedules. Nonetheless, I think things are in good shape, though Doreen may find flaws in this initial work.

There are two issues that I wish to bring up, however:

1) The short-term debt rate for 2006 is significantly understated because of computational method. That is, the actual interest expense to cover short-term balances is determined daily, while the balances used to compute the 2006 rate, for regulatory purposes, utilizes month-end balances. Apparently, the month-end balances are much higher than the daily balances; hence, the computated average interest rate over the course of 2006 (3.53%) appears to be significantly understated. Accordingly, for 2006 I use an imputed interest rate (6.03%) based on the commercial terms for FPUC's S-T debt facility, which is based on the observed average 1-month LIBOR rates for the 12-months of 2006. However, this approach still understates the overall cost of capital, because the short term debt balances are overstated within the overall capital structure. The better way, I believe, is to use the observed average daily balances, which are accurate and also in-keeping with the fair representation of the balances of S-T debt carried by FPU, on average. Month-end balances for the other components of the capital structure is a good representation of

average balances, as the balances for these items do not vary much over the course of the month. In the case of S-T debt, however, the month-end balances appear to be much higher than daily balances. Doreen and I discussed this issue earlier today.

2) For the determination of the average outstanding long-term debt (L-T), I am subtracting the average monthly balances of unamortized issuance expense and other balances associated with reacquisition of L-T debt, in lieu of year-end balances. This approach is in keeping with the principle of average capital structure, and also provides for higher amounts to be taken from the outstanding principle amounts for the various issues of L-T debt.

Talk with you soon.

Regards,
Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thu 6/14/2007 11:07 AM
To: Robert Camfield
Cc: Martin Cheryl
Subject: 2006ROR_4thqtr revised 3_22_2007.xls

Robert:

Please see tab ROR-DEBT for the interest expense for 2006. In November there is a credit balance due to an adjustment for an over-accrual for $4,067.86. The interest expense for that month was $1,586.98.

Thanks

Doreen

(561) 838-1797

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Wednesday, Apr 09, 2008 11:40 AM

Clara Leider

From: Martin Cheryl
Sent: Thursday, June 14, 2007 5:55 PM
To: Robert Camfield; Cox Doreen
Cc: Mike Welsh; Dan Hansen
Subject: RE: Update

Categories: Elec Rate Case

Sounds great. Thanks Cheryl

-----Original Message-----
From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, June 14, 2007 5:50 PM
To: Cox Doreen; Martin Cheryl
Cc: Mike Welsh; Dan Hansen
Subject: Update

Cheryl,
Doreen,

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Talk with you soon.

Regards,
Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thu 6/14/2007 11:07 AM
To: Robert Camfield
Cc: Martin Cheryl
Subject: 2006ROR_4thqtr revised 3_22_2007.xls

Robert:

Please see tab ROR-DEBT for the interest expense for 2006. In November there is a credit balance due to an adjustment for an over-accrual for $4,067.86. The interest expense for that month was $1,586.98.

Thanks

Doreen

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Wednesday, Apr 09, 2008 11:40 AM

Clara Leider

From:	Martin Cheryl
Sent:	Friday, June 15, 2007 9:34 AM
To:	Robert Camfield
Cc:	Cox Doreen
Subject:	RE: Update
Categories:	Elec Rate Case

On another note. The ST rate has to be as filed with our ROR using that same methodology. I agree for projections we should use the daily average instead of month end, but we lost that issue in our rate proceeding so for historic and interim purposes we have to use the approved methodology for rate computation. For 2008 we should use the daily average and provide testimony why that is appropriate vs. month end. Thanks Cheryl Martin

-----Original Message-----
From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, June 14, 2007 6:21 PM
To: Bachman George
Cc: Martin Cheryl
Subject: FW: Update

George,

I had intended to send this message to you.   Robert

From: Robert Camfield
Sent: Thu 6/14/2007 4:49 PM
To: Cox Doreen; Cheryl Martin
Cc: Mike Welsh; Dan Hansen
Subject: Update

Cheryl,
Doreen,

With the exception of customer deposits, the substantive D Schedules for the years 2006 and 2007 are completed, and I intend to complete customer deposits for these two years later on tonight. Remaining to be completed are the historical capital structure for the historical years 2002 - 2006 inclusive (D-2) as well as the financial ratios for '06 and '07 (D-7). These latter two elements plus D-9 affect the request for interim relief and are important; I will try to get them completed by tomorrow COB; the operative constraint is historical data which should be available via the 10-K's filed with the SEC, and inputs from other schedules. Nonetheless, I think things are in good shape, though Doreen may find flaws in this initial work.

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Robert:

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Doreen

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Wednesday, Apr 09, 2008 11:41 AM

Clara Leider

From:	Martin Cheryl
Sent:	Thursday, June 14, 2007 5:55 PM
To:	Robert Camfield; Cox Doreen
Cc:	Mike Welsh; Dan Hansen
Subject:	RE: Update
Categories:	Elec Rate Case

Sounds great. Thanks Cheryl

-----Original Message-----
From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, June 14, 2007 5:50 PM
To: Cox Doreen; Martin Cheryl
Cc: Mike Welsh; Dan Hansen
Subject: Update

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Doreen,

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Doreen

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Clara Leider

From: Bachman George
Sent: Monday, July 30, 2007 11:31 AM
To: Cox Doreen
Cc: Martin Cheryl
Subject: RE: Update on cost of capital

So if 11.5 is a fair rate I can't wait to see what public counsel proposes after the last rate proceeding. I'm not sure what they use as a basis. We should pick consultants and have them pick a neutral third party to assess it. Not sure where the staff will settle but it should be close to this I would think.

From: Cox Doreen
Sent: Monday, July 30, 2007 10:09 AM
To: Robert Camfield; Martin Cheryl
Cc: Bachman George; Mike Welsh; Dan Hansen
Subject: RE: Update on cost of capital

Robert thanks for the update - that certainly is good news that we are able to justify 11.50%. I'm looking forward to receiving the draft testimony.
Doreen

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Monday, July 30, 2007 10:02 AM
To: Cox Doreen; Martin Cheryl
Cc: Bachman George; Mike Welsh; Dan Hansen
Subject: Update on cost of capital

Doreen,
Cheryl,

I have made substantial progress toward completion of the cost of capital analysis this weekend, and intend to have, pretty much, a complete case in your hands late this week. In the last couple of years, there appears to be divergence from historical relationships, for key data series - inflation expectations, risks/cost of capital, yields. Capital market data is always noisy. Nonetheless, my models and conceptual approach don't appear to fit as well as earlier, DCF in particular. However, it is likely that 11.50% will hold.

Robert

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RE Rate case schedules (23).msg	2,005 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
RE Rate case schedules (24).msg	1,708 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
RE Rate case schedules.msg	678 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
RE rate case.msg	48 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
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RE Short-term debt (26).msg	36 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 2:54 PM
To: Robert Camfield
Cc: Cox Doreen
Subject: RE: Update On Schedule D-2

OK. I will await Robert's revisions.

From: Robert Camfield
Sent: Thursday, August 02, 2007 1:51 PM
To: Mike Welsh
Cc: Cox Doreen
Subject: Update On Schedule D-2

Mike,

I have discussed the issue of consistency between historical and forecast balances for capital with Doreen. We will incorporate the Flo-Gas balances within the statement of year-end equity balances, as the applicant is instructed to do so. Also, the reacquired debt balances will be shown in L-T Debt. I will need to develop these balances, which I will do tonight.

Robert

From: Mike Welsh
Sent: Thursday, August 02, 2007 1:05 PM
To: Cox Doreen; Robert Camfield
Cc: Martin Cheryl
Subject: RE: Update

I will put it on my "to do" list. I would note that this change is not reflected in the D's Final.xls I just sent to Cheryl.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, August 02, 2007 1:06 PM
To: Robert Camfield
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Update

Good observation – I do believe the intent is for it to be 2004 – 2008 rather than 2002- 2006. Mike will you update?
Thanks
Doreen

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, August 02, 2007 1:49 PM
To: Cox Doreen
Cc: Martin Cheryl; Mike Welsh
Subject: Update

Doreen,

Just a comment...Mike mentioned to me that the caption for schedule D-2 indicates that the capital balances shown on the schedule should reflect the most recent 5-years, where the last year extends through the projected year. The schedule is labeled, on the other hand, as "5-year history" such that, as you have it, balances through '06 would seem appropriate. Robert

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Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 4:58 PM
To: Cox Doreen
Subject: RE: Update On Schedule D-2

Thanks Doreen!

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, August 02, 2007 1:59 PM
To: Robert Camfield; Mike Welsh
Subject: RE: Update On Schedule D-2

Robert
I just completed the D2 as discussed and have forwarded for your review.
Doreen

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, August 02, 2007 2:51 PM
To: Mike Welsh
Cc: Cox Doreen
Subject: Update On Schedule D-2

Mike,

I have discussed the issue of consistency between historical and forecast balances for capital with Doreen. We will incorporate the Flo-Gas balances within the statement of year-end equity balances, as the applicant is instructed to do so. Also, the reacquired debt balances will be shown in L-T Debt. I will need to develop these balances, which I will do tonight.

Robert

From: Mike Welsh
Sent: Thursday, August 02, 2007 1:05 PM
To: Cox Doreen; Robert Camfield
Cc: Martin Cheryl
Subject: RE: Update

I will put it on my "to do" list. I would note that this change is not reflected in the D's Final.xls I just sent to Cheryl.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, August 02, 2007 1:06 PM
To: Robert Camfield
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Update

Good observation – I do believe the intent is for it to be 2004 – 2008 rather than 2002- 2006. Mike will you update?

6509

Thanks
Doreen

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, August 02, 2007 1:49 PM
To: Cox Doreen
Cc: Martin Cheryl; Mike Welsh
Subject: Update

Doreen,

Just a comment...Mike mentioned to me that the caption for schedule D-2 indicates that the capital balances shown on the schedule should reflect the most recent 5-years, where the last year extends through the projected year. The schedule is labeled, on the other hand, as "5-year history" such that, as you have it, balances through '06 would seem appropriate. Robert

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Wednesday, Apr 09, 2008 11:43 AM

Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Friday, June 15, 2007 3:21 PM
To: Martin Cheryl
Cc: Cox Doreen
Subject: RE: Update

Will do...Robert

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Fri 6/15/2007 8:34 AM
To: Robert Camfield
Cc: Cox Doreen
Subject: RE: Update

On another note. The ST rate has to be as filed with our ROR using that same methodology. I agree for projections we should use the daily average instead of month end, but we lost that issue in our rate proceeding so for historic and interim purposes we have to use the approved methodology for rate computation. For 2008 we should use the daily average and provide testimony why that is appropriate vs. month end. Thanks Cheryl Martin

-----Original Message-----
From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, June 14, 2007 6:21 PM
To: Bachman George
Cc: Martin Cheryl
Subject: FW: Update

George,

I had intended to send this message to you.   Robert

From: Robert Camfield
Sent: Thu 6/14/2007 4:49 PM
To: Cox Doreen; Cheryl Martin
Cc: Mike Welsh; Dan Hansen
Subject: Update

Cheryl,
Doreen,

With the exception of customer deposits, the substantive D Schedules for the years 2006 and 2007 are completed, and I intend to complete customer deposits for these two years later on tonight. Remaining to be completed are the historical capital structure for the historical years
2002 - 2006 inclusive (D-2) as well as the financial ratios for '06 and
'07 (D-7). These latter two elements plus D-9 affect the request for interim relief and are important; I will try to get them completed by tomorrow COB; the operative constraint is historical data which should be available via the 10-K's filed with the SEC, and inputs from other schedules. Nonetheless, I think things are in good shape, though Doreen may find flaws in this initial work.

There are two issues that I wish to bring up, however:

1) The short-term debt rate for 2006 is significantly understated because of computational method. That is, the actual interest expense to cover short-term balances is determined

daily, while the balances used to compute the 2006 rate, for regulatory purposes, utilizes month-end balances. Apparently, the month-end balances are much higher than the daily balances; hence, the computated average interest rate over the course of 2006 (3.53%) appears to be significantly understated.
Accordingly, for 2006 I use an imputed interest rate (6.03%) based on the commercial terms for FPUC's S-T debt facility, which is based on the observed average 1-month LIBOR rates for the 12-months of 2006.
However, this approach still understates the overall cost of capital, because the short term debt balances are overstated within the overall capital structure. The better way, I believe, is to use the observed average daily balances, which are accurate and also in-keeping with the fair representation of the balances of S-T debt carried by FPU, on average. Month-end balances for the other components of the capital structure is a good representation of average balances, as the balances for these items do not vary much over the course of the month. In the case of S-T debt, however, the month-end balances appear to be much higher than daily balances. Doreen and I discussed this issue earlier today.

2) For the determination of the average outstanding long-term debt (L-T), I am subtracting the average monthly balances of unamortized issuance expense and other balances associated with reacquisition of L-T debt, in lieu of year-end balances. This approach is in keeping with the principle of average capital structure, and also provides for higher amounts to be taken from the outstanding principle amounts for the various issues of L-T debt.

Talk with you soon.

Regards,
Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thu 6/14/2007 11:07 AM
To: Robert Camfield
Cc: Martin Cheryl
Subject: 2006ROR_4thqtr revised 3_22_2007.xls

Robert:

Please see tab ROR-DEBT for the interest expense for 2006. In November there is a credit balance due to an adjustment for an over-accrual for $4,067.86. The interest expense for that month was $1,586.98.

Thanks

Doreen

(561) 838-1797

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Clara Leider

From: Mike Welsh [mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 6:28 PM
To: Cox Doreen
Subject: RE: Updated G schedules

Thanks for the call Doreen. I looked into the bad debt rate and it is actually at the higher level based on data provided to me for 2008.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, August 02, 2007 4:54 PM
To: Mike Welsh
Subject: RE: Updated G schedules

Sure

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 5:50 PM
To: Cox Doreen
Subject: RE: Updated G schedules

Doreen do you have a minute to give me a call? direct number is 608-231-1398 extension 163.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, August 02, 2007 4:50 PM
To: Mike Welsh
Subject: RE: Updated G schedules

Okay let's compare G-22 for RS – has Mark been added as a witness, 0.0145546 changed to .01455, Supporting Schedule G-20 added and proposed revenues show $8,049,599?

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 5:36 PM
To: Cox Doreen
Subject: RE: Updated G schedules

I am a bit confused on this. I looked at the pdf and I looked at what I sent Cheryl today and I think I am seeing in the file sent today all the changes identified in her pdf.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, August 02, 2007 4:27 PM
To: Mike Welsh
Cc: Martin Cheryl
Subject: RE: Updated G schedules

Mike
Cheryl's were scanned with hand-written comments scribbled over the pages.

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 5:23 PM
To: Cox Doreen
Cc: Martin Cheryl
Subject: RE: Updated G schedules

My apologies.

I guess I wasn't following the discussion of the G rate schedules closely enough. I thought the discussion focused on the accounting for the customers with discounts.

No need to resend anything. I will go through the email traffic and make the requested adjustments.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, August 02, 2007 4:21 PM
To: Mike Welsh
Cc: Martin Cheryl
Subject: RE: Updated G schedules

Mike
I'm not seeing the changes that Cheryl, Mark and I communicated to you on the Gs earlier this week, such as the rate correction on G-22 GS from 0.01373 to 0.01473, rounding, adding Mark as a witness etc... Do we need to re-send those changes, or do you have them still pending?
Thanks
Doreen

From: Martin Cheryl
Sent: Thursday, August 02, 2007 2:32 PM
To: Troy Darryl; Khojasteh Mehrdad; Cox Doreen; Mesite Jim
Subject: FW: Updated G schedules

Here are the Gs. Thanks Cheryl Martin

From: Mike Welsh [mailto:mpwelsh@CAEnergy.com]
Sent: Thursday, August 02, 2007 2:09 PM
To: Martin Cheryl
Subject: Updated G schedules

Cheryl: Here are the updated G schedules - should be ready for printing. The rates tabs are still highlighted in yellow because I am not sure how we want to handle the correction factors and adjustment for lighting.

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Wednesday, Apr 09, 2008 11:44 AM

Clara Leider

From: Bachman George
Sent: Thursday, June 14, 2007 6:34 PM
To: Schneidermann Marc
Cc: Martin Cheryl; 'Pence, William'; Cox Doreen; 'Graham, George'; Stein Chuck; Cox Doreen
Subject: RE: Watertower

If we could have issued the bond to purchase the land is would have been nice. But we will have to investigate the return from a regulatory viewpoint on capitalizing land from a capital lease arrangement. If it looks feasible we'll call the town manager. Do you know the terms of the lease (i.e. rate, timing, buy-out) proposed?

George

From: Schneidermann Marc
Sent: Wednesday, June 13, 2007 3:39 PM
To: Bachman George
Cc: Martin Cheryl; 'Pence, William'; Cox Doreen; 'Graham, George'; Stein Chuck
Subject: RE: Watertower

I believe the muni bond is a dead deal. They would finance using a bond only if they were to buy the property and lease it back to us under a capital lease arrangement.

George (Bachman), Do you want me to still try or do you want to have someone in Accounting call Maria Davis (Town Manager) @ 881-3304?

From: Bachman George
Sent: Wednesday, June 13, 2007 1:49 PM
To: Graham, George; Schneidermann Marc
Cc: Martin Cheryl; Pence, William; Cox Doreen
Subject: RE: Watertower

George & Marc,

If Lake Park is offering good terms on a loan I'd recommend we pursue it. A low cost municipal bond is worth acquiring and I can request approval from our lender. Do we have the details (amount, terms, etc) so we can decide if it's worth pursuing?

George Bachman
Chief Financial Officer, Secretary and Treasurer
Florida Public Utilities Company
561.838.1731

From: Graham, George [mailto:george.graham@akerman.com]
Sent: Wednesday, June 13, 2007 1:12 PM
To: Schneidermann Marc; Bachman George
Cc: Martin Cheryl; Pence, William; Cox Doreen

Subject: RE: Watertower

Marc/George,

Assuming we move forward, do we need to worry about this? Do you plan on financing this property?

Regards,

George

--

George P. Graham, Esq.
Akerman Senterfitt
420 South Orange Avenue, Suite 1200
Orlando, FL 32801-4904
P.O. Box 231 (32802-0231)
407-419-8441 direct
407-254-4196 direct fax
407-843-7860 main
407-843-6610 main fax

From: Bachman George [mailto:gbachman@fpuc.com]
Sent: Tuesday, February 13, 2007 11:20 AM
To: Schneidermann Marc
Cc: Martin Cheryl; Graham, George; Pence, William; Cox Doreen
Subject: RE: Watertower

Marc,

This property will be required to be pledged under the Indenture of Mortgage of which SunTrust is the Trustee.

It is important that IF we want to consider any financing offered we must clear this with our bank first. We will be in violation of our covenants if take the financing without approval.

Thanks.

George Bachman
Chief Financial Officer, Secretary and Treasurer
Florida Public Utilities Company
561.838.1731

From: Schneidermann Marc
Sent: Tuesday, February 13, 2007 10:19 AM
To: Pence, William; Bachman George
Cc: Martin Cheryl; Graham, George
Subject: RE: Watertower

George, Please reply to Bill question.
Thanks

From: Pence, William [mailto:bill.pence@akerman.com]
Sent: Tuesday, February 13, 2007 10:10 AM
To: Schneidermann Marc; Graham, George
Cc: Bachman George; Martin Cheryl
Subject: RE: Watertower

Marc, do we need to talk to Peter Reinert to see if there is an "after acquired property" component of the Company's current financing?

William L. Pence
Akerman Senterfitt
420 South Orange Avenue, Suite 1200
Orlando, FL 32801
407-419-8548 (office)
407-421-4660 (cell)
407-254-4255 (fax)
william.pence@akerman.com

From: Schneidermann Marc [mailto:mschneidermann@fpuc.com]
Sent: Tuesday, February 13, 2007 10:06 AM
To: Graham, George
Cc: Pence, William; Bachman George; Martin Cheryl
Subject: RE: Watertower

The Town of Lake Park may be offering us low cost financing incentive (via a muni bond), but the funds for closing will be from our Bank of America line of credit.
Sincerely,
Marc L. Schneidermann

From: Graham, George [mailto:george.graham@akerman.com]
Sent: Monday, February 12, 2007 5:54 PM
To: Schneidermann Marc
Cc: Pence, William
Subject: Watertower

Marc,

Will FPUC be financing this deal with a lender, using bond proceeds or paying cash? I assume this property will be encumbered by the Indenture in favor of SunTrust Bank? Just a couple of items that I wanted to mention to you now so I would not forget in the morning.

Regards,

George

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Wednesday, Apr 09, 2008 11:45 AM

Clara Leider

From: Schneidermann Marc
Sent: Friday, June 15, 2007 8:29 AM
To: Bachman George
Cc: Martin Cheryl; 'Pence, William'; Cox Doreen; 'Graham, George'; Stein Chuck; Cox Doreen
Subject: RE: Watertower

George,
Skip the lease concept. There isn't time to effectively do it and besides the Town had a list of renovations of parks, etc. as well as annual sponsorship of activities that they wanted us to support.

Sincerely,
Marc L. Schneidermann

From: Bachman George
Sent: Thursday, June 14, 2007 6:34 PM
To: Schneidermann Marc
Cc: Martin Cheryl; 'Pence, William'; Cox Doreen; 'Graham, George'; Stein Chuck; Cox Doreen
Subject: RE: Watertower

If we could have issued the bond to purchase the land is would have been nice. But we will have to investigate the return from a regulatory viewpoint on capitalizing land from a capital lease arrangement. If it looks feasible we'll call the town manager. Do you know the terms of the lease (i.e. rate, timing, buy-out) proposed?

George

From: Schneidermann Marc
Sent: Wednesday, June 13, 2007 3:39 PM
To: Bachman George
Cc: Martin Cheryl; 'Pence, William'; Cox Doreen; 'Graham, George'; Stein Chuck
Subject: RE: Watertower

I believe the muni bond is a dead deal. They would finance using a bond only if they were to buy the property and lease it back to us under a capital lease arrangement.

George (Bachman), Do you want me to still try or do you want to have someone in Accounting call Maria Davis (Town Manager) @ 881-3304?

From: Bachman George
Sent: Wednesday, June 13, 2007 1:49 PM
To: Graham, George; Schneidermann Marc
Cc: Martin Cheryl; Pence, William; Cox Doreen
Subject: RE: Watertower

George & Marc,

If Lake Park is offering good terms on a loan I'd recommend we pursue it. A low cost municipal bond is worth acquiring and I can request approval from our lender. Do we have the details (amount, terms, etc) so we can decide if it's worth pursuing?

George Bachman
Chief Financial Officer, Secretary and Treasurer
Florida Public Utilities Company
561.838.1731

From: Graham, George [mailto:george.graham@akerman.com]
Sent: Wednesday, June 13, 2007 1:12 PM
To: Schneidermann Marc; Bachman George
Cc: Martin Cheryl; Pence, William; Cox Doreen
Subject: RE: Watertower

Marc/George,

Assuming we move forward, do we need to worry about this? Do you plan on financing this property?

Regards,

George

--
George P. Graham, Esq.
Akerman Senterfitt
420 South Orange Avenue, Suite 1200
Orlando, FL 32801-4904
P.O. Box 231 (32802-0231)
407-419-8441 direct
407-254-4196 direct fax
407-843-7860 main
407-843-6610 main fax

> **From:** Bachman George [mailto:gbachman@fpuc.com]
> **Sent:** Tuesday, February 13, 2007 11:20 AM
> **To:** Schneidermann Marc
> **Cc:** Martin Cheryl; Graham, George; Pence, William; Cox Doreen
> **Subject:** RE: Watertower
>
> Marc,
>
> This property will be required to be pledged under the Indenture of Mortgage of which SunTrust is the Trustee.
>
> It is important that IF we want to consider any financing offered we must clear this with our bank first. We will be in violation of our covenants if take the financing without approval.

Thanks.

George Bachman
Chief Financial Officer, Secretary and Treasurer
Florida Public Utilities Company
561.838.1731

From: Schneidermann Marc
Sent: Tuesday, February 13, 2007 10:19 AM
To: Pence, William; Bachman George
Cc: Martin Cheryl; Graham, George
Subject: RE: Watertower

George, Please reply to Bill question.
Thanks

From: Pence, William [mailto:bill.pence@akerman.com]
Sent: Tuesday, February 13, 2007 10:10 AM
To: Schneidermann Marc; Graham, George
Cc: Bachman George; Martin Cheryl
Subject: RE: Watertower

Marc, do we need to talk to Peter Reinert to see if there is an "after acquired property" component of the Company's current financing?

William L. Pence
Akerman Senterfitt
420 South Orange Avenue, Suite 1200
Orlando, FL 32801
407-419-8548 (office)
407-421-4660 (cell)
407-254-4255 (fax)
william.pence@akerman.com

From: Schneidermann Marc [mailto:mschneidermann@fpuc.com]
Sent: Tuesday, February 13, 2007 10:06 AM
To: Graham, George
Cc: Pence, William; Bachman George; Martin Cheryl
Subject: RE: Watertower

The Town of Lake Park may be offering us low cost financing incentive (via a muni bond), but the funds for closing will be from our Bank of America line of credit.
Sincerely,
Marc L. Schneidermann

From: Graham, George [mailto:george.graham@akerman.com]
Sent: Monday, February 12, 2007 5:54 PM

To: Schneidermann Marc
Cc: Pence, William
Subject: Watertower

Marc,

Will FPUC be financing this deal with a lender, using bond proceeds or paying cash? I assume this property will be encumbered by the Indenture in favor of SunTrust Bank? Just a couple of items that I wanted to mention to you now so I would not forget in the morning.

Regards,

George

--

George P. Graham, Esq.
Akerman Senterfitt
420 South Orange Avenue, Suite 1200
Orlando, FL 32801-4904
P.O. Box 231 (32802-0231)
407-419-8441 direct
407-254-4196 direct fax
407-843-7860 main
407-843-6610 main fax

AkermanSenterfitt

www.akerman.com | Bio | V Card

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Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Wednesday, May 23, 2007 12:58 PM
To: Martin Cheryl
Cc: Cox Doreen
Subject: Regarding Schedule

Cheryl,

For our call at 3pm EST, we should discuss schedule. My team will provide a status report of the work performed so far. There are a couple of points that I wish to raise with you prior to our call, as follows:

1) For the cost of capital analysis, we have acquired the data set, but have not formatted the data for use in the development of the cost of common equity. This will come together expeditiously. However, cost of capital is at the front of the rate case preparation, as it drives revenue requirements. I will need to work closely with Doreen over the next 2-3 weeks to get that together.

2) It will be necessary to fully capture future operating expense levels in the forecast test periods. Let's discuss methodology and approach, for both operating expenses and capital expenditures.

Robert

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Wednesday, Apr 09, 2008 11:45 AM

Clara Leider

From: Khojasteh Mehrdad
Sent: Thursday, August 02, 2007 7:16 PM
To: Mike Welsh
Cc: rjcamfield@lrca.com; Dan Hansen (dghansen@lrca.com); Martin Cheryl; Cox Doreen
Subject: Revised C-11
Attachments: C-11Revised080207MP.xls

Mike,

I have attached a revised C-11. We revised the 2008 bad debt rate on the C-11 you sent us. The cells that were revised are highlighted in pink.

If you have any questions or comments, please let me know.

Mehrdad Khojasteh

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

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

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Prior Year Ended 12/31/2007
Historical Years Ended 12/31/2002, 04, 05 and 06
Witness: Mehrdad Khojasteh

Line No.	(1) Year	(2) Write-Offs (Retail)	(3) Gross Revenues From Sales Of Electricity (Retail)	(4) Adjustments to Gross Revenues (Specify)	(5) Adjusted Gross Revenues	(6) Bad Debt Factor (2)/(5)
1.	2002	75,649	41,335,703	$ -	$ 41,335,703	0.1830%
2.	2003	77,141	39,478,461	-	$ 39,478,461	0.1954%
3.	2004	76,668	40,424,735	$ -	$ 40,424,735	0.1897%
4.	2005	87,665	47,686,561	$ -	$ 47,686,561	0.1838%
5.	Total	317,123	168,925,460	$ -	$ 168,925,460	0.1877%
6.	2006 Test Year	87,213	47,686,566	$ -	$ 47,686,566	0.1829%
7.	prior Year 2007	90,352	53,115,151	$ -	$ 53,115,151	0.1701%
8.	Test Year 2008	144,563	61,822,965	$ -	$ 61,822,965	0.2338%

Calculation of the Bad Debt Component included in the Revenue Expansion Factor:

Average Rate 0.2000%

Supporting Schedules:

Recap Schedules: C-44

Exhibit 2.8\COX

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Wednesday, Apr 09, 2008 11:46 AM

Clara Leider

From:	Robert Camfield [rjcamfield@CAEnergy.com]
Sent:	Tuesday, August 21, 2007 3:23 PM
To:	Cox Doreen; Mike Welsh
Cc:	Martin Cheryl; Bruce Chapman; Mike Welsh
Subject:	Revised Exhibit 1
Attachments:	Revised Exhibit 1, P-2 and P-3.xls

Revised
iit 1, P-2 and

Mike,

Attached are revised Pages 2 and 3 of Exhibit 1, which should be incorporated into the file entitled COC Exhibits sent most recently by Cheryl and, subsequently, by Doreen. I will not resend file COC Exhibits in view of its large size.

Remaining work on COC is as follows:

Doreen: please review the discussion on capital structure.
Bruce: please review and edit in final.

These edited versions should be sent to me. In turn, I will forward the result to Mike, with copies to Doreen and Cheryl.

Thanks, Robert

From: Robert Camfield
Sent: Tue 8/21/2007 1:50 PM
To: Cox Doreen
Cc: Cheryl Martin ; Bruce Chapman; Mike Welsh
Subject: RE: Emailing: COC Exhibits

Doreen,

Attached is the latest draft testimony version4 in tracked and untracked forms.

Doreen: Please review and make additions. Specifically, I do not know what to say about the interest coverage.
Bruce: Please edit.
Mike: I will send the exhibits in final form momentarily.

Thanks,
Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Tue 8/21/2007 12:45 PM
To: Robert Camfield
Subject: Emailing: COC Exhibits

<<COC Exhibits.xls>>
Your message is ready to be sent with the following file or link attachments:

COC Exhibits

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OVERALL RATE OF RETURN REQUIREMENTS

FLORIDA PUBLIC UTILITIES COMPANY

WEIGHTED AVERAGE COST OF CAPITAL: REGULATORY CAPITAL STRUCTURE
(2008 YEAR END BALANCES, EXCLUDING FLO-GAS)

Capital Component	Amounts Balances	Capitalization Share	Cost Rate	Weighted Cost Rate
Long Term Debt	$13,817,716	32.12%	7.96%	2.56%
Short-Term Debt	$1,642,905	3.82%	6.81%	0.26%
Preferred Stock	$168,216	0.39%	4.75%	0.02%
Common Equity	$18,035,391	41.92%	11.50%	4.82%
Customer Deposits	$3,079,556	7.16%	6.32%	0.45%
Deferred Taxes	$6,208,701	14.43%	0.00%	0.00%
ITC at Zero Cost	$0	0.00%	0.00%	0.00%
ITC at Overall Cost	$68,513	0.16%	9.79%	0.02%
Total	$43,020,997	100.00%		8.13%

WEIGHTED AVERAGE COST OF CAPITAL: CONVENTIONAL CAPITAL STRUCTURE
(2008 YEAR END BALANCES, EXCLUDING FLO-GAS)

Capital Component	Amounts Balances	Capitalization Share	Cost Rate	Weighted Cost Rate
Long Term Debt	$49,285,749	41.05%	7.96%	3.27%
Short-Term Debt	$5,860,000	4.88%	6.81%	0.33%
Preferred Stock	$600,000	0.50%	4.75%	0.02%
Common Equity	$64,329,572	53.57%	11.50%	6.16%
Total	$120,075,321	100.00%		9.79%

EXHIBIT DC-RC-1
Page 3 of 3
OVERALL RATE OF RETURN REQUIREMENTS

FLORIDA PUBLIC UTILITIES COMPANY

WEIGHTED AVERAGE COST OF CAPITAL: REGULATORY CAPITAL STRUCTURE
(2008 YEAR END BALANCES, CONSOLDIATED BASIS)

Capital Component	Amounts Balances	Capitalization Share	Cost Rate	Weighted Cost Rate
Long Term Debt	$13,763,420	31.99%	7.96%	2.55%
Short-Term Debt	$1,636,449	3.80%	6.81%	0.26%
Preferred Stock	$167,555	0.39%	4.75%	0.02%
Common Equity	$18,096,803	42.07%	11.50%	4.84%
Customer Deposits	$3,079,556	7.16%	6.32%	0.45%
Deferred Taxes	$6,208,701	14.43%	0.00%	0.00%
ITC at Zero Cost	$0	0.00%	0.00%	0.00%
ITC at Overall Cost	$68,513	0.16%	9.79%	0.02%
Total	$43,020,997	100.00%		8.14%

WEIGHTED AVERAGE COST OF CAPITAL: CONVENTIONAL CAPITAL STRUCTURE
(2008 YEAR END BALANCES, CONSOLDIATED BASIS)

Capital Component	Amounts Balances	Capitalization Share	Cost Rate	Weighted Cost Rate
Long Term Debt	$49,285,749	40.88%	7.96%	3.26%
Short-Term Debt	$5,860,000	4.86%	6.81%	0.33%
Preferred Stock	$600,000	0.50%	4.75%	0.02%
Common Equity	$64,803,263	53.76%	11.50%	6.18%
Total	$120,549,012	100.00%		9.79%

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Wednesday, Apr 09, 2008 01:02 PM

Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Wednesday, August 22, 2007 8:51 AM
To: Cox Doreen; Mike Welsh
Cc: Martin Cheryl; Bruce Chapman
Subject: Revised Exhibit 2, Revised Testimony

Attachments: Revised Exhibit 2_Page 1, Page 2.xls; COC Testimony_v7.doc

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Mike,

As I mentioned last night. Exhibit 2, pages 1 and 2 would be revised this morning. Attached are these revised exhibit pages, file "Revised Exhibit 2 Page 1, Page 2", along with revised testimony,file "COC Testimony v7".

Please incorporate these changes into FPU's regulatory filing.

Thanks,
Robert

COST OF COMMON EQUITY and EQUITY RATE OF RETURN RECC

FLORIDA PUBLIC UTILITIES COMPANY

METHODOLOGY	COMPARABLE MID-SIZED ELECTRIC UTIILTIES
Discounted Cash Flow	
Single Stage Model*	9.63%
Capital Asset Pricing Model	
Classical Single Factor Model	11.27%
Risk Premia, Small-Size Adjusted	
CAPM-Based, Size-Premia Adjusted	12.50%
Realized Market Returns	
Per Annum, For 5- to 10-Year Periods	11.45%
For Larger Sample	12.24%
Per Annum, For Consecutive 5-Year Periods	10.85%
For Larger Sample	10.98%
Cumulative, For 5- to 10-Year Periods	11.09%
For Larger Sample	12.49%

Common Equity Rate of Return Recommendation:

* Multi-Stage DCF Approach Provides Similar Results

)MMENDATION

RISK SAMPLE

GAS UTILITIES
9.46%
11.28%
12.30%
10.10%
10.00%
11.86%
11.5%

Clara Leider

From:	Robert Camfield [rjcamfield@CAEnergy.com]
Sent:	Wednesday, August 22, 2007 8:51 AM
To:	Cox Doreen; Mike Welsh
Cc:	Martin Cheryl; Bruce Chapman
Subject:	Revised Exhibit 2, Revised Testimony
Attachments:	Revised Exhibit 2_Page 1, Page 2.xls; COC Testimony_v7.doc

Revised it 2_Page 1,

COC Testimony_v7.d

Mike,

As I mentioned last night. Exhibit 2, pages 1 and 2 would be revised this morning. Attached are these revised exhibit pages, file "Revised Exhibit 2 Page 1, Page 2", along with revised testimony,file "COC Testimony v7".

Please incorporate these changes into FPU's regulatory filing.

Thanks,
Robert

DIRECT TESTIMONY

DOREEN COX
ROBERT CAMFIELD

COST OF EQUITY AND RATE OF RETURN REQUIREMENTS
of
FLORIDA PUBLIC UTILITIES COMPANY

Q. Please state your name, title, and business address.

A. Witness Cox. My name is Doreen Cox. I am a Financial Analyst with Florida Public Utilities Company. My business address is 401 South Dixie Highway, West Palm Beach, Florida, 33401.

Witness Camfield. My name is Robert Camfield. I am Vice President with Christensen Associates Energy Consulting LLC, and my business address is Suite 700, 4610 University Avenue, Madison, Wisconsin, 53705.

Q. What is the scope of your testimony?

A. The scope of our testimony is twofold. First, we address the issue of the cost of common equity to Florida Public Utilities Company. Estimates of the equity cost rate underlie our common equity rate of return recommendation. Second, we integrate the equity rate of return with the other financial components of Florida Public Utilities Company's capital structure to determine the weighted average cost of capital and accompanying overall rate of return recommendation. Our rate of return recommendation should be used by the

Commission to set retail electricity prices of Florida Public Utilities Company in the current docket.

Q. Please review your professional background and experience that qualifies you to provide such recommendations.

A. Witness Cox. I received a Bachelor of Science Degree in Management from the University of the West Indies in 1979, with a concentration in Accounting. In 1990, I earned a Master of Science Degree in Accounting, also from the University of the West Indies. I am a member of the Jamaican Institute of Chartered Accountants.

I joined Florida Public Utilities Company in 1999, and I hold the position of Financial Analyst, which reports to the Chief Financial Officer (CFO). In this position, I support the CFO as well as the Accounting and Finance Divisions of Florida Public Utilities Company. My position covers a variety of operating and planning responsibilities including project assessment, budget and financial projections, and cash flow analysis. I assist in the preparation of quarterly reports to our Board of Directors, and the compliance monitoring with respect to the Financial Covenants of Florida Public Utilities Company's long- and short-term sources of external funds. In was a witness in the Natural Gas rate relief proceedings before the FPSC, Docket Number 040216-GU.

Witness Camfield. I joined the Michigan Public Service Commission in 1976 as a staff economist. During my tenure with the Michigan Commission, I was involved in several retail electricity and natural gas pricing issues, and I testified in rate case proceedings regarding cost of capital and retail gas tariff design. I joined the New Hampshire Public Service Commission in 1979 as Senior Economist, and held the position of Chief Economist beginning in 1981. As Chief Economist, I was responsible for the administration of the Economics Department of the Commission Staff. I oversaw the analysis of regulatory issues, the coordination and guidance of Staff participation in regulatory proceedings, the preparation and development of testimony, and I provided policy advice to the Commission on a variety of issues such as construction work in progress, financial planning, and the determination of PURPA Section 133 rates. I joined Southern Company in 1983, and held positions in several departments including Pricing and Economic Analysis at Georgia Power Company, Costing Analysis of Southern Company Services, and Southern Company's Strategic Planning Group. In 1994, I joined Laurits R. Christensen Associates, Inc. ("Christensen Associates") as a senior economist, and currently hold the position of Vice President with Christensen Associates Energy Consulting LLC., a subsidiary consulting group of Christensen Associates.

My experience covers a gamut of issues facing regulated industries. I have been involved in the negotiation of power supply contracts and the terms of franchise licenses. My overseas assignments are several, and I have managed a large market restructuring project in Central Europe. I have served on national and regional advisory panels, and I have advised integrated electric utilities, independent power producers, transmission and distribution companies, utility associations, offices of consumer advocate, and regulatory agencies on numerous policy and technical issues. Innovations include two-part tariffs for transmission services, web-based self-designing retail electric products, marginal cost-based cost-of-service methods, and principles for efficient pricing of distribution services. I have published chapters in technical books, reports, and articles in noted journals such as *The Electricity Journal, IEEE Transactions on Power Systems*, and *CIGRE.* Currently, I serve as Program Director of the Edison Electric Institute's Market Design and Transmission Pricing School.

Q. Would you please review the statutory mandates that guide the determination of rate of return for public utilities?

A. Yes, the statutory principles of rate of return for public utilities substantially rest with two decisions of the Supreme Court of the United States. In the Bluefield Water Works and Improvement Co. v. Public Service Commission of West Virginia case (262 U.S. 679, 1923), the U.S. Supreme Court set forth its view on fair rate of return, as follows:

"…A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for the convenience of the public equal to that generally being made at the same time and in the same general part of the country on investments in other business undertakings which are attended by corresponding risks and uncertainties; but it has no constitutional right to profits such as are realized or anticipated in highly profitable enterprises or speculative ventures. The return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties. A rate of return may be reasonable at one time and become too high or too low by changes affecting opportunities for investment, the money market and business conditions generally."

A second landmark decision of U.S. Supreme Court echoed, fortified, and expanded upon the fair return standard established by the "Bluefield" decision cited above for capital committed to public utilities. This second decision is the Federal Power Commission v. Hope Natural Gas Company case (320 U.S. 391, 1944). A relevant passage of this latter decision is as follows:

"From the investor or company point of view it is important that there be enough revenue not only for operating expenses but also for the capital costs of the business. These include service on the debt and dividends on the stock... By that standard the return to the equity owner should be commensurate with return on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and attract capital."

These longstanding decisions provide the recognized framework for the fair rate of return on capital committed by investors to public service. In these decisions, the U.S. Supreme Court codified, in clear and readily understandable terms, a statutory benchmark that serves as the basis to set fair and equitable prices for retail public services such as natural gas, while also providing a fair rate of return on the capital provided by investors. Though they reach back many years, these decisions remain to this day the cornerstone for the determination of rate of return requirements. The challenge for regulators, regulated utilities, and interested parties to regulatory proceedings is to operationalize these principles in contemporary regulatory processes.

Q. Please provide an overview of your approach to the determination of the rate of return requirements for Florida Public Utilities Company.

A. Our approach follows the prescribed methodology of the Florida Public Service Commission to determine the overall weighted average cost of capital ("WACC") and the overall rate of return, for regulatory purposes. Specifically, we develop a forward-looking consolidated capital structure for the year 2008 with the exclusion of capital structure balances associated with the Company's propane subsidiary, Flo-Gas. For determining retail prices in the instant docket, the recommended capital structure is determined on the basis of the 13-month average balances of the components that comprise the capital structure of the Company. We develop a traditional capital structure including the key elements of long-term debt, short-term debt, preferred stock, and common shareholder equity. Similarly, we develop a regulatory capital structure that contains, in addition to these components, balances for customer deposits, accumulated deferred taxes and accumulated investment tax credits of the Company dedicated to providing retail electricity services. Traditional elements of the capital structure are scaled pro rata, such that the regulatory capital structure, in total, matches the rate base attributable to the provision of electricity services.

It is good regulatory policy to accurately capture the means by which Florida Public Utilities Company underwrites its assets and rate within the regulatory capital structure, providing that such structure contains an appropriate balance of equity and debt, given the regulatory and operational business risks facing the Company. Contemporary business, regulatory, and financial risks confronting energy utilities are higher than in past years. Consequently, and consistent with the business objectives of providing low-cost and reliable service, Florida Public Utilities will fund its assets with larger equity participation in total capital than in years past and, to this end, the year-end 2008 capital structure is a better representation of the expected capital structure of the Company. This is because the year-end balances capture the prospective weight, on average, that common equity will assume within the Company's capital structure. Furthermore, the year-end balances of the components of capital provide a better balance of debt and equity for the purpose of minimizing the weighted average cost of capital. Accordingly, the adoption of the projected year-end capital structure to determine retail prices, which would constitute a departure of the Florida PSC from its general policy of using the 13-month average capital structure, would be in the long-term interests of retail consumers and the Company as well. Accordingly, we offer the year-end capital structure as an alternative to the 13-month average approach.

The cost rates applied to the 13-month 2008 balances of long-term debt and preferred stock include the interest rate on the face amount and issuance costs unique to each individual issue, and related debt expenses where appropriate. The cost rate applied to customer deposits balances is based upon market segment-specific interest rates, as determined by the Commission. The balances for accumulated deferred taxes and investment tax credits are included in the regulatory capital structure at cost rates of zero and the overall cost of capital stated on a traditional basis, respectively.

The rate of return for common equity is determined by applying four capital cost assessment methodologies including Discounted Cash Flow, Capital Asset Pricing Model, Risk Premia, and an assessment of Realized Historical Returns. The fourth approach constitutes a benchmark by which investors gauge the future earnings prospects of financial assets and, along with other information, form expectations of future returns. By assumption and empirical assessment, efficient markets value (price) financial assets accordingly. These four methods are well founded by modern finance theory and are often used to determine the cost rate for common equity capital. The Risk Premia methodology infers the underlying opportunity cost of capital on a basis of the relative risks of debt and equity capital.

Q. Can you please summarize your findings and recommendations?

A. Yes. Our studies give rise to an overall rate of return recommendation of 8.07%. The determination of the 8.07% rate of return is shown in Exhibit 1, which reveals the balance amounts for each financial component of the capital structure, the share that each component represents, the attending cost rate, and the overall rate of return. As mentioned above, the overall rate of return recommendation is based upon a 13-month 2008 regulatory capital structure that, consistent with utility regulatory policy in the State of Florida incorporates customer deposits, accumulated deferred income taxes, and investment tax credit balances.

The recommended 8.07% overall return level incorporates a common equity return of 11.50%. As mentioned, the opportunity cost of shareholders of Florida Public Utilities Company is assessed with four valuation methods. The results of studies based on the valuation methods are shown in Exhibit 2, along with the equity return recommendation.

This recommendation, if adopted by the Florida Public Service Commission, will enable Florida Public Utilities Company to continue to provide highly reliable electricity service to its customers at favorable prices. At the same time, the recommendation provides an adequate level of compensation to the shareholders of Florida Public Utilities Company on the capital that they have committed to the Company. Satisfactory returns to equity also enable the Company to continue to attract long- and short-term debt at favorable terms and interest rates that, in both the near-term future and the long-run, are in the best interests of retail electricity consumers.

Fair and adequate allowed returns to capital are vital, and we cannot over-emphasize to the Commission the importance of setting the overall rate of return at a sufficient level, particularly in the current environment of considerable levels of risk and uncertainty. The determination of an adequate return level by the Florida Public Service Commission signals to the investment community including mutual funds, long-term private investors, speculators, mortgage bankers, and commercial banks that the business and regulatory environment in which Florida Public Utilities Company operates has continuity and stability over the long term. Importantly, it also signals that the Commission is supportive of the Company and the job that we do on an ongoing basis for retail consumers.

Q. Electricity is intermingled with and highly dependent upon energy markets, particularly markets for primary fuels. Can you please provide a profile of contemporary electricity markets and the implications for electricity distributors and the cost of equity capital?

A. Infrastructure industries, including the electricity services industry in particular, are undergoing significant restructuring with no immediate end in sight. This restructuring assumes a number of dimensions including service unbundling in both retail and wholesale markets, competitive entry and new mechanisms to determine the prices for services. At the wholesale level, utilities face and are part of the expansion of wholesale services and contract mechanisms to hedge varying degrees of risks; divestiture of generation; and the appearance of wide-scale participation in wholesale electricity commodity markets by power traders and speculators who are deeply involved in commodity markets generally. Wholesale markets are being organized under the auspices of regional transmission organizations referred to as RTOs. RTOs serve as the agent for markets as a whole, where regional markets are unbundled according to time (hourly markets), space (locational pricing of energy), and services including energy, reserves (including regulation, spin, non-spin, and supplemental categories), as well as financial transmission rights (FTRs) of various types. While wide-scale change has been in the works for years and is arguably most pronounced at the wholesale level, as precipitated by the Energy Act of 1992, significant change has been and is currently underway within retail markets as well. At the retail level, regulated utilities face a gamut of changes regarding new regulatory governance arrangements including pre-approval, decoupling, and various performance assessment mechanisms; auctions for provider of last resort ("POLR") services; renewable resource portfolio standards, and new rules and requirements regarding reliability requirements, aside from the new reliability (and implied cost) commitments imposed on service providers by the North American Electric Reliability Council ("NERC"), which has been recently designated by the Federal Energy Regulatory Commission ("FERC") as the national electric reliability organization ("ERO").

Driven to improve earnings performance and exploit growth opportunities, many integrated electric utilities have since the late-1980s pursued non-regulated business ventures including activities fairly far afield from electricity services such as real estate and insurance, as well as diversified energy services including distribution operations, nuclear generation, renewable resources, and power trading. In a number of cases, generation (and to a lesser extent transmission) assets have been sold off to independent generation companies or unregulated generation entities have been formed from the generation business units of the integrated utilities. Thus, deregulation has resulted in an increasingly broad range of business activities, business organizations and entity structures within the electricity services sector of the economy, obtained through competitive entry and consolidation of functionality across entities. The financial performance of entities within the electricity services industry including the expected returns to capital and financial risks, is much more closely linked to energy markets, generally, than was previously the case.

The net result is generally positive, as competitive entry arguably obtains reduced costs to the benefit of consumers, at least in the long run. Nonetheless, these changes in structure, much of which have been accompanied by and ushered in through regulatory changes, have also raised capital risks associated with electricity services, as perceived by investors. This backdrop of higher capital risks occurs at a time when electricity service providers, including Florida Public Utilities Company, face steadily expanding electricity service demands and an array of new requirements covering, among other things, capital renewal at a time of fast rising costs for electrical equipment.

Q. Your testimony mentions capital risks and capital renewal. Perhaps you can elaborate on the meaning of capital, and how it comes about.

A. Capital refers to economic resources of a durable nature that contribute to production of good and services, or may provide services directly. Capital resources of an economy are readily at hand; examples include manufacturing equipment, software, commercial buildings, residential dwellings, streets and highways, airports and, importantly, the accumulation of skills and knowledge of the workforce. Capital is accumulated savings over time, where savings refers to the proportion of the output of an economy that is not consumed as current goods and services. Essentially, savings is the share of output held back and invested in—i.e., put into—capital resources. The cumulative level of investment over time, covering decades, constitutes the capital stock of an economy and a society. It is useful to mention that capital can assume various investment forms aside from financial assets in private and public companies and other entities. The stock of capital includes real estate, durable household goods, education, public property and infrastructure such as libraries, museums, parks, roads, and transit systems. Individuals, firms, and government entities invest funds in capital resources if the expected flows of benefits realized by the investments in the future are equal to or greater than the value of current consumption given up or foregone.

Q. Please review the notions of cost of capital, opportunity cost of capital, and discuss how risk affects the opportunity cost of capital.

A. The cost of capital is the compensation required by investors for postponing consumption, for expected inflation, and for exposure to capital risks of various dimensions. *Cost of capital* refers to the underlying interest rate used to discount expected benefit flows of capital resources including returns to financial assets, and is sometimes referred to as the rate of discount, or simply the discount rate.

Financial assets include a multitude of debt vehicles, equity, and derivatives, and are tailored to participants of capital markets including household, small business, corporate, and government segments. Participants across these segments—*i.e.*, investors including lenders and holders of common and preferred stock— can supply capital while other participants (such as borrowers and common stock issuing companies) demand capital. Commercial banks, credit unions, finance companies, capital exchanges, and investment banks serve as intermediaries that provide the institutional means that facilitate the interaction and linkage of the supply and demand sides of financial markets. These functions essentially include lending, borrowing, and the issuance of equity vehicles. Banks and credit unions borrow (and store) financial assets that in turn are invested in the form of debt and to a lesser extent equity.

Household debt vehicles include, for example, personal loans covering appliances, household services, and credit card mechanisms through finance companies and banks, and real estate and so-called home equity loans. Business loans include short-term loans and lines of credit with banks, inventory financing through business wholesalers, and commercial paper of various terms. Corporate debt can be in the form of lines of credit with banks, and mortgage and debenture bonds, while government debt can be in the form of revenue bonds of cities, and short- and long-term debt of various terms.

Equity refers to common and preferred stock, where the investor assumes a share in the ownership of a corporate entity. In some cases, debt instruments can participate in equity returns and have rights of conversion to common stock. Derivatives refers to options and forward contracts that are specifically designed for speculation and risk hedging, where the market worth of the derivative is determined by investor expectations in the underlying price of a financial asset or commodity.

Q. What factors contribute to the underlying cost of capital regarding financial assets?

A. The underlying cost of capital is determined by investors and, in the large, by individuals and entities (including government entities) that provide savings and thus the accumulation of capital within the economy. In the case of financial assets, expected benefits are in the form of future cash flows including interest payments, dividend payments, market appreciation, and return of principal. When investors supply funds to entities such as utilities and government entities and municipalities, not only are they postponing consumption—giving up the value of alternative expenditures in some other way, they are also exposing funds to the devaluation of ongoing inflation and various uncertainties and risk attending future cash flows. Investors are willing to incur these risk factors only if they are adequately compensated. While the market prices of other inputs including labor, materials, energy can be easily verifiable, the cost of capital—essentially, the price of capital—is not easily discerned and, all too often, requires estimation through the cautious application of analytical methods.

The cost of capital, however, remains positive absent inflation and risks, as savers require compensation for foregoing the right to use the funds saved for consumption of goods and services—essentially, the time value of money.

The cost of capital is determined by the demand for capital, supply of savings, expectations of inflation, and perceptions of risks harbored by participants in capital markets. The demand for and supply of capital are determined by expectations of future levels of economic activity, while expected inflation is driven largely by monetary policy over the relevant timeframe. Perceptions of risk, in turn, cover many dimensions including uncertain government policy and the effects of natural phenomena such as weather. The cost of capital—the discount rate stated in nominal terms—increases with rising demand for capital, with expectations of higher rates of inflation, and with heightened perceptions of risk. Arguably, risk is the key contributing factor for the estimation of the cost of capital.

Q. Please elaborate on capital risks, and estimation of the cost of capital.

A. In addition to the global risks alluded to above (weather, government policy, etc.) dimensions of risk also cover idiosyncratic factors associated with specific capital resources, such as that of individual entities or companies. Accordingly, financial markets will re-price downward the bonds of a private company, should the *current* financial condition of the company suddenly decline. Essentially, the decrease in the company's current condition, reflected as reduced interest coverage—causes the expectation of the future condition of the company to also decline. Expectations of future financial conditions (possible states) of the specific company are idiosyncratic risks. Because cost of capital rises with increased risks, the price of the bonds decline. Bond prices and discount rates, in the form of the net interest rates or bond yields (and yield to maturity), move in opposite directions; bond yields increase as bond prices decline, and decrease as bond prices rise.

Resources migrate to the highest valued use and worth, given perceived risks, such that the returns to capital are equivalent to opportunity costs. The various forms of capital compete among themselves for savings and with other non-capital resource inputs and opportunities. Similarly, the vehicles of investment of individual entities, such as the specific bonds of a municipality or the common stock of a company, must compete for savings through a process of capital attraction. That is, if the outlook for earnings of a company rises, participants in capital markets—investors—allocate more capital to the company by bidding up the price of the stock thus increasing the company's market capitalization. Conversely, perceptions of heightened risks associated with the debt of a company or municipality precipitates a decline in the market value of the outstanding bonds, as capital migrates from the company/municipality to other resource opportunities. Thus, the prices of financial assets of entities including debt and equity securities are highly sensitive to perceptions of risk. Capital markets trade off risks and expected returns, given the overall menu of available choices, as alternative opportunities.

At an undefined point in time such that levels of supply and demand for capital and expectations of inflation are roughly equivalent (as a matter of consensus), the cost of capital is a matter of risk. Essentially, then, the cost of a specific source of capital is basically determined by the underlying riskiness of that investment in view of alternative opportunities that, together, represent the investors' current opportunity set. Hence, the cost of capital associated with specific investment opportunities, is differentiated by risks alone, as the other factors that impact the cost of capital—*i.e.*, supply-demand balance, inflation expectations—are common to all investments, and capital more generally. Competitive capital markets, through the process of assessing, buying, and selling, ensure that the expected payoff in the form of market rate of return is approximately equal to that of other investments of equivalent risk. In short, debt and equity investment vehicles of comparable risk are priced the same. If not, investors as participants in capital markets will bid up securities with comparatively low risks and bid down others with comparatively high risks. If investor perceptions of capital risks attending a utility increase—or the expectations for returns decline—markets bid down the securities of the utility. This implies that a utility will be unable to attract capital on equivalent terms, a result that is manifested in either of two ways: the quantity of capital acquired, in the form of new securities offerings, is reduced for a given level of return (stated in dollars), or a higher prospective rate of return attends the new offerings—it costs more to obtain an equivalent quantity of capital.

As mentioned above, investor rate of return is the discount rate that causes the present value of the expected cash flows, as receipts realized by investors, to equal the market value of the financial asset. From the utility side, the cost of funds raised by the utility through the sale of securities is equal to the discounted present value of the cash outflows to be paid by the utility, as expected by investors. But since the (positive) cash flows stream to the investor is identical to the cash outflows of the utility, the two discount rates must be identical, abstracting from the effects of flotation costs, which causes the costs to the issuer to exceed the return required by investors to the extent that flotation costs decrease the net amount of funds actually available to the issue. In other words, the cost of capital to the utility is synonymous with the investors' expected rate of return. Hence, the cost of capital is the discounted expected cash flows necessary for the security to "pay the price"—*i.e.*, in order to satisfy investors' required rate of return.

When capital markets are sufficiently competitive, they ensure that the market value and worth of financial vehicles of the outstanding debt and equity—as held by the investment community, which can include households, financial institutions, government entities, and non-financial companies, is set (*i.e.*, priced) at a level such that the returns to capital approximate the cost of capital. Because investors are averse to risks, competitive financial markets price financial assets inversely according to perceptions of risks, all other factors held constant.

Q. Why is this construct relevant and how does it relate to Florida Public Utilities Company and its capital needs?

A. As discussed, capital resources are the result of cumulative investment, and are obtained or funded directly or indirectly from savings of households and firms over time. Savings is the share of income of the economy as a whole that is not expended as consumption within a current period, and is typically measured as dollars or percentage shares in either quarterly or annual periods. This means that the capital resources employed by Florida Public Utilities Company including power delivery systems such as transformers and lines, meters, trucks and vehicles, computer systems, software, office facilities and buildings, inventory and stores, and land are costly, where cost is reflected as the annual carrying charges on capital, measured in the form of the net utility rate base.

Whereas the cost of skilled labor, materials and supplies, purchases of generation and transmission services, or other inputs used in the production process of utilities are expressed in money terms – *e.g.,* purchased power stated as dollars per megawatt hour – the cost of capital is expressed as an interest rate, typically shown as an annual percentage of the principal amount committed by investors. The cost of capital – or perhaps more accurately, the *cost rate of capital* – to the firm can be referred to as the *required rate of return* (%) on the capital resources committed by investors. In the case of public utilities, invested capital is referred to as the rate base, valued at either original cost or fair market value. For the determination of setting retail prices in the U.S., the regulatory convention is to value the capital of public utilities at original cost.

To facilitate the commitment of capital (investment) by savers and their agents to the firm, the firm offers property rights, including bonds or promissory notes to debt holders and shares of stock to equity investors. These property rights define the commercial terms and conditions under which savers and their agents, as investors, commit capital. Property rights are capital (financial) assets, and are generally tradable. Financial assets are claims on the income of the firm as compensation for the commitment of capital, and are the financial obligations of the firm. Shares of stock constitute ownership in the firm.

In the case of long-term debt – *i.e.*, mortgage bonds, debentures, and long-term notes – the interest on the principal (face) amount of a bond (debt) or the coupon rate on the share of preferred stock defines the level of compensation. Often, the interest rate is a predefined annual rate that remains fixed over the term of the debt. However, long-term debt instruments can have a number of other provisions that, in essence, provide for more complete contracting by managing risks through risk sharing between the debt holders and the borrower (the firm). These provisions can include 1) adjustments to the rate of interest to reflect contemporary market conditions *and* rates of inflation, 2) participation in earnings of the firm, 3) conversion rights, and 4) voting rights in the management of the firm.

In the case of short-term promissory notes, agreements with commercial banks define the mechanism by which interest, stated in dollars, is determined. Often, the commercial terms of promissory notes define interest to be paid monthly on the outstanding daily balance (principal) outstanding. The rate of interest applied to the outstanding balance is typically tied (indexed) to the interest rate on obligations of some widely known financial market – say, the London Interbank Offer Rate (LIBOR) or Fed Funds – which also varies daily or monthly.

Common stock property rights are somewhat different from other financial obligations because, as owners of the firm, the returns to shareholders are residual amounts following the compensation of other resources employed by the firm including debt obligations. Common equity is essentially compensated last, and bears the burden of much of the business, regulatory, and financial risks of the firm. For this reason, common equity is, in virtually all cases, more costly than other forms of financial instruments.

As with other markets, capital markets have primary and secondary dimensions. Primary markets are the institutions and processes that facilitate the initial sale of the financial obligations of the firm to initial investors, whereas secondary markets are structured market processes that provide the means by which investors can purchase and sell existing rights, including shares of stock and debt obligations. Financial instruments can assume many forms, and debt securities (bonds) and equity shares are actively traded in financial markets, which are generally considered to be highly liquid and competitive. However, to the degree that financial obligations 1) carry specialized and non-common commercial terms, and 2) secondary – and to a lesser extent, primary – markets are less liquid, holders of such obligations assume higher risks, other factors held constant. This is the case where the pool of buyers and sellers is limited and the volume of transactions is comparatively small. Relatively low levels of liquidity imply higher transaction costs and risks to investors, which translates directly into higher costs of capital to the firm.

Competition is a term that describes some markets, and markets are said to be competitive if certain conditions exist. Markets can be characterized as competitive if they involve: 1) a very large number of buyers and sellers, 2) information relevant to the determination of prices is readily available, complete and not costly, and 3) transactions costs are low. Because of the workably competitive nature of financial markets, arbitrage opportunities are more or less exhausted. This means that, for both primary and secondary markets, financial property rights trade at levels (prices) such that perceived risks and opportunities for prospective returns to capital are appropriately balanced and approximate those of other investment opportunities. Thus, above-normal returns, which implicitly include compensation for risks, cannot be seemingly realized by investors over prospective periods in systematic fashion.

Competition inherent to U.S. and worldwide financial markets ensures that the prices of common shares (share prices) and bonds are at a level that reflects the opportunity cost of capital. As an example, assume that the perceived risks attending the returns to common shareholders of firm A are equivalent to those of firm B and other firms. If the share prices of firm A suggest a market return of 10%, while the prices of firm B and other firms of comparable risks suggest (allow) market returns of 13%, the market price of firm A will fall to a level that provides a basis for market returns of just 13%, prospectively. A price that allowed for a 10% prospective market return is insufficient in the presence of opportunities for market return of 13% on alternate investments of comparable risk. Essentially, the 13% market rate of return on investment alternatives constitutes the opportunity cost of capital. Most remarkable is the expedience –

literally, in minutes – with which share prices adjust to levels that appropriately balance prospective returns to equilibrium levels *based upon perceptions of risks*. In short, equivalent and comparable risks translate directly into comparable rates of return, which is the cost of capital of common shareholders in – and thus of – the firm.

As mentioned early on, the cost of capital is a function of the demand for and supply of capital, investor expectations of inflation, and investor perceptions of risks. Because the conditions of demand and supply as well as expectations of inflation are more-or-less common to financial markets at any point in time, financial vehicles are differentiated by risks. Hence, the expected returns and prices of bonds and common shares (normalized for denomination and size) at any point in time are largely if not exclusively differentiated by perceptions of risk.

Q. How is this general discussion of capital markets relevant to Florida Public Utilities Company?

A. Because the cost of capital is positively related to risks, continuity of regulatory policy mitigates capital risks of Florida Public Utilities Company to the benefit of retail consumers by providing a sustained regulatory environment that facilitates a steady flow of revenue that closely adheres to the costs of electricity services.

Q. Would you please review the capital structure, interest coverage requirements, and the implications for sufficient coverage?

A. Interest coverage refers to the times that debt interest is covered by income, and is the most important measure of investment risk of corporate debt. Interest coverage is a major concern of Florida Public Utilities Company as it is the basis upon which the Company maintains its favorable credit standing with markets and continues to obtain long- and short-term debt at favorable rates of interest. Interest coverage under the recommended capital structure and rate of return for the Company's consolidated electricity services business unit is estimated to be 4.06, compared to 2.5 times using current rates Please reference Exhibit 12, Page 2

For purposes of comparison, we also show interest coverage over the historical timeframe on Exhibit 12, page 2. As can be seen, the coverage implied by the recommended rate of return is adequate though not at a robust level. Two conclusions are reached:

1) While the implied coverage level is acceptable, the Company must sustain a flow of earnings at consistent levels in order to maintain adequate coverage and also satisfy debt covenants.
2) Contingency events and business conditions that give rise to sudden and unexpected changes in revenue or cost flows can imply immediate shortfall in coverage. In short, the coverage level obtained from earnings at the recommended rate of return is only adequate in today's environment of higher capital risks.

The importance of coverage cannot be overstated. Indeed, in discussions with investment banks, commercial banks, and stock analysts regarding the financial condition and soundness of the Company, a salient point of concern continues to be coverage of debt. Lending entities, private investors, and investment banks continue to emphasize the importance of consistently-realized adequate interest coverage as the essential measure of the Company's capability to service long- and short-term corporate debt.

As can be seen, the recommended rate of return requirement, 8.07%, provides satisfactory interest coverage. And although the overall return recommendation provides adequate coverage, it is certainly not abundant. Hence, it is absolutely necessary that Florida Public Utilities Company realize adequate and sustained flows of income to ensure that the Company satisfies credit risk requirements. Coverage is our window of access to capital at favorable rates of interest and under reasonable terms, enables the Company to provide electricity services. Setting the overall rate of return at a satisfactory level of 8.07% is necessary and in the best interest of retail electricity consumers.

Q. What is the appropriate capital structure for determining retail prices in this docket?

A. Two fundamental issues are present. First, should the Commission utilize a consolidated capital structure for setting retail electricity prices and under what conditions should the Commission depart from a consolidated capital structure? Second, should an average or year-end capital structure be utilized?

Issue 1: Conditions to Justify Departures from the Consolidated Capital Structure. In the absence of large-scale subsidiary operations, the Florida Commission should generally utilize a consolidated capital structure where such approach provides a reasonable balance between debt and equity. Under such conditions, the Commission is assured that the service provider is, in the best interest of retail consumers, underwriting its assets dedicated to providing utility services at least cost.

This can be viewed as a principle that defines criteria useful to the Commission in regulatory decisions regarding the issue of the appropriate capital structure for the determination of retail prices. Specifically, and as a general rule, the Commission should only deviate from a consolidated capital structure when this condition – *i.e.*, an appropriate balance between debt and equity – is not satisfied. The corollary to this principle is that the Commission and its staff should never remove or add accounting-based line items from a consolidated capital structure that is appropriately balanced. Two facts of financial accounting underlie this corollary, as follows:

1) A firm cannot ever trace and identify, as a matter of dollar flows, specific sources of funds to specific uses of funds. The Treasury of a firm essentially constitutes a pool or inventory of current funds, cash, that continually experiences fund inflows and outflows. One cannot say that a specific source of funds is earmarked for a specific use. As an example, one cannot say that cash flow returns and operating income that arise from the Company's electricity operations are used solely to underwrite resources for the electricity business. Electricity-sourced cash flows are, in fact, used across the combined operations of the natural gas, electricity, and propane businesses of the Company – and similarly for the natural gas and propane operations.

2) The Company's balances of long-term debt, short-term debt, preferred stock, and common equity stated on a consolidated basis represent the accrual over years of the net flows of funds of the Company including external and internal sources. The balances for these financing vehicles can and should be used as the basis by which the Company underwrites any and all of its assets, stated on either a consolidated or an individual basis. This is simply a business, accounting, and financial fact.

There is no reasonable basis, thus, to exclude Flo-Gas balances from the Company's capital structure for purposes of setting retail electricity prices in the current docket. Indeed, exclusion of Flo-Gas balances may harm retail electricity consumers in various ways, aside from the inherent contradiction to the realities and facts of financial accounting identified above.

Second, exclusion of Flo-Gas balances from the capital structures used to set prices for the regulated operations, including electricity and natural gas, implicitly assigns common equity, which is comparatively high-cost, to the Company's unregulated propane operations, placing the propane operations at a competitive disadvantage with other propane companies. One can expect that other companies will leverage assets in a manner similar to that of the Company, in order to finance propane and competitive, non-regulated energy services. As a consequence, the Company needs to follow a similar policy. If the Company is required to assign only equity to non-regulated operations, it is implicitly forced to charge correspondingly higher prices in order to generate adequate returns.

Third, the consolidated capital structure of Florida Public Utilities Company stated on 13-month average basis for 2008 represents a sound balance of debt and equity financing that fully satisfies the financial needs of the Company, particularly in view of the comparatively small size of Florida Public Utilities. This is evidenced by the comparative sample of electric utilities used to determine the cost of capital. Specifically, equity participation within the Company's 2008 capital structure resides within one standard deviation of the average participation of the sample. Hence, the Company's financing policy and strategy conforms to a reasonableness standard, in addition to fully satisfying the financial prudence and flow of funds criteria outlined above.

Nonetheless, the recommended weighted average cost of capital presented within our testimony follows the Commission's prescription. Namely, the Flo-Gas balances are excluded from common shareholder equity for purposes of determining the overall rate of return to set retail electricity prices within the immediate docket.

Issue 2: Average or Year-End Capital Structure. This second issue implies two subsidiary questions: is the average or year-end capital structure the most representative on a forward-looking basis beyond 2008. As shown on Exhibit 1, page 1, the average capital structure for 2008 for Florida Public Utilities Company contains equity participation of 40% and 50%, respectively, under regulatory and traditional methods of stating the underlying invested capital. As a result of the issuance of common equity shares at mid-year 2008, the average balances approach inherently does not take account of the level of equity participation beyond 2008, the period over which the retail prices will be in effect.

The appropriate correction for this understatement of the overall cost of capital for the Company, which is inherent with the use of average capital balances in the face of the pending issuance of new shares, is to use a year-end capital structure. The result of such approach is shown on pages 2 and 3 of Exhibit 1, where the year-end based weighted average cost of capital is presented, shown with and without Flo-Gas balances. Specifically, year-end balances reflect equity participation of 42% and 54% for the regulatory and traditional capital structure. This higher equity participation level translates into weighted average cost of capital results of 8.13%, stated for regulatory purposes. In short, the average capital structure for 2008 leaves Florida Public Utilities Company short by 6 basis points, which implies an unrecognized revenue shortfall of about $40,000, stated on a going-forward basis.

Q. Can you please review your recommendation for the cost rate of long-term debt?

A. Yes. Florida Public Utilities Company has raised long-term debt from time to time based upon the need for capital and our Company's financial policy of maintaining a balanced capital structure. Because of our conservative management philosophy, we have consistently raised new debt issues at favorable rates of interest at the time of issue. Contributing to favorable interest rates are the conservative sinking fund provisions of the earlier higher-cost debt issues of the late-1980s – early-1990s.

The cost rate of 7.96% for long-term debt, shown in the column entitled "Annual Cost Based Rate" of Exhibit 3, reflects the weighted average cost of the five issues of long-term mortgage bonds of the Company, currently. These debt issues have face interest rates of 4.90% to 10.03%, and were issued by the Company over the period 1988 – 2001. The balances shown reflect the amounts that the Company expects to carry on its balance sheet on average over the year 2008 and beyond. The Company does not plan to issue long-term debt during the interim two years.

The 7.96% overall cost rate of long-term debt reflects issuance costs and losses on reacquired debt, which causes the effective cost rate to be somewhat greater than that of the weighted cost of the face interest rates alone. The 7.96% overall cost rate for long-term debt is calculated using the amortization schedule for debt expenses. This costing procedure follows the conventional accounting approach to determining the cost rate for long-term debt, and is consistent with the policy endorsed by the Florida Public Service Commission.

Q. Would you please review the cost rate of short-term debt and related issues?

A. Florida Public Utilities Company maintains, and expects to maintain over the foreseeable future, a short-term debt facility that makes available short-term debt at a cost rate determined by London Interbank Offer Rate (LIBOR). The short-term debt cost rate is equal to the 30-day LIBOR plus 90 basis points, plus other charges related to unused facility balances as well as fees charged for the facility itself. The Company currently has a $12 million line of credit with

Bank of America, which upon 30 days notice can be increased to a maximum of $20 million. Based on current cash flow projections we anticipate increasing the line to $15 million by November 2007. We anticipate lowering the line of credit to $12 million after the issuance of additional shares of common equity, which is scheduled for the middle of 2008.

The interest rate margin above LIBOR (90 basis points) for the Company's current short-term debt facility is somewhat above that of the Company's previous short-term debt facility, which reached the end of its contract in March 2003. The higher margin requirements, as imposed by financial lending institutions internationally, reflect higher perceived risks, both generally and within energy markets, than in previous years.

The expected effective short-term debt cost rate incurred by the Company for short-term debt, for use to determine prices in the current docket, is determined by first projecting the Federal Funds rates in the U.S. for the timeframe over which the retail electricity prices will apply. Then, given the historical relationship between LIBOR and the rate for U.S. Fed Funds, the LIBOR rate is estimated. Once determined, the short-term debt cost to Florida Public Utilities is obtained by recognition of the 90 basis points margin above LIBOR plus other charges covering the unused balances and the fee for the availability of the credit facility.

The key short-term interest rate is the Fed Funds rate. Historically, Fed Funds have traded 18 Basis Points below LIBOR over the 1990 – 2006 timeframe.

The interest rate on Fed Funds is determined by the monetary policy of the Board of Governors of the Federal Reserve Bank, and closely follows that of short-term U.S. Treasury Bills. Historically, Federal Funds "trade" at an interest rate slightly above that of 90-day T-Bills. At this point, the apparent consensus view is that monetary policy and thus the short-term interest rates will hold firm at or near current levels over the foreseeable future, which implies a fed funds rate of 5.25% currently and, in turn, a LIBOR interest rate of 5.43%. In turn, this result translates into a cost rate of 6.33% for the outstanding balances on short-term debt balances, once the margin above LIBOR is recognized. The fees associated with the unused credit line and direct charges when coupled to charges for the outstanding balances obtain an overall effective short-term debt interest rate of 6.81%, which is applied to the 13-month average balances of short-term debt.

It is useful to briefly describe the longer history, as it relates to the determination of short-term interest rates. Specifically, the Federal Reserve followed a policy of interest rate targeting for a number of years prior to late 1979, when money supply targeting was abruptly adopted. The result was high and volatile short-term interest rates, although money supply targeting arguably reduced substantially the high levels of inflation and inflation expectations of the early 1980s. From the mid-1980s forward, monetary policy has been more accommodative of economic conditions and needs, within the long-term objective of containing overall inflation at moderate levels. As observed during the 1990s, the Federal Reserve has employed an array of indicators and metrics to determine monetary policy, including reserve targeting. As a general rule, reserve targeting gives rise to greater variation in short-term interest rates, while interest rate targeting, which suggests greater variation in the supply of reserves, results in less variation. At this writing, short-term interest rates, with Fed Funds residing at 5.25%, are expected to hold steady to slightly declining over the foreseeable future, barring changes in the expected level of economic activity or current escalation of core inflation.

The use of the current 5.25% Fed Funds interest rate as the basis for the Company's effective short-term debt cost rate is in keeping with the Commission's decisions regarding the Company's rate change filings of 2003 and 2004. Also, and as mentioned above, it appears that this interest rate level is likely to hold over the foreseeable future.

Finally, we wish to discuss the methodology used to determine the effective interest rate for 2006. The interest rate charges on the Company's short-term debt facility are based on daily balances. If the daily balances closely approximate month-end balances, month-end balances provide a useful basis to determine the average short-term debt cost rate. Where the daily balances deviate significantly from the month end balances, however, this approach will not provide an accurate reflection of the Company's true cost of short-term debt. This was the case for the Company during 2006. Accordingly, the short-term debt cost rate for the historical year 2006 has been developed using the average daily balances which accurately reflect the true cost rate incurred by the Company on short-term debt during that year.

Q. Please review the cost rate of preferred stock.

A. Florida Public Utilities preferred stock consists of a single issue of 6000 shares that dates to December 28, 1945 at a coupon rate of 4.75%, as shown on Exhibit 5.

Q. You briefly discussed methods for the determination of the cost of common equity capital in the summary of your approach to rate of return. Can you elaborate on these methods?

A. Yes. We begin by reiterating three essential points. First, the cost of equity of the firm – and of investors in the firm – is a function of perceptions of risk, the demand for and supply of capital, and expectations of inflation. Second, the cost of common equity of the firm is equal to the opportunity cost of capital incurred by common shareholders of the firm contemporaneously, though the experience of long-term history guides the assessment of opportunity costs. Third, the cost of equity of the firm is equal to the expected market rate of return on alternative investments of comparable risks available to shareholders – *i.e.,* the opportunity cost of capital.

The determination of the opportunity cost rate for equity capital is challenging for two reasons. In the case of debt, both the market price and future expected cash flow returns to capital are observable by inspection. Thus, the net expected yield to maturity, which reflects the opportunity cost of capital to holders of debt, can be determined directly. This *is* the market rate of return, *ex ante*. For purposes of determining the overall utility rate of return, however, the cost rate of long-term debt is that which is set at the time of issuance in primary financial markets.

In contrast, expectations of investors about the prospective cash flows and market returns on common equity cannot be observed directly, and must be inferred with estimation procedures. Also, the allowed equity rate of return is typically set according to the current and expected cost of capital, though much of the equity investment was committed in many years past.

In the determination of cost rate for debt obligations, investors' perceptions of risks are implicit in the primary and secondary market prices of the debt obligations themselves, and need not be known or even estimated. In contrast, the determination of the cost of common equity involves the perceptions of future risks harbored by investors, as a matter of the consensus view. Perceptions of risk are also not observable directly, and thus must be inferred. In short, the cost of common equity can only be discerned through the proper and careful application of well-established methods that provide the cornerstone for modern finance theory. While the methods employed herein are well-established, the procedures to determine the cost of equity capital require estimation of key parameters.

As mentioned, the recommendation for the rate of return on equity for Florida Public Utilities Company is developed by applying four estimation methods. These procedures include variants of the constant growth Discounted Cash Flow model (DCF), and the Capital Asset Pricing Model (CAPM). These classical approaches are commonly recognized within modern finance theory and are readily utilized by the investment community. The results of these two formal models of the cost of capital are augmented by historical returns realized by utility and non-utility companies of comparable risks, and results inferred from the risk-premium methodology. These four methods are discussed below.

The constant growth Discounted Cash Flow (DCF) model was originally developed by Myron Gordon in 1957, and was advanced actively during the early 1960s. In its classical form, the derived DCF model defines the cost of capital as the sum of the adjusted dividend yield, and expectations of future growth in cash flows to investors including dividends and future appreciation in share prices. The classical (one-stage) DCF model is as follows:

$$k_{e,j} = D_{0,j}(1+E(g_j))/P_{0,j} + E(g_j)$$

with,

$k_{e,j}$ = cost of equity capital, asset j

$D_{0,j}$ = current dividends per common share, asset j

$E(g_j)$ = expected growth in future cash flow returns to investors in asset j

$P_{0,j}$ = current price per common share, asset j

The one-stage form of DCF model is an elegant and intuitively tractable model with two terms, a mathematical result derived from the constant growth present value model. A cursory review of historical returns of equities suggests substantial variation in growth in the internal returns to capital and market appreciation is both the typical and dominant pattern. It is plausible that the *expected path* of future returns harbored by investors may assume a pattern of non-constant growth. This means that, at least under some market conditions, the constant growth form of discounted cash flow may not represent investor expectations of growth with sufficient accuracy. Arguably, other forms of DCF may serve as better approximations of investor expectations.

A plausible means to better model expectations of varying growth might be with stochastic models, where the path of returns and growth is a function of time, with a random component. However, stochastic models introduce considerable complexity. As a first-order approximation to stochastic processes, multiple-step constant growth models known as multi-stage DCF can serve nicely. Essentially, multi-stage DCF is a variation of present value theory which postulates that future returns assume a pattern of several growth steps or stages. While any number of stages of constant growth is possible, two or three stages are typically applied. In stylized fashion, the Three-Stage DCF model is shown below:

$$P_{0,j} = (1+g_j)/(k_{e,j}-g_j)\{D_{0,j}(1 - F^5_j) + D_{5,j}(F^5_j - F^{10}_j) + D_{10,j}(F^{10}_j)$$

with,

$k_{e,j}$ = cost of equity capital, asset j

$D_{t,j}$ = current and future dividends per common share, asset j

$E(g_j)$ = expected growth in future cash flow returns to investors in asset j

$P_{0,j}$ = current price per common share, asset j

F_j $= (1+E(g_j))/(1+k_{e,j})$

Appendix I provides a step-by-step derivation of the classical and multi-stage discounted cash flow models shown above.

The Capital Asset Price Model (CAPM) was developed by William Sharpe (1961) and John Lintner (1964). CAPM was derived from mean-variation analysis and, in particular, portfolio selection developed by H. Markowitz (1952). The derived CAPM shows how the valuation of a financial asset (price) is based upon two components: risk-free returns and an *adjusted risk-based return.* Surrogates for risk-free returns can be observed directly in capital markets, and include market returns on short- and intermediate-term debt. As a general rule, the cost rates and market returns on government debt obligations serve as appropriate surrogates.

The adjusted risk-based return is based upon three factors: 1) the covariation of the returns to the asset and that of markets for risky assets, 2) the statistical variance of returns of the market for risky assets, and 3) the *difference* between expected overall returns on risky assets, and risk free returns. The third parameter is referred to as the excess return, and is equal to the difference between the overall returns to risky assets for the market as a whole, and the risk free return rate. The CAPM is shown below:

$$k_{e,j} = r_f + B_{jm} * (r_m - r_f) \qquad \textit{with, } B_{jm} = \sigma_{jm} / \sigma_m^2$$

where,

$k_{e,j}$ = cost of capital for risky asset j, stated in percentage terms

r_f = risk-free rate of return

B_{jm} = ratio of the covariation between risky asset j and the market as a whole, σ_{jm}, and the variance of market returns, σ_m^2

r_m = rate of return on the market as a whole

Appendix II derives the Capital Asset Pricing Model, as shown above. The efficient market hypothesis plays an essential role in the determination of the cost of capital. Specifically, the working assumption, which is largely though not completely borne out by empirical analysis, is that capital markets are fairly efficient. This means that the supply and demand for risky financial assets, as reflected in bid and asked prices to buy and sell shares, result in financial assets being traded at price levels where *rates of return above the cost of capital cannot be systematically realized.* Above-normal returns – returns above the cost of capital – are realized only randomly. Essentially, the opportunities to systematically realize returns above the underlying cost of capital are exhausted by the competitive market process.

Estimating the cost of capital, though not trivial, can be fairly straightforward, and both the DCF and CAPM approaches provide a useful framework. The risks to investors in various sectors of the energy services industry cannot ever be known directly; risks – and hence the implied cost of capital – can only be inferred. Specifically, the determination of useful estimates of the cost of common equity capital within either framework requires a discerning application of theory through careful analysis, such as that presented herein. In particular, the determination of the cost of equity capital faces two overarching challenges, as follows:

- both approaches are forward looking and thus the results are highly dependent upon useful estimates of investor expectations about future market performance.

- The underlying assumptions for DCF and CAPM include, among other things, an efficient market and rational behavior of investors such that all opportunities for above- and below-normal returns to capital are exhausted on an expected value basis. In short, capital markets value financial assets at the implied opportunity costs of capital, given investor perceptions of risk.

It is useful to mention that the notion of *risky assets* can apply to any real or financial asset wherein the prospective returns from holding the asset are uncertain. Risky assets include commodity contracts, financial property rights, financial derivatives, and real assets such as transmission facilities. Risk assessment and option theory, moreover, can be applied to the analysis of unbundled services, such as electricity transmission development plans. Within the context of this discussion, however, risky assets refers to financial obligations of firms – common stock – and asset values refers to prices of common stock as observed on major stock exchanges.

Measurement of historical returns and risk metrics are increasingly used as a basis to assess plausible returns in the future. As discussed, efficient markets suggest that *all* financial assets are priced at levels such that the *expected* future returns of individual assets are equivalent to the underlying opportunity cost. Thus, if historical returns guide expectations of future returns, historical returns provide a useful benchmark and, within reasonable bounds, reflect the opportunity cost of capital. In this respect, the Historical Returns methodology can be viewed as a market-based approach of Comparable Earnings, and thus fully satisfies the *Bluefield* and *Hope* criteria. The key to successfully applying this approach is to identify and measure historical returns in a manner that reasonably reflects expectations of investors about the future outlook.

Historically realized returns and future expected returns of financial assets are ordered according to risks. This ordering according to risks is a natural and inevitable result of competitive financial markets: because risk is costly, higher costs must be offset by higher returns. While it is not based upon an explicit model, the analysis of the risk premia among classes of risky assets provides a means to infer the underlying opportunity cost of capital. The underlying concept of the risk premium approach is that *differences* in perceptions of risks among financial assets such as equities and debt are revealed in differences between the historical market returns. The historical differences between equity and debt returns – *i.e.,* risk premia – can thus serve as a surrogate for the compensation for risk over future timeframes. Risk premia, when combined with the expected cost of short-term debt, prospectively, provides a useful benchmark to gauge the underlying cost of equity capital.

Application of the Risk Premium approach contains two potential pitfalls, as follows:

- the opportunity cost of common equity capital, stated in nominal terms, is sensitive to the demand for and supply of capital;
- risk premia among debt and equity instruments are also quite sensitive to expected inflation. Thus, Risk Premium analysis must account for expected inflation in the future. That is, the underlying rate of inflation

and conditions of the historical period over which risk premia are estimated must match that of the expected conditions of the relevant period over which the common equity recommendation is being applied, and over which retail electricity prices are being set.

Q. You discuss the importance of comparability and measures of risk as the basis to determine the cost of common equity. Please elaborate.

A. As defined by the "Bluefield" and "Hope" decisions of the U.S. Supreme Court, a public utility (to paraphrase), is entitled to a rate of return on shareholder capital committed for the convenience and necessity of the public equivalent to that realized by companies in other businesses of comparable risk. Thus, the immediate task at hand is comparability: to identify and select companies of comparable business, regulatory, and financial risks to that of Florida Public Utilities Company. Once selected, we estimate the cost of common equity for the sample(s) of comparable companies that, by definition, is the opportunity cost of capital and thus Florida Public Utilities Company. The key distinction regarding comparability is market size, as recent empirical evidence convincingly demonstrates that, predominantly because of information inefficiencies and uncertainty, the cost of capital rises with progressively smaller companies, all other factors held constant.

The starting point is the market portfolio; that is, we begin with virtually all common shares traded on U.S. equity markets. Specifically, we have drawn heavily—though not exclusively—from a set of data sources and information including the Value Line data banks which cover some 7,000 companies with equity shares listed on capital market exchanges in the U.S. With few exceptions, the shares of interest are traded on the New York Stock Exchange and the exchange operated by the National Association of Securities Dealers referred to as NASDAQ. For these equity listings, Value Line reports a wide range of financial data, business descriptions and classification, historical price experience, and various diagnostic statistics of interest.

From the market portfolio we proceed to develop two samples. One sample, referred to as the Mid-Sized Electric Utility sample, is limited to retail electricity service providers that have modest yet significant levels of market participation and, with the exception of size-related capital risks, are of comparable risk to that of Florida Public Utilities Company. The second sample is referred to as the Gas Utility sample, and is composed of retail natural gas service providers. Our studies demonstrate that, as a practical matter, the level of capital risks and thus the opportunity cost of capital for the two samples, electric utilities and natural gas utilities, is comparable. It is useful to mention that for purposes of determining the equity rate of return requirements, Christensen Associates Energy Consulting has often drawn a third sample referred to as *comparable risk non-utility companies*, as our methods tend to demonstrate that, particularly within contemporary capital markets with high levels of international capital flows, comparable risk is the predominant selection criterion; line of business appears to have only a modest level of relevance to cost of capital, once the comparable risk criteria are satisfied. Thus, samples can be drawn from a broad range of business fields, generally speaking.

The determination of the first sample, the mid-sized electric utilities, involves two steps. The first step is to conduct an initial screen according to the predefined selection criteria. As mentioned, these criteria are as follows:

- *Liquidity*: companies that are of modest size but yet have sufficient market presence and participation to ensure sufficient market activity and transaction volume;
- *Business Line*: companies whose primary business line is retail electricity services; and,
- *Reasonably consistent financial experience.*

This first screen produced the 17 electric utility companies shown on Exhibit 10, page 1, including Florida Public Utilities Company, from an initial list of over 30 mid-sized entities from across the electric utility industry. As can be seen, the market capitalization of these companies, measured by common shares outstanding and market prices during 2005 range from $77 million for Florida Public Utilities Company to slightly greater than $4.6 billion for SCANA (South Carolina Electric and Gas). The non-weighted average size of Sample 1, the electric utilities, is $1.6 billion, as shown. Also shown on page 1 of Exhibit 10 is operating revenues, assets, operating margins, and CAPM Betas. CAPM Betas, which are arguably the most significant measure of capital risk, are shown in the adjusted form for 2005 and for 2001-2004 on average. In particular, note that CAPM Betas have risen, suggesting significantly higher capital associated energy markets including electric service providers.

Some of these 17 electric companies have substantial involvement in non-electric retail business lines including natural gas. It is virtually impossible these days to assemble a sample of companies that are exclusively in the retail electric business – sometimes referred to as a *pure play*. This should not matter, at least on the surface, if the sample is determined on a basis of comparable risks. Indeed, endeavors to diversify risk over alternative business lines tends to reduce variation in earnings, variation in internal cash flow, and variation in market returns, thus reducing overall investment risk and the cost of capital.

The second selection step of determining the utility sample applies risk criteria. These criteria include five dimensions, or metrics:

1. *Equity Participation in Total Capital*;

2. *Coefficient of Variation in Internal Cash Flow* per share over five and ten years;

3. *CAPM Beta* which, as discussed above, is the ratio of the covariation of the market returns of a specific stock of a company and the market as a whole, and the statistical variance of the returns of the market; and,

4. *Variation in Market Returns*, which is measured as the coefficient of variation of monthly market prices—essentially, an index of volatility in market value (market capitalization).

The mean-variation theory on which Capital Asset Pricing Model is based suggests that risk metrics other than CAPM Beta do not matter, for the determination of portfolios that efficiently trade-off risks and potential future return levels. However, empirical evidence suggests that a) internal financial metrics such as items 1-3 above are also utilized by investors to value equities, and b) CAPM theory (as with other capital market theories) does not necessarily explain historical market returns particularly well. Thus, it appears that to a substantial degree information other than CAPM Beta is also relevant to investors in the valuation of equities.

Nonetheless, the risk metrics for each of the 17 initial members of the Mid-Sized Electric Utility sample, as arrayed on Exhibit 10, page 2, are determined. Those electric utility companies with risk metrics that generally fall within one standard deviation of that of the average for the sample of electric utilities as first drawn or are reasonably close to the metrics for Florida Public Utilities Company are retained in sample one, the electric utility sample. It is these utility companies that, by this arguably objective approach, satisfy the criteria of comparable risk and thus that of Supreme Court guidelines regarding fair rate of return and contained within the Bluefield Waterworks and Hope decisions. The companies utilized for the determination of the cost of capital are denoted in the far right column of page 2, Exhibit 10.

Turning to sample 2, the natural gas utilities, the selection process proceeds in similar fashion using equivalent criteria to those employed to determine the electric utility sample (sample 1). That is, a sample is first drawn on a basis of market liquidity and business line. The selected natural gas utilities are shown on Exhibit 10, page 3, where market capitalization, CAPM Betas are presented along with revenues, assets, and operating margins. As observed, the selected natural gas companies range in size, measured by market capitalization, from

$219 million to 2.8 billion in 2005. Page 4 of Exhibit 10 contains equity participation, CAPM Betas, variation in market returns, as well as the statistical variation in cash flows. As observed, these companies, though of comparatively modest scale, are all significantly larger than Florida Public Utilities Company.

It should be mentioned that, with respect to the selection of both samples, the study will take occasional exception to the stated selection criteria where historical experience contains anomalies of various types, and when good sense suggests the exclusion or inclusion of specific companies. As an example, the 10-year coefficient of variation in cash flow for some companies may reside slightly outside one standard deviation of the statistical distribution of the sample. Or, low equity participation may not appear to translate into particularly high variation in market variation or Beta; an example is Southwest Gas. Regarding the CAPM Betas, the values are shown in increments of 0.05, and Betas for several members of the sample are somewhat below one standard deviation and, for others, somewhat above.

Once determined, the two samples including the Mid-Sized Electric Utilities (Sample 1) and Gas Utilities (Sample 2) are then used as the basis to estimate the cost of equity capital to Florida Public Utilities Company within the immediate proceeding. The estimate of the cost of capital, and thus the recommended return on common equity, is reflected as an interest rate that, by objective criteria of comparable risks, is the opportunity cost of capital incurred by the common shareholders of Florida Public Utilities Company.

Market Liquidity is a necessary selection criterion, as stated above. The selection process resulted in generally smaller-sized electric and gas utilities that have sufficient liquidity. However, the selected utility companies of the two samples are substantially larger than Florida Public Utilities Company. Because the cost of equity capital appears to increase progressively with smaller size, other factors constant, the implication is that the cost of equity capital, as estimated for the two samples, may not fully capture the inherent capital risks incurred by investors of Florida Public Utilities Company. This is discussed later within the testimony, and the exhibits present levels of risk premia associated with small sized equities.

Q. The outlook for the U.S. economy plays heavily in the formation by investors of the future expectations of financial markets. Because future economic performance is used to estimate the cost of common equity, it is useful to elaborate on the inherent linkage between economic performance and the cost of equity.

A. As mentioned above, future returns to capital and thus estimation of cost of capital are inherently expectational in nature. The assessment of equity costs involves implicit and explicit estimates of investor expectations about inflation, interest rates, and future market performance. This is particularly important, as near-term interest rates and market experience and conditions do not necessarily reflect long-term expectations of and about capital markets as a whole. The basis of selection of historical timeframes is overall macroeconomic performance. That is, the analyses incorporate observed market returns from timeframes where the overall economic performance, measured in terms of growth in productivity and real output, are equivalent to the outlook today.

The relationships between factor inputs and the real output of goods and services of the economy are crucial to U.S. citizens, and to capital markets and investors. This is because resource productivity, to a large extent, determines the future level of real output of the economy as a whole. Productivity growth, when coupled with the growth in the aggregate pool of capital and labor resources, translates directly into real output, employment, savings, earnings, and market performance. Furthermore, real output is a significant element within overall economic and social well being.

The current outlook for macroeconomic growth calls for prospective long-term productivity change to range between 2.00 and 2.60% annually. This is a more-or-less consensus view held by well-known macroeconomists and economic forecasters, although expected productivity has declining recently from the exceptionally high levels beginning in the early to mid-1990s. Three years previous, long-term productivity appeared to be capable of upwards of 2.75% over the extended future. And while this range of productivity is fairly high by overall long-term historical standards, it is consistent with selected periods of the post-War period including the 1950's, 1960's, and 1990's. Specifically, productivity rose at annual rates of 2.4%, 3.0%, and 2.1% during the 1950s, much of the 1960s, and the latter 1990s, respectively. Of particular interest and crucial to the immediate analyses, productivity increased very sharply beginning about 1994, departing substantially from the low productivity growth of the previous two decades.

Productivity growth slowed significantly during 2000 and 2001, as overall economic activity attenuated amid the stress attributable to a number of factors and events of a transient nature that, in total, ultimately precipitated the modest recession of early 2001. Since then, the economy has resumed a recovery path and productivity growth appears to have accelerated to pre-recession levels. Indeed, overall productivity growth of 2003-2005 observed a return to high rates, which continues to contribute significantly to ongoing earnings performance and significant market returns realized by investors within equity markets internationally.

In short, the U.S. economy is well positioned to realize and sustain substantial, if not high, rates of growth in productivity and real output, along with full employment and modest inflation over the foreseeable long-term future. Investors generally share this consensus view and, accordingly, the analyses herein draws upon realized overall market rates of return and interest rates as representative surrogates for the period of time that the retail prices for Florida Public Utilities Company are likely to be in place. The average percentage market return over the historical timeframes mentioned above, as gauged by the S&P 500 index, was slightly above 13.0%, reaching back to the 1970s, and higher within recent years except for the years of major market corrections, 2000 and 2002.

Overall economic performance and long-term growth can, however, be attenuated by events of a transitory nature and various long-term processes that can contribute to capital risks such as the costs to maintain environmental quality, or world-wide cultural friction. An immediate example is the decline in credit market liquidity observed in recent weeks. Finally, it is important to mention the impact of government fiscal policy and global demand for capital on interest rates. As mentioned, the cost of capital is a function of the demand and supply of funds, and we expect U.S. and world demand for capital to remain at high levels, thus placing steady pressure on interest rates. As a result, interest rates are likely to remain at current levels, which approach long-term trends, although short-term interest rates in the short run may decline somewhat from current levels.

Q. What are the analysis results obtained from the application of the cost of common equity methodologies?

A. The task before us is to estimate the cost of capital over the relevant and foreseeable timeframe for which retail electricity rates are to be effective. This means that the analyses should, to the degree possible, recognize future events and market conditions that might be reasonably expected by investors.

As mentioned, the analyses include Discounted Cash Flow, Capital Asset Pricing Model, Risk Premium methods, and Historical Market Returns, with the first two approaches representing formal models of capital valuation. The Discounted Cash Flow analysis is applied to the sample of natural gas companies only. All analyses are shown as a range of plausible values, as the analysis of the cost of common equity is confronted with the problem of observability that inherently results in unknown levels of model estimation error.

The assessment of the opportunity cost of capital involves obtaining and processing a considerable amount of data, and using these data within structured analysis procedures that begins with selection, as discussed above. Data are obtained from several sources including Ibbotson Associates, MarketVector, UBS PaineWebber, Value Line Investment Survey, and Zacks Security Market Research.

The single stage *Discounted Cash Flow Analyses* for the Mid-Sized Electric Utilities (sample 1) and Gas Utilities (sample 2) are presented on pages 1 and 2 of Exhibit 7. As shown, the DCF results suggest that the underlying cost of common equity capital for the sample of electric utilities resides within the range of 9.0 – 9.9% with a corresponding weighted average of 9.6%. Similar results for the sample of gas utilities are 9.0 – 10.4%, with a weighted average of 9.5%. A key point is that these analyses are for a sample of companies which, as mentioned, are significantly larger than Florida Public Utilities Company and, absent further adjustment for size premia associated with very small capitalization companies such as the Company, will systematically understate the cost of common equity capital.

While nettlesome details are always present within capital market analyses, the classical DCF model consists of the two essential components of prospective dividend yield, and expected growth. For the sample of Mid-Sized Electric utilities, the analyses and the resulting estimates of the opportunity cost of capital reveal that the adjusted one year prospective yield lies within the range of 4.5% - 5.4%, while the corresponding estimates of expected growth of future cash flows are within the range of 3.3% - 4.7%. Analysis results are shown on a simple- and weighted-average basis, with the weights based upon the market capitalization of the sample utilities. The multi-stage DCF estimates of the cost of equity capital obtain similar results and are not shown.

The essential element for both single- and multi-stage DCF analysis is to appropriately assess investor expectations of growth of capitalization value and dividends. The analyses rely upon the historical experience of the sample companies to develop reasonable estimates of growth of internal cash and earnings. My studies generally rely on a combination of historical experience and analyst projections of cash flow and earnings growth, as implicitly contained within the valuation of investors, including larger institutions and individual investors. Timeframe is important and, for the immediate study, analyst views appear to be highly similar to those of historical experience. The study relies on long-term historical experience as the basis for expected growth in the future. The immediately study utilizes historical cash flow and earnings per share growth, which is measured in two ways for single-stage DCF. Specifically, historical growth experience is assessed over successive five-year periods, as well as by logarithmic trend-based analysis over ten years.

We should mention that while the immediate study utilizes historical growth experience, other studies by Christensen Associates Energy Consulting, depending on timeframe, have also drawn on and applied analyst expectations of future growth within the DCF formulation of the cost of capital. Historical growth and analyst expectations of growth are positively correlated and, not surprisingly, our studies suggests that, other factors held constant, differences among the dividend yields and other metrics for companies actively traded on equity markets are explained by historical growth analyst expectations of future growth. Generally speaking, analyst expectations are above those of historical experience and, were analyst expectations incorporated within the current analyses, it is likely that the DCF model would obtain higher estimates of the cost of common equity than those obtained via historical growth alone.

As mentioned above, the DCF analyses, as with CAPM and Risk Premium methods incorporate an adjustment for issuance costs of 6%, which translates into about 33 basis points. However, the cost of capital studies presented herein incorporate no allowance for market pressure or quarterly dividends. Empirical evidence suggests that market pressure is very small to non-existent, at least for larger capitalization companies. Had the analyses incorporated an adjustment for quarterly payment of dividends, the result would be—depending on perspective (frequency of payment or frequency of discounting)—to alter the estimated cost of capital by about 20 – 30 basis points.

As with Discounted Cash Flow, the *Capital Asset Pricing Model* is applied to both the Mid-Sized Electric Utility and the Gas Utility samples. The CAPM analyses are shown on Exhibit 6, pages 1 (sample 1) and 2 (sample 2). The application of CAPM requires estimates of the risk-free rate, investor expectations of overall market returns, and market Betas which account for and embody systematic risk with reference to equity markets as a whole. Incorporating estimates of market rates of return and short-term interest rates into the CAPM formulation along with the market Betas results in estimates of the cost of common equity for Florida Public Utilities Company.

Expected market returns for equity markets in the large are captured by the S&P500 Index, measured with the inclusion of dividend payments. The expected value of future returns of course is a key element to the application of the Capital Asset Pricing Model. Plausible measures of expected market returns used in CAPM can be gleaned from timeframes of similar economic performance to that of the period for which the cost of capital is estimated – mid-year 2006 and prior to the run-up in equity markets of the second half of that year. For this timeframe, the CAPM analysis utilizes the experience of U.S. equity markets for the period 1970 forward, which is equal to 13.0% through 2005. Realized market returns, for monthly and annual periods as well as for decades, vary greatly as shown within the table referred to as "Market Inputs: Dividend Yields and Overall Returns". Here, we observe significant differences in return levels experienced by investors across decades. This is also shown within the table entitled "Variation in Yields and Returns" where, as can be seen toward the right, the standard deviation in monthly returns varies greatly—by over 20% during the 1970s and since 1999—the years 2000 and 2002 in particular. This level of variation for equity market returns is not unusual, and demonstrates the order of magnitude of the greater risk assumed by investors in equities in comparison to the inherent risks within debt markets, which are much lower. In short, equity market returns of well above 10% are absolutely necessary in order to compensate investors for the level of risks that they inherently assume. Though drawn from a sufficiently long interval, this level of expected market return is not unusually high; indeed, it is significantly diminished from previous eras including the 1950s, the 1960s, and the 1994 – 1999 period in particular. Stated without reinvested dividends, these decade-long eras reveal overall equity market returns of close to 15%. These timeframes represent periods of overall productivity that approximates, but is arguably somewhat above, expectations of mid-year 2006, when the cost of capital was estimated within the immediate docket, or currently. Not surprising, productivity expectations are somewhat diminished from those of the 1950s, 1960s and the surge of the 1990s continuing into 2003-2004. Nonetheless, should expectations of future market returns be somewhat greater, the CAPM analyses understate the cost of capital to Florida Public Utilities Company; conversely, lower expectations imply that the cost of capital is somewhat overstated.

Market Betas for the companies of the two samples are drawn from the 2005-ending experience, as we observe a substantial increase in market Betas for the sample vis-à-vis the average Beta over the previous four years. Notably, the variation of CAPM Beta for the electric utilities of sample 1 is significantly higher than that for the gas utility sample, as demonstrated by the differences between the standard deviation of the sample (referred to "S.D.") for 2005 with respect to the average Beta for 2001-2004. Nevertheless, the CAPM Betas for 2005 for the two samples are closely comparable, overall; hence, the CAPM analyses produce similar cost of capital estimates. Specifically, CAPM analyses for the Mid-Sized Electric Utility sample suggest a cost of common equity to Florida Public Utilities Company of 9.6% - 13.3% with a weighted average midpoint of 11.3%, while the corresponding analyses for the Gas Utilities sample obtain 9.4% - 13.2% with a midpoint value also of 11.3%, shown with the inclusion of issuance costs.

As discussed earlier, the *Risk Premium* methodology infers the cost of common equity capital from the premia of realized equity returns with reference to rates of return on debt. The immediate studies rely upon historically observed risk premia for common stocks over that of intermediate term government debt for timeframes that reflect the current outlook for the U.S. economy as regards to advances of productivity and real output. This analysis suggests that the overall market returns prospectively are somewhat less (12.25%) on average across scenarios than the overall market return inputs used with the CAPM analysis.

Of particular interest, these timeframes experienced modest rates of inflation, which is important to the determination of risk premia over forward timeframes. Specifically, risk premia tend to decline as inflation rises. This is because inflation risk – *i.e.,* uncertainty regarding the future level of expected inflation – rises with higher inflation. Unlike equity returns which are somewhat hedged against inflation (higher nominal revenues, operating income, and net income), high inflation implies losses for debt holders. Hence, capital markets capitalize the uncertainty attending higher inflation in higher market costs of debt. Second, high inflation appears to be commensurate with lower returns to equity holders, a result of less favorable economic conditions. Together, risk premia tend to be significantly reduced during periods of relatively high inflation and less favorable economic and business conditions.

The manifestation of inflation risk and business conditions within risk premia between equity and debt is shown on Exhibit 8. The 1950s, 1960s, and 1990s reveal risk premia of 10.6 – 11.7%, with correspondingly inflation of 2.4%. This is in sharp contrast to the U.S. experience of the 1970s and 1980s, with risk premia of 3.0% - 4.3% and corresponding inflation of 5.7% over the period. The main point, for purposes of assessing capital costs prospectively, is that risk premia must be developed from historical timeframes where underlying inflation matches that of the current and prospective period for which rate of return is being determined – 2008 forward. Thus, the analyses draw risk premia from the 1950s, 1960s and, where corresponding rates of change in overall prices were experienced. And as discussed above, these historical timeframes match the current outlook fairly well from the perspective of productivity and market returns.

The essential elements of the risk premium analysis includes 1) the risk-free holding period return, 2) the risk premia between equity and debt, and 3) cost rate adjustments for industry and size differences with respect to U.S. equity markets overall. Specifically, the approach adds risk premia to the risk-free holding period return. Consistent with the CAPM analyses, the risk premium analyses use the cost rate for 1-year treasury securities, as expected over the prospective timeframe, as the baseline cost rate. Essentially, the cost rate for 1-year Treasury securities is the basis for the risk-free holding period return.

Debt cost rates are differentiated by term. Thus, the analyses incorporate an upward adjustment for the historical spread between 1-year and 4-year treasuries, as the historical risk premia are based upon realized market returns between equities and intermediate term government debt. Together, the cost rate 1-year Treasuries, the spread between 1- and 4-year Treasury securities, and the historical debt-equity risk premia provide an estimate of the cost of common equity for equity markets as a whole. As shown in the table entitled "Equity Market Return" of pages 1 and 2 of Exhibit 8, the analysis obtains a cost of equity for equity markets of 11.5 – 13.0%, which confirms the historical analysis utilized in the CAPM analyses discussed above.

Further adjustments are necessary in order to fairly assess the cost of equity capital for investors in Florida Public Utilities Company, including 1) a differential for lower market risks of utilities generally, referred to as "diversifiable risks" and 2) the small size premia (small firm effect) referred to as "small cap equities". (Adjustments are shown for small and very small-sized companies.) The effects of these adjustments are shown in the section entitled "Cost Rate Adjustments" of Exhibit 10, pages 1 and 2. The CAPM analysis reviewed earlier is the basis to determine how diversifiable risks associated with samples 1 and 2, including the Mid-Sized Electric Utilities and Gas Utilities respectively, are below those of the composite market (CAPM Betas of 0.75).

As shown, this adjustment lowers the common equity cost rate by -2.2% and -2.5% respectively, for the electric and gas utility samples.

The differential for the small size premia recognizes that the cost of equity is higher for small firms, other factors held constant. Empirically, the Small Firm Effect is the difference between realized market returns and the cost of equity capital, as estimated by CAPM over many years. As shown on page 2 of Exhibit 2, the small size premia can be well over four percentage points for very small-sized companies such as Florida Public Utilities Company. The Risk Premium analysis takes a conservative approach and uses the Low Capitalization Risk Premium, with a plausible range 1.5 – 2.8%. Incorporating these two adjustments into the analysis across the two samples suggests that the cost of equity capital lies within the range of 12.0 – 12.2%. Recognition of issuance expenses associated with incremental shares of common equity provides a Risk Premium cost of capital range of 12.3 – 12.5% for the two samples, with corresponding ranges.

The fourth analysis approach relies upon *Historical Returns* to determine estimates of expectations of future returns harbored by investors. The estimates are drawn from the historical market returns over the late 1996 – 2005 timeframe. This timeframe includes years of exceptionally low and exceptionally high rates of return that, overall, are fairly well balanced. The historical realized returns for the Mid-Sized Electric Utilities are presented on pages 1-3 of Exhibit 9, while realized returns for the Gas Utilities are shown on pages 4-6. For each of the two samples—Mid-Sized Electric Utilities and Gas

Utilities—historical returns are shown in three ways including "Average Returns Per Annum" (1996-2001 – 1996-2005); "Five-Year Returns" for consecutive 5-year periods (1996-2001 – 2000-2005); and "Cumulative Returns" (1996-2001 – 1996-2005). As shown, the results, which are determined on a simple- and weighted-average basis, suggest that investors can expect to realize future rates of return of between 10.1 – 12.5%. Realized historical returns realized by investors conform to the cost of capital estimates obtained by the formal cost of capital models, Discounted Cash Flow, CAPM, and Risk Premium methods.

Q. What conclusions are reached by your analysis and what is your rate of return recommendation?

A. The analysis of the opportunity cost of capital incurred by common shareholders of Florida Public Utilities Company is summarized in Exhibit 2. Exhibit 2 compiles the results of the four analysis methods including the DCF, CAPM, Risk Premium, and Historical Returns approaches. As mentioned earlier, the DCF, CAPM and Historical Returns are estimated for mid-sized companies that, while not large, have much larger market capitalization than Florida Public Utilities Company. The clear implication is that estimates of the cost of equity capital for Florida Public Utilities Company based on these three methods are conservative. As shown on page 2 of Exhibit 2, small size premia for Florida Public Utilities Company are about 2.00 percentage points or somewhat higher.

Mid-point values are shown in this summary, though ranges of values are presented within the exhibits presenting the detailed results for each approach.

The ranges for the cost of equity estimates are based on statistics drawn from the analyses themselves, and could be presented as either larger (wider) or smaller (narrower) ranges of plausible values. The analyses suggest that, for common shareholders of Florida Public Utilities Company to be adequately compensated on the capital committed to public service, and to fully satisfy the statutory requirements defined by the U.S. Supreme Court, the rate of return on common equity must be set at a level equal to 11.5% or higher.

Q. Does this conclude your testimony?

A. It does.

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ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Untitled (45).msg	303 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled (85).msg	230 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled.msg	198 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 01:07 PM

Clara Leider

From:	Seagrave Marc
Sent:	Tuesday, July 03, 2007 11:52 AM
To:	Kitner Don
Cc:	Lynch Daniel; Palmer Tiffany; Cox Doreen
Subject:	Revised NPV - Fisherman's Cove
Attachments:	Fisherman's Cove NPV Revised 7.3.07.xls

Don,

Attached, you will find the revised version of the subject development. I reduced the mains cost by $18,300, the cost of the access fees, and moved that expense to the access fee block on the form. The amount per customer, $18,300 / 66 = $277.27 per customer.

The ROR moved up slightly as a result from 15% to 16% ROR.

Thanks,

Marc S. Seagrave

Marc Seagrave, *CSP*
Director of Marketing & Sales
Florida Public Utilities Company
401 S. Dixie Hwy
West Palm Beach, FL 33401
(561) 838-1714 Office
(561) 723-3439 Cell
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mseagrave@fpuc.com

Procedure for using the Net Present Value (NPV) Template for Investment Analysis

Procedure #	
Effective Date	9/16/2002
Revision #	
Prepared By	D Cox
Approved By	G Bachman

OBJECTIVE

The Net Present Value (NPV) Template is to be used as an analytical tool for evaluating potential revenue generating investments. The template looks at the net present value of all cash outflows (such as the cost of the investment) and cash inflows (returns), using a given discount rate (required rate of return). The investment is acceptable if the NPV is zero or positive.

INPUT AREAS

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1 **Project Title**	Short description of investment.
2 **Year Project Begins**	Projected year that the project will commence.
3 **Increase Margins By**	These cells adjust the non-fuel charge rates. For regulated projects that will be using existing rates **NOTHING** should be entered in these cells. The meter customer rate is to used to determine if the rate of return is met. If met, the margin can then be increased for analytical purposes and to maximize competitive rates.
4 **Annual Gallons per Customer**	Estimate average annual therm usage per class of customer - residential, commercial, industrial etc..
5 **Piping Expense**	Estimated Piping Expense per class of customer if applicable.
6 **Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
7 **Access Fee**	Developer Access Fee per customer if applicable.
8 **New Residential Customers**	Estimated number of residential customer turn-ons per year.
9 **New Commercial Customers**	Estimated number of commercial customer turn-ons per year.
10 **New Industrial Customers**	Estimated number of industrial customer turn-ons per year.
11 **Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
12 **Other Expenses**	Other expenses estimated to be incurred from the project for each year eg. Sales Rep Commssions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
13 **Capital Expenditures**	Annual projected capital expenditure (investment), excluding services.
14 **Upfront Capital Expenditure less (Contributions)**	Estimated amount of investment to be made prior to commencement of revenue flows,
15 **Prepared By**	Type name on worksheet and initial printed copy. **Non-acquisition projects skip to number 26**

ADDITIONAL INPUT - ACQUISITION RELATED INVESTMENTS

For acquisition-type investment analysis, cells in the green shaded areas also need to be updated as follows:

16 **Purchase Price**	Anticipated price to be paid for acquired company.
17 **Share Price**	Anticipated price at which new shares would be issued.
18 **Annual Dividends**	Projected dividend payment on new common shares issued.
19 **Legal Fees and Closing Fees**	Professional and other acquisition related fees - expensed in the first year.
20 **O&M**	Operation & Maintenance expense override - enter a dollar amount here if you wish to override the O&M % of Revenue automatic calculation in cell F83.
21 **Projected O&M Savings**	Anticipated O&M savings expected from acquisition related synergies.
22 **Annual Addition O&M cost per new customer**	Estimated additional O&M expenses to be incurred for each new customer in subsequent years. ie Projected O&M costs / Number of New Customers
23 **Portion of Purchase Price as Goodwill**	Difference between purchase price and fair market value of assets less liabilities.
24 **Prior Year Earnings Common Stock**	Annual earnings for Common Stockholders in the year prior to commencement of project.
25 **Prior Year Average Shares Outstanding**	Average common shares outstanding in year prior to commencement of project.

Procedure for using the Net Present Value (NPV) Template for Investment Analysis

Procedure #	
Effective Date	9/16/2002
Revision #	
Prepared By	D Cox
Approved By	G Bachman

GENERAL INFORMATION

26 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

27 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee is capitalized and will be depreciated at the same rate as other capital expenditure items. The actual contract should be worded such that we incur an access fee liability up front, with offsetting penalties for accounts not signed on, instead of using piping allowances. The payment schedule will coincide with the timing of accounts signing and turning on.

NPV MODEL ASSUMPTIONS

28 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.

29 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.

30 Required Return - the return that the shareholders demand depending on the riskiness of the investment.

31 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.

32 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.

33 Interest Rate - Weighted Average Cost of Debt.

34 Depreciation Book % - Book Depreciation Rate.

35 Income Tax % - Income Tax Rate.

ACQUISITION ASSUMPTIONS

36 For the cumulative net cash flow, the stock value is added back in because it is not an actual cash outlay.

Procedure for using the Net Present Value (NPV) Template for Investment Analysis

Procedure #	
Effective Date	9/16/2002
Revision #	
Prepared By	D Cox
Approved By	G Bachman

PROCESS

37 Prepare NPV analysis for all revenue producing projects and attach detailed capital expenditure estimates from engineering. For AEP projects prepare and attach AEP worksheet also.
38 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**
39 Submit NPV (& AEP) worksheets for approval as per steps below.
40 Prepare IR after approval has been granted.
41 Submit approved IR , AEP worksheet and NPV to General Accounting.
42 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director
↓
Director - Propane Operations] If Propane Project
Barry Kennedy
↓
Marketing Director
Marc Seagrave
↓
Accounting
George Bachman / Doreen Cox
↓
Senior VP & COO
Chuck Stein
↓
President & CEO
Jack English
↓
Director

RATES :		RESIDENTIAL	COMMERCIAL	OTHER
NON-REGULATED	Average Tank Charge	$13.47	$8.00	$0.00
	Non-Fuel Charge (Gallons)	$1.00000	$0.35000	$0.00000

	REGULATED	NON-REGULATED
REQUIRED RETURN	8.07%	15.00%

Cash Flow Investment Analysis

Date: 4/9/2008 Revision # 11.5
Procedure No. ACT-5.11
Effective Date: 4/21/2005

Project Title: **Fishermans Cove**
Beginning in Year: 2007

Overall Result: Project meets or exceeds minimum 15 year required return!

	Initial	Date
Prepared By:		
Approved By: Dir of Propane		
Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Input Area:

Increase margins by : Residential $ - Commercial per gal

	NR Residential	Commercial	Residential Other	Commercial Access Fee
Annual Gallons per Customer	226			
Piping Expense $	100			
Cost of SERVICE per Customer $	447			$ 277
Average Tank Charge	$13.47	$8.00	$0.00	
Non-Fuel Charge (Gallons)	$1.00000	$0.35000	$0.00000	

Occupancy Rate : 100%

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New Residential Customers	12	12	12	12	12	1									
New Commercial Customers															
Other Customers															
Total Customers added for year	12	12	12	12	12	1	0	0	0	0	0	0	0	0	0
Lost Propane Customers											3	3	3	3	2
Cumulative Customers	12	24	36	48	60	61	61	61	61	61	58	55	52	50	47
Other Income															
Other Expenses	4,127														
Capital Exp on Services & Access Fee	8,688	8,688	8,688	8,688	8,688	724	-	-	-	-	-	-	-	-	-
Capital Expenditures (Exc. Services)	34,030														
Upfront Capital Exp (Contributions)[1]															
Total Capital Expenditures by Year[2] List AEP ECC as contribution (credit)	$ 42,718	$ 8,688	$ 8,688	$ 8,688	$ 8,688	$ 724	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Output Area: Cash Flow by Year															
Total Base Revenue	$4,646	$9,291	$13,937	$18,583	$23,228	$23,616	$23,616	$23,616	$23,616	$23,616	$22,435	$21,313	$20,247	$19,235	$18,273
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$4,646	$9,291	$13,937	$18,583	$23,228	$23,616	$23,616	$23,616	$23,616	$23,616	$22,435	$21,313	$20,247	$19,235	$18,273
O&M Expense (Incl TOTI)	1,626	3,252	4,878	6,504	8,130	8,265	8,265	8,265	8,265	8,265	7,852	7,460	7,087	6,732	6,396
Other Expenses	4,127	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Piping Expense	1,200	1,200	1,200	1,200	1,200	100	0	0	0	0	0	0	0	0	0
Depreciation, Book	2,848	3,427	4,006	4,586	5,165	5,213	5,213	5,213	5,213	5,213	5,213	5,213	5,213	5,213	5,213
	9,800	7,879	10,084	12,289	14,495	13,578	13,478	13,478	13,478	13,478	13,065	12,673	12,300	11,945	11,609
Operating Income before Income Tax	(5,155)	1,412	3,853	6,293	8,734	10,037	10,137	10,137	10,137	10,137	9,370	8,640	7,948	7,290	6,665
Adjust to cash flow:															
Add: Depreciation, Book	2,848	3,427	4,006	4,586	5,165	5,213	5,213	5,213	5,213	5,213	5,213	5,213	5,213	5,213	5,213
Add: Amortized Piping	1,200	1,200	1,200	1,200	1,200	100	0	0	0	0	0	0	0	0	0
Less: Actual Income Tax	(4,659)	(4,543)	(2,374)	(591)	239	2,074	4,024	4,781	5,179	5,555	5,470	5,212	4,951	4,704	4,468
After Tax Cash Flow (before capital investments)	3,552	10,582	11,433	12,670	14,859	13,276	11,326	10,569	10,172	9,795	9,112	8,642	8,210	7,799	7,409
Less: Piping Costs	1,200	1,200	1,200	1,200	1,200	100	0	0	0	0	0	0	0	0	0
Less: Capital Expenditure - Cash Outlay	42,718	8,688	8,688	8,688	8,688	724	-	-	-	-	-	-	-	-	-
Memo: Cumulative Capital Expenditure[2]	42,718	51,406	60,094	68,783	77,471	78,195	78,195	78,195	78,195	78,195	78,195	78,195	78,195	78,195	78,195
Asset remaining value															62,569
Net Cash Flow (w/ 15 yr ending book value)	(40,366)	694	1,544	2,782	4,971	12,452	11,326	10,569	10,172	9,795	9,112	8,642	8,210	7,799	69,978
Net Present Value (fifteen years) $	**4,000**	*Zero = Meets Required Return*													
Operating Income before Income Tax	(5,155)	1,412	3,853	6,293	8,734	10,037	10,137	10,137	10,137	10,137	9,370	8,640	7,948	7,290	6,665
Less:Interest Costs*	1,534	1,508	1,449	1,343	1,154	681	251	0	0	0	0	0	0	0	0
Net Income before Taxes	(6,689)	(95)	2,404	4,950	7,579	9,356	9,886	10,137	10,137	10,137	9,370	8,640	7,948	7,290	6,665
Less: Book Income Tax (37.63%)	(2,516)	(36)	904	1,862	2,851	3,520	3,719	3,814	3,814	3,814	3,525	3,251	2,990	2,742	2,507
Net Income after Book I/T	(4,172)	(59)	1,500	3,088	4,728	5,836	6,167	6,324	6,324	6,324	5,845	5,390	4,958	4,547	4,157
Earnings Per Share - Investment															
Corporate EPS after Investment	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Cumulative Net Cash Flow	(40,366)	(39,672)	(38,127)	(35,346)	(30,375)	(17,923)	(6,597)	3,972	14,143	23,938	33,051	41,693	49,902	57,702	127,679
Cumulative Depr. Reserve	2,848	6,275	10,281	14,867	20,031	25,244	30,457	35,670	40,883	46,096	51,309	56,522	61,735	66,948	72,161
Cumulative Piping Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book Rate of Return	**-6.62%**	**3.21%**	**5.92%**	**8.22%**	**10.24%**	**12.31%**	**13.44%**	**14.87%**	**16.95%**	**19.70%**	**21.74%**	**24.87%**	**30.12%**	**40.43%**	**68.91%**
Economic Value Added (EVA)	**(8,619)**	**(5,322)**	**(4,524)**	**(3,656)**	**(2,734)**	**(1,425)**	**(743)**	**(55)**	**727**	**1,509**	**1,812**	**2,139**	**2,489**	**2,860**	**65,821**
NPV (EVA) $	**(10,000)**														

Net Present Value of Cap. Exp.	67,883
Net Present Value of Pip. Exp.	4,676

Average Rate of Return on Investment:

15 Years (IRR) **16%**

Revenue Comparison:

Four Year Revenue $74,331

Customer Totals:	**15 Yr Total**
Added Residential Customers	61
Added Commercial Customers	-
Added Industrial Customers	-
Cumulative Customers	61
Capital Expenditure per Customer $	1,282

Summary of Rates used

Depreciation Book %	6.67%
Income Tax %	37.62%
Base Earnings per Share	$ 0.71

Required Return	15.00%
Ratio of Debt Financing	50.00%
O&M Expense %	35.00%
Interest Rate	7.60%

CONFIDENTIAL

Fisherman's Cove NPV Revised 7 3 07 xlsNPV Template4/9/2008 1 10 PM

Worksheet Rate Assumptions:

	Rate
O&M Expense as % of Base Revenue	#VALUE!
Ratio of Debt financing	50.00%
Income Tax %	[redacted]
Annual Required Return	15.00%
Interest cost (use same as required return)	[redacted]

Net Cum Cap	6,033
NIBITD	62,569
NIBITD Factor	5

	Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	
Tax Depreciation%	20.000%	32.000%	19.200%	11.520%	11.520%	5.760%										100.00%
Depreciation Book %	[redacted]															75.00%

Amortized piping schedule Years: [redacted]

	2007	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	
Yearly $	1,200	1,200	1,200	1,200	1,200	100	0	0	0	0	0	0	0	0	0	6,100
2007	1,200															1,200
2008	-	1,200														1,200
2009	-	-	1,200													1,200
2010	-	-	-	1,200												1,200
2011	-	-	-	-	1,200											1,200
2012	-	-	-	-	-	100										100
2013	-	-	-	-	-	-	-									-
2014	-	-	-	-	-	-	-	-								-
2015	-	-	-	-	-	-	-	-	-							-
2016	-	-	-	-	-	-	-	-	-	-						-
2017	-	-	-	-	-	-	-	-	-	-	-					-
2018	-	-	-	-	-	-	-	-	-	-	-	-				-
2019	-	-	-	-	-	-	-	-	-	-	-	-	-			-
2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total $	1,200	1,200	1,200	1,200	1,200	100	-	-	-	-	-	-	-	-	-	6,100

Basis for Expenses relating to mains and services to base revenue: Natural Gas

Basis:	2005 Budget		S FL	CEN FL	Total
			121	123	
Mains & Service Exps.	4010	874	1,203,000	324,000	
Meter & House Reg		878	956,500	363,000	
Customer Service no charge		879 1	203,100	60,000	
Customer Account Expenses		901 - 905	1,243,025	791,500	
Postage & Stamps		9212	7,700	3,600	
Maint. of Mains	4020	887	490,000	54,000	
Maint of Meas & Reg Stn-Gen		889	8,400	5,000	
Maint. of Services	100%	892	115,500	42,000	
Maint. of Meters	100%	893 1	70,000	39,600	
Maint of House Reg.		893 2	3,300	1,200	
	Total		4,300,525	1,683,900	5,984,425

TEMPLATE REVISION LOG

Rev #	Date	Name	Changes Made	Approved By
9	3/7/2002	DC	1 Referenced Required Return % to change with 'N' & 'NR' input.	GB
		DC	2 Updated required return for NG from 9.03% to 8.58% based on Dec 2001 Surveillance Report.	GB
		DC	3 Updated O&M Expense % from 25% (1999 budget) to 35% (2002 budget)	GB
		DC	4 Updated year end earnings & common stock to reflect Dec 2001 Y/E	GB
		DC	5 Changed beginning year to 2002	GB
		DC	6 Change Interest Rate from 7.75% to 7.71% (WACD Dec 2001)	GB
		DC	7 Changed O&M formula on Rate Sheet to reference NPV template cell B94 and not cell B96.	GB
10	4/8/2002	DC	1 Piping Allowance for NR expensed in the first year - R amortized. "R"= 7 "NR	GB
		DC	2 Added O&M % calculation for Propane (33%).	GB
		DC	3 Updated NIBITD Multiplier - "R" = 8 & "NR" = 6	GB
		DC	4 Re-referenced, protected and hid references to "secret" input cells.	GB
	4/18/2002	DC	Changed formula in Earnings per Share - Investment to be blank if no additional	GB
10.1	4/29/2002	DC	Correct EPS for Investment formula - inadvertently removed.	GB
10.1.1	5/1/2002	DC	Pop-up note for Capital Expenditure input cells	GB
	5/1/2002	DC	Added Capital Expenditure per customer	GB
10.1.2	5/1/2002	DC	Expense Legal & Closing Fees in the first year - not allowed to be capitalized wit purchase price.	GB
		DC	Put a default of "1" for calculation of number of shares required to avoid "DIV 0	GB
11	5/2/2002	GB	Re-arranged acquisitition input cells and re-instated dividend in interest calculation.	
11.1	8/16/2002	DC	Updated tax depreciation rate for non-regulated TAX - 5yrs BOOK - 20 yrs.	GB
		DC	Goodwill "0" if negative - added instruction / description on template.	GB
		DC	Number of Shares updated for 4 for 3 split.	GB
11.2	1/9/2003	DC	For NR - reduce existing customers by 5% in last 5 years. Change NIBITD mult	JE, GB
11.3	4/22/2003	DC	For NR - insert cell for calculation of Builders' Access Fee to be shown separatel being included with Cost of Service per Customer.	GB, DK
	7/11/2003	DC	Four & Three Year Revenues - previously taking 1st year times 4 & 3 respectivel the 4th and 3rd year revenues.	GB
	7/30/2003	DC	Corrected Four Year Revenue Comparison to be 4th year revenue times 4. Delet revenue comparison.	JE, GB
	11/19/2003	DC	Added Approval Titles	DK
	1/22/2004	DC	Made template a NR template only - regulated projects will be done on the AEP	GB, DK
11.4	10/21/2004	DC	Updated Interest Rate - See back-up WACD	GB
11.5	4/21/2005	DC	Updated O&M % to reflect Budget 2005 (adjusted for Propane savings $604 less ta	GB
	6/4/2007	DC	Protected NPV Template - founf it unprotected	

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RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Untitled (45).msg	303 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled (85).msg	230 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled.msg	198 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 01:14 PM

Clara Leider

From: Kitner Don
Sent: Sunday, February 18, 2007 9:01 AM
To: Seagrave Marc
Cc: Cox Doreen; Dysard Heidi
Subject: River Oaks
Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

Marc,
Attached is the approval package for River Oaks. This is an existing community in DeBary near I-4 that wants natural gas in their community. 16 residential and 1-commercial accounts are ready to commit to install natural gas. Each will pay a $225.00 non-refundable contribution to off-set the ECC associated with the installation. An additional 7 residents will also pay the $225.00 further off-setting the ECC amount. They feel having natural gas available will increase the value of their house. The ECC is $10,969 with $5,625 being paid upfront leaving a balance of $5,344 to be collected utilizing the AEP surcharge.

As before please do not change the RNGS's as the ones attached are the only versions that have been approved at the division.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

HOA AGREEMENT

THIS HOA AGREEMENT (this "Agreement") is made and entered into effective this ____ day of ____________, 2007 (the "Effective Date"), by and between Florida Public Utilities Company, a Florida corporation ("Company"), and River Oaks CSA Inc., a Florida homeowners association ("HOA") (Company and HOA may sometimes be collectively referred to as the "Party" or "Parties").

W I T N E S S E T H

WHEREAS, HOA intends to give permission to Company to install a natural gas distribution system within the community named River Oaks, located in Volusia County, Florida (the "Project") in order to make natural gas available to interested residents that have signed individual natural gas agreements with Company and have paid their necessary contribution for service to be installed to their homes. HOA has agreed to permit Company to install such a system to service the Project, pursuant to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Company and HOA hereby agree as follows.

1. **Installation of Gas Distribution System**.

1.1. Installation. Company agrees to install a natural gas distribution system within the residential portions of the Project, including all necessary distribution lines, meters and ancillary facilities (collectively, the "Gas Distribution System") as Company deems reasonably necessary to provide natural gas service to owners, occupants and residents within the Project. From time to time, Company shall install additional lines, meters and ancillary facilities ("System Extensions") which Company deems reasonably necessary to extend the Gas Distribution System to other areas of the Project in order to supply gas service to non-residential portions of the Project that apply for and qualify for gas service from Company. For purposes of this Agreement, the term "Gas Distribution System" shall include any System Extensions that are added by Company.

1.2. Location. The location of the gas lines and all infrastructure and improvements relating to the Gas Distribution System shall be subject to HOA's prior written approval, which approval shall not be unreasonably withheld or delayed. Prior to commencing installation of the Gas Distribution System, Company shall provide, for HOA's review and comment, plans and specifications in accordance with which the Gas Distribution System is to be installed (Gas Distribution System Plans and Specifications"). Upon completion of installation of each three thousand (3000) linear feet of the Gas Distribution System (each being a "Completed Portion"), Company shall commence restoration of those portions of the Project disturbed by Company during installation of the Completed Portion and shall continue diligently such restoration work until complete. Restoration work shall be completed so that the surface of the land shall be restored to substantially the same condition existing immediately prior to commencement of the installation of the Completed Portion.

1.3. <u>Preparation for Installation and Easements</u>.

1.3.1. HOA agrees to provide adequate physical and legal access (including the easements described below) to all areas of the Project where portions of the Gas Distribution System are to be installed to access, maintain and operate the Gas Distribution System. Such easements are identified in the plat referenced in 1.3.2.

1.3.2. HOA has provided Company a plat of all or a portion of the Project (recorded in Official Records Book 19, Page 125, Public Records of Volusia County, Florida), which depicts the location of streets, lots and easements encompassed therein (the "Plat"). If additional plats ("Additional Plats") are created for the Project, HOA shall provide Company a copy thereof within ten (10) days after recording. The Plat and all Additional Plats (whether or not provided to Company) shall be collectively referred to herein as "Project Plats". Notwithstanding any provision contained herein to the contrary and in addition to the easements referenced in Section 1.3.1 hereof, HOA hereby grants Company an easement over those portions of the Project designated on Project Plats as a utility easement or right-of-way (public or private) (or other similar designations) for purposes of installing, operating, maintaining, repairing and replacing the Gas Distribution System.

1.3.3. HOA reserves the right to relocate any easement granted to Company if HOA deems such relocation to be necessary for the development of the Project. If Company has not installed the portion of the Gas Distribution System proposed to be installed in the relocated easement, but has commenced the design and engineering thereof prior to the date Company receives written notice from HOA of its desire to amend an easement, HOA shall be required (prior to amendment of the easement) to reimburse Company for Company's actual, out-of-pocket expenses incurred in redesigning and/or reengineering the applicable portion of the Gas Distribution System. If HOA desires to relocate any easement relating to a portion of the Gas Distribution System after the system has been installed, HOA must first, (a) obtain Company prior written consent (which consent shall not be unreasonably withheld or delayed) and (b) reimburse Company for all costs incurred by Company in relocating the Gas Distribution System, including, but not limited to the cost of redesigning and/or reengineering the Gas Distribution System, and the cost of all materials and labor therefore.

FPU Initials: ________
Date: ________
Builder Initials: ________
Date: ________

1.4. Coordination of Installation. Company agrees to cooperate with HOA with respect to the construction of the Gas Distribution System so as to minimize interference with or delay to HOA's construction and development of the Project. HOA will notify the Company in writing of any proposed or anticipated construction schedule for the Project. HOA acknowledges that Company will rely upon the HOA's Construction Schedule for purposes of coordinating its acquisition of materials, mobilization of equipment and labor at the worksite and installation of the Gas Distribution System.

1.5. Ownership of Gas Distribution System; Maintenance. Notwithstanding any provision contained herein to the contrary, the Gas Distribution System shall remain the exclusive property of Company at all times during the term of this Agreement and following its expiration or earlier termination. Company shall have the sole obligation and responsibility for the maintenance of the Gas Distribution System. Company shall at all times maintain the Gas Distribution System in accordance with the requirements of all appropriate governmental and regulatory agencies.

1.6. Supply Date. Subject to any delay caused by Force Majeure or the actions or inactions of HOA, Company agrees that the Gas Distribution System installation shall commence when 16 residents have executed an individual gas service agreement, 25 non-refundable improvement of facilities forms are executed and 1 commercial gas service agreement has been executed.

1.7. Minimum Required Appliance Installation. A minimum of 3600 therms collectively from appliances listed on the Appliance Therm Rate Schedule is required. The Company has provided the HOA a copy of an Appliance Therm Rate Schedule for the Project, which is attached hereto as Exhibit "A" and incorporated herein (the "Appliance Therm Rate Schedule"). The HOA also agrees to the installation of a 400,000 BTU Spa Heater, 400,000 BTU Pool Heater, a Gas Grill and Gas Water Heater at the HOA's clubhouse.

2. **Successors, Assigns And Assignment**. The HOA and the Company each bind itself, its successors, assigns and legal representatives to the other party in respect to all covenants, agreements and obligations contained in this Agreement. If HOA desires to convey to other HOA or HOAs any or all of the land upon which the Project is to be constructed, such conveyance may not be undertaken and shall not be effective until such HOA or HOAs expressly assumes all of the obligations and responsibilities of HOA hereunder (to the reasonable satisfaction of Company). Similarly, if HOA desires to assign this Agreement or any portion hereof to a homeowner's association, as a condition of such assignment, the homeowner's association shall pass a valid and appropriate resolution expressly assuming all of the obligations and responsibilities of HOA hereunder (such resolution being to the reasonable satisfaction of Company).

3. **Force Majeure**. Neither Party shall be liable to the other for any failure to perform pursuant to the terms and conditions of this Agreement to the extent such performance

FPU Initials: ________
Date: ________
Builder Initials: ________
Date: ________

was prevented by an event of Force Majeure. The term "Force Majeure" shall mean Acts of God, strikes, lockouts, or other industrial disturbance, acts of the public enemy, wars, riots, epidemics, industrial disturbances that affect the Parties or its customers, breakage or non-foreseeable accident to machinery or lines of pipe, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the Party whose performance is affected and which, in each of the above cases, by the exercise of due diligence such Party is unable to prevent or overcome utilizing commercially reasonable efforts; such term shall likewise include the inability of a Party to acquire, or delays on the part of such Party in acquiring at reasonable cost and by the exercise of reasonable diligence, servitudes, rights of way, grants, permits, permissions, licenses, materials or supplies which are required to enable such Party to fulfill its obligations hereunder. The Party whose performance is excused by an event of Force Majeure shall promptly notify the other Party in writing of such occurrence and its estimated duration, shall promptly remedy such Force Majeure if and to the extent reasonably possible and shall resume such performance as soon as possible; provided, however, that neither Party shall be required to settle any labor dispute against its will.

4. **Duration**.

4.1. Expiration; Automatic Extension. Subject to Subsection 4.2 hereof, this Agreement shall automatically expire twenty (20) years after execution of Agreement. The term of this Agreement shall be automatically extended for terms of one (1) year periods unless written notice is provided at least ninety (90) days but no greater than one hundred twenty (120) days prior to the expiration of the initial term of this Agreement or any extension thereto by one Party to the other Party that it will not allow the extension of the term of this Agreement.

4.2. Early Termination. Notwithstanding any provision contained herein to the Contrary, either Party may terminate this Agreement by providing the other at least fifteen (15) days prior written notice if the 17 required services have been activated with 3600 therms.

4.3. Survival of Easements. Notwithstanding the expiration or earlier termination of this Agreement (regardless of the cause therefore), the easements created herein and required to be granted herein shall survive, and the rights, privileges and responsibilities created therein shall not be adversely affected by, the termination or expiration of this Agreement

5. **Notices**. Any notices sent by either party to the other pursuant to this Agreement shall be sent by either U.S. mail, postage prepaid, return requested, or by receipted overnight national delivery service (e.g., Federal Express), and shall, if not sooner received, be deemed received three (3) business days after deposit in the United States Mail, or one business day after receipt by any overnight national delivery service, as aforesaid. All

FPU Initials: ________
Date: ________
Builder Initials: ________
Date: ________

notices shall be addressed to each party at the following address, or such other address as either party may hereafter designate to the other party in writing:

If to HOA:	River Oaks CSA Inc. P O Box 7149 Daytona Beach, Florida 32116 Attn: Joe Alemany Fax No. 386.XXX.XXXX Phone No. 386.753.1758
If to Company:	Florida Public Utilities Company 401 South Dixie Highway West Palm Beach, Florida 33401-5807 Attn: Marc Seagrave, Director of Marketing Fax No. 561.833.8562 Phone No. 561.838.1714
with a copy to:	P.O. Box 530969 DeBary, Florida 32753-0969 Attn: Donald Kitner, Director Fax No. 386.668.2692 Phone No. 386.668.2600

6. **<u>Governing Law: Dispute Resolution</u>**. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without reference to the laws of any other jurisdiction. HOA and Company agree to submit any disputes arising under this agreement to non-binding mediation; provided, that applicable statutes of limitation will be tolled during the pendency of such mediation. In the event Company and HOA cannot in good faith agree on a mediator within fifteen (15) days of the request of either party for mediation, or, if the parties remain in dispute following mediation, any such dispute will be resolved by final, binding arbitration. Arbitration shall be accomplished expeditiously in Orange County, Florida, and shall be conducted by the American Arbitration Association (in accordance with its rules) which will appoint three arbitrators, one of which must be an attorney. The arbitrators shall render a written judgment accompanied by findings of fact and conclusions of law, which are subject to review by the appellate courts of the State of Florida. Judgment upon the award rendered by the arbitrator(s) may be entered in any Court having jurisdiction thereof. The parties shall share equally the arbitrators' fees and costs until the prevailing party is determined or the parties have agreed in writing to an alternate allocation of fees and costs. In any suit or arbitration proceeding brought by either party, the prevailing party will be entitled to recover attorneys' fees, costs and expenses actually incurred by the prevailing party in such suit or arbitration proceeding or in any appeal. The parties consent that any arbitration may be consolidated with any other arbitration concerning this Agreement to which Company or HOA is a party and that a

dispute shall not be submitted to such binding arbitration if there are any third parties who are not subject to such binding arbitration but who are proper parties to such dispute. This Section 7 shall survive expiration or any termination of this Agreement.

7. **Indemnity; Damages to Property; Limitation on Liability**.

7.1. Company agrees to protect, defend, reimburse, indemnify and hold the HOA, its agents and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as HOA, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by HOA by reason of the negligent or intentional acts of the Company; provided however, that Company shall not be responsible to HOA for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of HOA, its respective agents, servants, employees, officers, tenants, residents or homeowners.

7.2. HOA agrees to protect, defend, reimburse, indemnify and hold the Company, its agents, and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as Company, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by Company by reason of the negligent or intentional acts of HOA and its respective agents, servants, employees, officers, tenants, residents or homeowners; provided however, that Builder shall not be responsible to Company for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of Company.

7.3. Any damage to the Project caused by Company, its agents or employees, shall be promptly repaired to the reasonable satisfaction of HOA at Company's expense. Any damage caused to Company's equipment by HOA, its agents, employees, contractors, subcontractors, tenants, residents or homeowners shall be promptly repaired by Company at HOA's expense. HOA will take all reasonable precautions to notify its agents, employees, contractors, subcontractors, tenants, residents and homeowners of the location of Company's equipment.

7.4. Neither the Company nor HOA shall have liability to the other party or any third party for any special, indirect, incidental or consequential damages or loss of any kind, including, without limitation, loss of profits or savings, loss of use, or similar damages, whether based on strict liability, or negligence, whether resulting from installation, use or maintenance of the Gas Distribution System, breach of this Agreement or otherwise, except for direct, specific damages to the extent caused by either party's negligence or misconduct.

7.5. This Section 7 shall survive the expiration or early termination of this Agreement.

8. **Miscellaneous**. This Agreement constitutes the entire understanding and agreement between the Parties and supersedes any and all prior negotiations, understandings or agreements with respect to this subject matter. This Agreement may be amended only by written instrument signed by both of the Parties. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under Florida law, but if any provision of this Agreement or the application thereof to any Party or circumstance is prohibited by or invalid under applicable law, that provision shall be effective only to the extent of such prohibition or invalidity, without invalidating the remaining provisions of this Agreement or the application of the same. Nothing contained herein shall be construed as a joint venture, partnership or any other similar relationship between Company and HOA. The captions, headings, titles, and subtitles herein are inserted for convenience of reference only and are to be ignored in any construction of the provisions of this Agreement. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties, and their respective successors and assigns, and no assignment shall relieve either Party of such Party's obligations hereunder without written consent of the other Party. This Agreement shall be subject to all applicable laws, rules, orders, permits, and regulations of any federal, state, or local governmental authority having jurisdiction over the Parties, their facilities, or the transactions contemplated. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one in the same instrument.

9. **Recording**. This Agreement may be recorded by Company among the Public Records of the County in which the Project is located.

10. **Exclusivity**. During the term of this Agreement and for a period of ten (10) years thereafter, HOA shall not install, cause to be installed, or allow to be installed any other gas distribution system in the Project or any other system or mechanism for delivery of natural gas or propane gas to residents in the Project. HOA agrees that Company has an exclusive right to provide natural gas services to the Project and that HOA will not grant, or allow others to grant any easement or right-of-way for purposes of delivering natural gas service. HOA certifies that there is no existing contractual agreement with any third party for the provision of natural gas service to the Project, with the exception of this Agreement.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

COMPANY:

FLORIDA PUBLIC UTILITIES COMPANY,
a Florida corporation

Witnesses:

Sign: ____________________

Print: ____________________

By: ________________________________
Name: ________________________________
Title: ________________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF ______________

BEFORE ME, the undersigned authority, personally appeared ________________, as ______________________ of FLORIDA PUBLIC UTILITES COMPANY, a Florida corporation, who is either personally known to me or who provided __________________ as identification, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said corporation.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ______________________________
My Commission Expires: __________________
(AFFIX NOTARY SEAL)

HOA:

River Oaks CSA Inc.
a Florida corporation

Witnesses:

Sign: ____________________

Print: ____________________

By: ______________________________
Name: ______________________________
Title: ______________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF ____________

BEFORE ME, the undersigned authority, personally appeared _______________, as _____________________ of River Oaks CSA Inc., a Florida Corporation, who is either personally known to me or who provided _________________ as identification, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said ______________________.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ____________________________
My Commission Expires: _________________
(AFFIX NOTARY SEAL)

EXHIBIT "A"
Appliance Therm Rate Schedule

Appliances	Estimated Annual Therms
• Water Heater	
o 30 gallon	**110**
o 40 gallon	**130**
o Tankless– small residential	**130**
o 50 gallon	**150**
o 75 gallon	**190**
o Tankless – commercial & large residential	**170**
• Range	**35**
• Dryer	**50**
• Grill	**20**
• Hydro-Heat	
o Single Family	**130**
o Multi-Family (includes water heater)	**170**
• Fireplace	**40**
• Space Heater	**40**
• Furnace	
o 60,000 – 90,000 BTU	**110**
o 90,001 – 120000 BTU	**130**
o 120,001 & Greater BTU	**150**
• Pool / Spa Heater	**250**
• Generator	**00**

* Additional like appliances per account will be at 50% of the estimated load value. Gaslights will be exempt from this criterion and will be calculated at full load, per light.

Clara Leider

From: Kitner Don
Sent: Sunday, February 18, 2007 9:01 AM
To: Seagrave Marc
Cc: Cox Doreen; Dysard Heidi
Subject: River Oaks
Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

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As before please do not change the RNGS's as the ones attached are the only versions that have been approved at the division.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

Instructions for using the AEP & Net Present Value (NPV) Templates

Revised 5/18/2005

OBJECTIVE

The AEP & Net Present Value (NPV) Templates are to be used as an analytical tool for evaluating potential revenue generating investments and to determine the AEP surcharge rate for the recovery of the Excess Construction Costs.

INPUT

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1 **Project Name**	Short description of investment.
2 **Beginning In Year**	Projected year that the project will commence.
3 **Piping Allowance**	Estimated Piping Allowance per class of customer if not capitalized (see note 24).
4 **Occupancy Rate**	Anticipated occupancy level.
5 **Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
6 **Mains**	Cost of installing main per year.
7 **New Residential Customers**	Estimated residential customer added each month for each year.
8 **Therms per Customer each Month**	Average monthly therms per residential customer.
9 **New General Service Customers**	Estimated General Service customers added each month for each year.
10 **Therms per Customer each Month**	Average monthly therms per General Service customer.
11 **New Large Volume Customers**	Estimated Large Volume customer added each month for each year.
12 **Therms per Customer each Month**	Average monthly therms per Large Volume customer.
13 **Gas Lighting Service**	Estimated other customer added each month for each year.
14 **Therms per Customer each Month**	Average monthly therms per other customer.
15 **Customer Charge**	Estimated Customer Charge for Other Customers added.
16 **Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
17 **Other Expenses**	Other expenses estimated to be incurred from the project for each year eg Sales Rep Commissions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
18 **AEP Worksheet**	Enter AEP surcharge rate that provides cost recovery within 8-10 years.

GENERAL INFORMATION

19 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

20 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee, including piping allowance (capitalized) will be depreciated at the same rate as the other capital expenditure items. The actual contract, however, should be worded such that it allows us to depreciate the piping allowance over the life of the contract.

Instructions for using the AEP & Net Present Value (NPV) Templates

NPV MODEL ASSUMPTIONS

25 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.

26 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.

27 Required Return - WACC as per Year End Survellance Report using Cost of Equity Rate as per last Rate Case.

28 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.

29 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.

30 Interest Rate - Weighted Average Cost of Debt.

31 Depreciation Book % - Book Depreciation Rate.

32 Income Tax % - Income Tax Rate.

PROCESS

33 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**

34 Submit NPV (& AEP) worksheets for approval as per steps below.

35 Prepare IR after approval has been granted.

36 Submit approved IR , AEP worksheet and NPV to General Accounting.

37 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director

↓

Director - Propane Operations — If Propane Project
Barry Kennedy

↓

Marketing Director
Marc Seagrave

↓

Accounting
George Bachman / Doreen Cox

↓

Senior VP & COO
Chuck Stein

↓

President & CEO
Jack English

↓

Director

INPUT SHEET

Project Name **RIVER OAKS**
Beginning in Year **2007**

Prepared By: ______
Date: **4/9/2008**
I.R. #: ______
AEP #: ______

NON AEP CONTRIBUTION **$ 5,625**

R

	Residential	Commercial	Industrial	Gas Lights
Piping Allowance	**$ 100**			

Occupancy Rate : **100%**

Construction:

SERVICES-cost per customer:	Residential	General Serv	Large Volume	Gas Lights
	$ 577	**$ 577**		

Year:	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	Total Main $
MAINS:	**13,308**										13,308

Enter Customers ADDED each Month by Tariff Rate Schedule below:

Total Service $	Total Const.
9,815	$ 23,123

RESIDENTIAL CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1		4	4	4	4								16	16	1824	1824	881.72	1,216
2													0	16	0	2304	1113.75	1,536
3													0	16	0	2304	1113.75	1,536
4													0	16	0	2304	1113.75	1,536
5													0	16	0	2304	1113.75	1,536
6													0	16	0	2304	1113.75	1,536
7													0	16	0	2304	1113.75	1,536
8													0	16	0	2304	1113.75	1,536
9													0	16	0	2304	1113.75	1,536
10													0	16	0	2304	1113.75	1,536

Therms per Customer each month: 12.00 << Enter average therms used per customer in a month

Base Rate per Therm Residential : 0.48340 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $8.00 << Per Tariff

GENERAL SERVICE CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1		1											1	1	595.83333	595.8333333	191.30	165
2													0	1	0	650	208.70	180
3													0	1	0	650	208.70	180
4													0	1	0	650	208.70	180
5													0	1	0	650	208.70	180
6													0	1	0	650	208.70	180
7													0	1	0	650	208.70	180
8													0	1	0	650	208.70	180
9													0	1	0	650	208.70	180
10													0	1	0	650	208.70	180

Therms per Customer each month: 54.16666667 << Enter average therms used per customer in a month

Base Rate per Therm General Serv : $ 0.32107 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $15.00 << Per Tariff

LARGE VOLUME CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-

4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Large Volume : $ 0.23809 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $45.00 << Per Tariff

GAS LIGHTING SERVICE

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Light each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Gas Lights $ 0.17689 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge ______ **<< Per Tariff - applicable for customers with only Gas Lights**

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Income															
Other Expenses		591													

Area Expansion Program

Project Name: RIVER OAKS
I.R. #: 0
AEP #: 0
Prepared By: 0

Procedure No. MKT 1.1
Effective Date: 4/21/2005
Revision # 12.3

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Construction and Revenue Summary:

Estimated Construction Cost (CC):	$ 23,123	(Total from input on next page)
Customer Contribution	5,625	
Four Years Revenue (MACC)*:	12,154	Four years revenue
Net Excess Construction Cost (ECC):	$ 5,344	

Calculation of AEP Surcharge:

AEPS= (ECC+(ROR*T1*.5*ECC))/T2*TH)

ECC	5,344	As computed on Wkst
ROR	8.070%	Company's Authorized Rate
T1	10	Years for collection
T2	1	(1 if total therms used forT1)
TH	26,841	Total 10 year therms
AEPS	$ 0.279	Original calculation

Manual Input: Override Computed AEPS $ 0.300
and Rate breakdown

Summary of projected Therms:

Year	Total Annual Residential Usage	Total Annual General Serv Usage	Total Annual Large Volume Usage	Total Annual Gas Light Usage	Total Therm Load Added
1	1824	596	0	0	2420
2	2304	650	0	0	2954
3	2304	650	0	0	2954
4	2304	650	0	0	2954
5	2304	650	0	0	2954
6	2304	650	0	0	2954
7	2304	650	0	0	2954
8	2304	650	0	0	2954
9	2304	650	0	0	2954
10	2304	650	0	0	2954
Total	22,560	6,446	-	-	29,006

	** Rate Breakdown:	AEPS / therm	Ratio : This % of therms per class are counted in 10 year therm total
RS	Residential	0.300	100.0000%
GS	General Service	0.199	66.4191%
LVS	Large Volume Service	0.148	49.2532%
	Gas Lights	0.110	36.5929%

Projected Cash Flow of:
Revenue

Year	Residential Non-fuel Revenue	Residential Customer Charge	General Serv. Non-fuel Revenue	General Serv. Customer Charge	Large Volume Non-fuel Revenue	Large Volume Customer Charge	Lights Non-fuel Revenue	Lights Customer Charge	Total Base Revenue	AEP collection: Excess Construction Cost	AEPS Surcharge	Balance before Interest	Interest charge (cost of money)	Total Cost To be recovered
1	882	1,216	191	165	-	-	-	-	$ 2,454	$ 5,344	$ 666	$ 4,678	$ 189	$ 4,867
2	1,114	1,536	209	180	-	-	-	-	3,038	-	821	4,046	360	4,406
3	1,114	1,536	209	180	-	-	-	-	3,038	-	821	3,585	322	3,908
4	1,114	1,536	209	180	-	-	-	-	3,038	-	821	3,087	282	3,369
5	1,114	1,536	209	180	-	-	-	-	3,038	-	821	2,548	239	2,787
6	1,114	1,536	209	180	-	-	-	-	3,038	-	821	1,966	192	2,158
7	1,114	1,536	209	180	-	-	-	-	3,038	-	821	1,337	141	1,479
8	1,114	1,536	209	180	-	-	-	-	3,038	-	821	658	86	744
9	1,114	1,536	209	180	-	-	-	-	3,038	-	821	(77)	27	(50)
10	1,114	1,536	209	180	-	-	-	-	3,038	-	821	(871)	(37)	(908)
Total	$ 10,906	$ 15,040	$ 2,070	$ 1,785	$ -	$ -	$ -	$ -	$ 29,800	$ 5,344	$ 8,052		$ 1,801	

MODIFIED TO INCLUDE CUSTOMER CONTRIBUTION

Cash Flow Investment Analysis

Date: 4/9/2008

Revision #		12.3
Procedure No.		ACT-5.11
Effective Date:		4/6/2006
	Initial	Date

REGULATED / NON-REGULATED
R

Project Title: **RIVER OAKS**
Beginning in Year: 2007

Prepared By:
Approved By: Dir of Mktg
Fin Analyst
CFO
COO
CEO

Overall Result: Project meets or exceeds minimum 15 year required return!

Input Area:

	Residential	Commercial	Industrial	Gas Lights
Annual Therms per Customer / Light	144	650	-	-
Piping Allowance	$ 100	$ -	$ -	$ -
Cost of SERVICE per Customer	$ 577	$ 577	$ -	$ -
Customer Charge (mth)	$8.00	$15.00	$45.00	$0.00
Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$0.17689

Occupancy Rate : 100%

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New Residential Customers	16	-	-	-	-	-	-	-	-	-					
New Commercial Customers	1	-	-	-	-	-	-	-	-	-					
New Industrial Customers	-	-	-	-	-	-	-	-	-	-					
New Gas Lights	-	-	-	-	-	-	-	-	-	-					
Total Customers added for year	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Customers	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17
Total Gas Lights added for year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Gas Lights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	0	590.8	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures on Services	9,815	-	-	-	-	-	-	-	-	-					
Capital Expenditures (Exc. Services)	13,308	-	-	-	-	-	-	-	-	-					
Upfront Capital Exp (Contributions)'	(10,969)														
Total Capital Expenditures by Year (List AEP ECC as contribution (credit))	$ 12,154	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Output Area: Cash Flow by Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Base Revenue	$2,454	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$2,454	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038
O&M Expense (Incl TOTI)	761	942	942	942	942	942	942	942	942	942	942	942	942	942	942
Other Expenses	0	591	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortized Piping Cost	229	229	229	229	229	229	229	0	0	0	0	0	0	0	0
Depreciation, Book	810	810	810	810	810	810	810	810	810	810	810	810	810	810	810
	1,800	2,572	1,981	1,981	1,981	1,981	1,981	1,752	1,752	1,752	1,752	1,752	1,752	1,752	1,752
Operating Income before Income Tax	654	467	1,058	1,058	1,058	1,058	1,058	1,286	1,286	1,286	1,286	1,286	1,286	1,286	1,286
Adjust to cash flow:															
Add: Depreciation, Book	810	810	810	810	810	810	810	810	810	810	810	810	810	810	810
Add: Amortized Piping	229	229	229	229	229	229	229	0	0	0	0	0	0	0	0
Less: Actual Income Tax	(361)	(13)	278	342	402	457	495	518	518	519	518	519	518	519	518
After Tax Cash Flow (before capital investments)	2,054	1,519	1,818	1,754	1,695	1,639	1,601	1,579	1,578	1,578	1,578	1,578	1,578	1,578	1,578
Less: Piping Costs	1,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Capital Expenditure - Cash Outlay	12,154	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Memo: Cumulative Capital Expenditure	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154
Asset remaining value															16,772
Net Cash Flow (w/ 15 yr ending book value)	(11,700)	1,519	1,818	1,754	1,695	1,639	1,601	1,579	1,578	1,578	1,578	1,578	1,578	1,578	18,350
Net Present Value (fifteen years) $	**7,000** Zero = Meets Required Return														
Operating Income before Income Tax	654	467	1,058	1,058	1,058	1,058	1,058	1,286	1,286	1,286	1,286	1,286	1,286	1,286	1,286
Less:Interest Costs*	445	387	318	251	187	124	64	4	0	0	0	0	0	0	0
Net Income before Taxes	210	80	740	807	871	933	994	1,283	1,286	1,286	1,286	1,286	1,286	1,286	1,286
Less: Book Income Tax (37.63%)	79	30	278	303	328	351	374	483	484	484	484	484	484	484	484
Net Income after Book I/T	131	50	462	503	543	582	620	800	802	802	802	802	802	802	802
Earnings Per Share - Investment															
Corporate EPS after Investment	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Cumulative Net Cash Flow	(11,700)	(10,181)	(8,362)	(6,608)	(4,913)	(3,274)	(1,672)	(93)	1,485	3,062	4,641	6,218	7,796	9,374	27,724
Cumulative Depr. Reserve	810	1,621	2,431	3,241	4,051	4,862	5,672	6,482	7,292	8,103	8,913	9,723	10,533	11,344	12,154
Cumulative Piping Allowance	1,371	1,143	914	686	457	229	0	0	0	0	0	0	0	0	0
Book Rate of Return	**4.53%**	**3.74%**	**7.33%**	**7.86%**	**8.53%**	**9.40%**	**10.55%**	**14.17%**	**16.50%**	**19.81%**	**24.76%**	**33.01%**	**49.51%**	**99.03%**	**##########**
Economic Value Added (EVA)	**(340)**	**(413)**	**(5)**	**35**	**76**	**118**	**161**	**346**	**410**	**475**	**541**	**606**	**672**	**737**	**17,575**
NPV (EVA) $	**7,000**														

Average Rate of Return on Investment:

Net Present Value of Cap. Exp.	12,154		
Net Present Value of Pip. Exp.	1,600	15 Years (IRR)	**15%**

Revenue Comparison:
Four Year Revenue $12,154

Customer Totals:	**15 Yr Total**
Added Residential Customers	16
Added Commercial Customers	1
Added Industrial Customers	-
Cumulative Customers	17
Capital Expenditure per Customer $	715

Summary of Rates used

Depreciation Book %	6.67%	Required Return	**8.07%**
Income Tax %	37.62%	Ratio of Debt Financing	**50.00%**
Base Earnings per Share	$ 0.71	O&M Expense %	**31.00%**
		Interest Rate	**7.60%**

CONFIDENTIAL

REGULATED 15 YEAR-RIVER OAKS REP 12-01-06 CUST CONTN xlsNPV Template4/9/2008 1 21 PM

RATES :		RESIDENTIAL	COMMERCIAL	INDUSTRIAL	GAS LIGHTS
REGULATED	Customer Charge (mth)	$8.00	$15.00	$45.00	$ -
	Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$ 0.17689

	REGULATED	NON-REGULATED
REQUIRED RETURN	8.07%	15.00%

TEMPLATE REVISION LOG

NPV Rev #	AEP Rev #	Date	Name	Changes Made	Approved By
		1/22/2004	DC	Made template a R only - NR will be done on the original 15 year template.	GB, DK
		1/27/2004	DC	Change Months on Input Sheet to "Month 1", "Month 2" etc	GB, DK
		1/27/2004	DC	Added detailed approval section on AEP Worksheet	DK
		1/28/2004	DC	Corrected AEP cell # C35 to reference Input S23	DK
		1/29/2004	DC	Changed AEP Deferred Costs formulas (Col K35 - K 44) so that Deferred Charges do not exceed amounts projected to be spent. Revised comment. Confirmed with MN and BG that costs are allocated first to ECC in the books.	DK, GB
		1/29/2004	DC	Changed NPV Cell B23 to an "IF" Statement, so that projects that do not have an ECC show aero contribution on the NPV.	DK
		1/29/2004	DC	Put if statement on AEP worksheet so that projects that do not have an ECC do not calculate a Deferred Debit, interest etc..	
11.4	1.2	7/8/2004	DC	Updated Non-Fuel Rates as per Interim Rates approved by PSC effective for Meter Reads August 2004. NSB template removed - rates for rest of Company to be used as rates will eventually be the same at final hearing.	GB, DK
11.5		10/6/2004	DC	Revised formula for the contribution on the NPV to be zero when there is no AEP surcharge even though there may be a small ECC.	GB
11.6		11/18/2004	DC	Updated Non-Fuel Rates as per Rates approved by PSC effective 11/18/04	MS, DK, GB
		11/18/2004	DC	Updated Interest Rate - See back-up WACD - Gas Rate Case	GB
		11/18/2004	DC	Updated ROR to reflect WACC approved in NG Rate Case effective 11/18/04	GB
	1.3	11/18/2004	DC	Updated ROR as per WACC approved in Gas Rate Case 10/18/04 effective 11/18/04	GB
		11/18/2004	DC	Added Gas Lighting Service - checked by DK 10/29/04	GB, DK
11.7	1.4	2/18/2005	DC	Update ROR to reflect Year-end Surveillance Rate	GB
12	2	3/9/2005	DC	Link AEP & NPV to Input Sheet so that revenues are recognized in the month of projecte not year-end turn-ons.	GB, DK
12.1	2.1	3/31/2005	DC	Updated ROR to reflect final Year-end Surveillance Report Rate	CM
12.2	12.2	4/21/2005	DC	Updated O&M % to reflect Budget 2005 (adjusted for Propane savings $604 less tax)	GB
12.2		2/24/2006	DC	Updated Avg Shares Outstansing and Available for Common as at 12/31/2005	GB
12.3	12.3	4/6/2006	DC	Update ROR to reflect Dec 2005 Average Mid-Point Surveillance Rate	GB

Clara Leider

From: Kitner Don
Sent: Sunday, February 18, 2007 9:01 AM
To: Seagrave Marc
Cc: Cox Doreen; Dysard Heidi
Subject: River Oaks
Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

Marc,
Attached is the approval package for River Oaks. This is an existing community in DeBary near I-4 that wants natural gas in their community. 16 residential and 1-commercial accounts are ready to commit to install natural gas. Each will pay a $225.00 non-refundable contribution to off-set the ECC associated with the installation. An additional 7 residents will also pay the $225.00 further off-setting the ECC amount. They feel having natural gas available will increase the value of their house. The ECC is $10,969 with $5,625 being paid upfront leaving a balance of $5,344 to be collected utilizing the AEP surcharge.

As before please do not change the RNGS's as the ones attached are the only versions that have been approved at the division.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

FLORIDA PUBLIC UTILITIES COMPANY

REQUEST FOR NEW GAS SERVICE **EMPLOYEE #2429**

Residential [ ] Commercial [X] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [X]

Customer Name: RIVER OAKS CSA INC (CLUBHOUSE) Social Security #
DBA/ or C/O: Telephone #
Service Address: 241 RIVER VILLAGE DRIVE Alternate #
City & State: DEBARY, FL Zip 32713 Premise #
Mailing Address: Zip

Natural [X]
Propane [ ]
Metered [X]
Bulk [ ]

Request For: Main Extension [ ] Relocation [ ] Set & Lock Date
New Service [X] Abandonment [ ] Turn-On Date
Reactivate Service [ ] Turn-On Charge

Gas Account Number Meter Deposit Converted From: PROPANE TO NATURAL GAS
Tax District: DG71 Rate
State Tax
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [X] 2psi [ ] 5 psi [ ] 20psi [ ]
S.I.C. 99999 Meter Reading Route # Pressure Factor

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1	Pool Heater	400,000	250	250			400	
1	Spa Heater	400,000	250	250			400	
1	Gas Grill	50,000	20	20			50	
1	Water Heater	40,000	130	130			40	
				0			0	
				0			0	
				0			0	
				0			0	
				0			0	
			Total Therms per Year	650			890	0.0

System Map Page — Hourly Max: 712 — SCFH-Daily Hrs @ this rate
Map Book Page — Demand: Ave: 445 — SCFH-Daily Hrs @ this rate
Plans Attached — Min.: 89 — SCFH-Daily Hrs @ this rate
Total Hours

Number of Customers: 1
Total Annual Therms: 650
Annual Customer Charge: $180.00 — Revenues - Customer Charge: $180.00
Non-Fuel Energy Charges: 0.48340 — Revenues - Non-Fuel Charge: $314.21
Four Year Estimated Non-Fuel Revenues: $1,976.84
Estimated Construction Cost: $577.00
Negative Number Indicates Contribution Required: $1,399.84

Permits Required [ ] Easement Required [ ] Estimated Start Date
Estimated Completion

SPECIAL PROVISIONS: **COMMUNIYT CLUBHOUSE- SEPARATE POOL & SPA AREAS- COUNTING EACH INDIVIDUALLY**

Cycle/Route Initial Date Turned On Completed By

Submitted By: Alicia Gladue
Approved By:

04/09/08

FLORIDA PUBLIC UTILITIES COMPANY
REQUEST FOR NEW GAS SERVICE

Residential [ ] Commercial [X] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [X]

Customer Name: RIVER OAKS CSA INC (CLUBHOUSE) Social Security #:
DBA/ or C/O: Telephone #: 0
Service Address: 241 RIVER VILLAGE DRIVE Alternate #:
City & State: DEBARY, FL Zip: 32713
Mailing Address: 0 Zip:

Natural [X]
Flo-Gas [ ]
Metered [X]
Bulk [ ]

Request For: Main Extension [0] New Service [X] Reactivate Service [ ]
Relocation [ ] Abandonment [ ]
Set & Lock Date: 1/0/1900
Turn-On Date: 01/00/00
Turn-On Charge: $0.00
Meter Deposit: $0.00

Gas Account Number: Converted From: PROPANE TO NATURAL GAS
Tax District: DG71 Rate: 0
State Tax:
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [X] 2psi [ ] 5 psi [ ] 20psi [ ]
S.I.C.: 99999 0 Pressure Factor:

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1	Pool Heater	400,000	250	250		0	400	
1	Spa Heater	400,000	250	250	0	0	400	
1	Gas Grill	50,000	20	20	0	0	50	
1	Water Heater	40,000	130	130	0	0	40	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
				0	0	0	0	
				0	0	0	0	
				0		0	0	
			Total Therms per Year	650			890	0

System Map Page: 0 Hourly Max: 712 0 SCFH-Daily Hrs @ this rate: 0
Map Book Page: Demand: Ave: 445 0 SCFH-Daily Hrs @ this rate: 0
Plans Attached: Min.: 89 0 SCFH-Daily Hrs @ this rate: 0
Information to be suppl - Total Hours: 0

Meter Required: Make Size & Type Capacity
Meter By-Pass Required Full Meter Only Perm Temp.
Meter in Stock ? To Be Ordered Date Ordered P.R. No.
Regulator Required: Make Size & Type Capacity
Regulator in Stock ? To Be Ordered Date Ordered P.R. No.
Overpressure Protection: IRV Monitor Regulator Relief Valve
Make Size and Type Capacity
In Stock ? To Be Ordered Date Ordered P.R. No.
Metering Pressure W.C. PSI Compensating Index Factor
Estimated Cost of Meter Set Installed $
Remarks

Completed By Date
Approved By Date
Meter # Issued By Date
Meter Set Date Recorded By Date

04/09/08 TO OPERATIONS - RETURN TO SALES

Clara Leider

From: Kitner Don
Sent: Sunday, February 18, 2007 9:01 AM
To: Seagrave Marc
Cc: Cox Doreen; Dysard Heidi
Subject: River Oaks
Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

Marc,
Attached is the approval package for River Oaks. This is an existing community in DeBary near I-4 that wants natural gas in their community. 16 residential and 1-commercial accounts are ready to commit to install natural gas. Each will pay a $225.00 non-refundable contribution to off-set the ECC associated with the installation. An additional 7 residents will also pay the $225.00 further off-setting the ECC amount. They feel having natural gas available will increase the value of their house. The ECC is $10,969 with $5,625 being paid upfront leaving a balance of $5,344 to be collected utilizing the AEP surcharge.

As before please do not change the RNGS's as the ones attached are the only versions that have been approved at the division.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

FLORIDA PUBLIC UTILITIES COMPANY

REQUEST FOR NEW GAS SERVICE **EMPLOYEE #2429**

Residential [X] Commercial [ ] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [X]

Customer Name: RIVER OAKS
Social Security #:
DBA/ or C/O:
Telephone #:
Service Address:
Alternate #:
City & State: DEBARY, FL Zip: 32713
Premise #:
Mailing Address: Zip:

Natural [X] Propane [ ] Metered [X] Bulk [ ]

Request For: Main Extension [ ] New Service [X] Reactivate Service [ ] Relocation [ ] Abandonment [ ]

Set & Lock Date:
Turn-On Date:
Turn-On Charge:
Meter Deposit:

Gas Account Number:
Converted From: E TO G
Tax District: DG71 Rate: AEP
State Tax:
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [X] 2psi [ ] 5 psi [ ] 20psi [ ]
S.I.C.: 99999 Meter Reading Route #: Pressure Factor:

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1.0000	Water Heater	40,000	130	130			40	
0.4375	Range	60,000	35	15			60	
0.5625	Dryer	24,000	50	28			24	
0.0000	Furnace	90,000	110	0			90	
0.8750	Fireplace	36,000	40	35			36	
1.0000	Grill	50,000	20	20			50	
0.2500	Generator	250,000	100	0			250	
				0			0	
				0			0	
			Total Therms per Year	228			550	0.0

System Map Page:
Hourly Max: 440
SCFH-Daily Hrs @ this rate:
Map Book Page:
Demand: Ave: 275
SCFH-Daily Hrs @ this rate:
Plans Attached:
Min.: 55
SCFH-Daily Hrs @ this rate:
Total Hours:

Number of Customers: 16
Total Annual Therms: 228
Annual Customer Charge: $96.00
Revenues - Customer Charge: $1,536.00
Non-Fuel Energy Charges: 0.48340
Revenues - Non-Fuel Charge: $1,766.83
Four Year Estimated Non-Fuel Revenues: $13,211.31
Estimated Construction Cost: $27,742.00
Negative Number Indicates Contribution Required: ($14,530.69)

Permits Required [ ] Easement Required [ ]
Estimated Start Date:
Estimated Completion:

SPECIAL PROVISIONS:

Cycle/Route: Initial: Date Turned On: Completed By:

Submitted By: Alicia Gladue

Approved By:

04/09/08

FLORIDA PUBLIC UTILITIES COMPANY
REQUEST FOR NEW GAS SERVICE

Residential [ ] Commercial [ ] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [X]

Customer Name: RIVER OAKS — Social Security #:
DBA/ or C/O: — Telephone #: 0
Service Address: 0 — Alternate #:
City & State: DEBARY, FL Zip 32713
Mailing Address: 0 Zip

Natural [X]
Flo-Gas [ ]
Metered [X]
Bulk [ ]

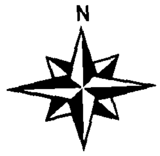
Request For: Main Extension [0] Relocation [ ] Set & Lock Date 1/0/1900
New Service [X] Abandonment [ ] Turn-On Date 01/00/00
Reactivate Service [ ] Turn-On Charge $0.00
Gas Account Number — Meter Deposit $0.00 — Converted From E TO G
Tax District DG71 Rate AEP
State Tax
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [X] 2psi [ ] 5 psi [ ] 20psi [ ]
S.I.C. 99999 0 Pressure Factor

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1	Water Heater	40,000	130	130		0	40	
0	Range	60,000	35	15	0	0	60	
1	Dryer	24,000	50	28	0	0	24	
0	Furnace	90,000	110	0	0	0	90	
1	Fireplace	36,000	40	35	0	0	36	
1	Grill	50,000	20	20	0	0	50	
0	Generator	250,000	100	0	0	0	250	
	0			0	0	0	0	
				0		0	0	
			Total Therms per Year	228			550	0

System Map Page 0 — Hourly Max 440 0 — SCFH-Daily Hrs @ this rate 0
Map Book Page — Demand: Ave 275 0 — SCFH-Daily Hrs @ this rate 0
Plans Attached — Min. 55 0 — SCFH-Daily Hrs @ this rate 0
Information to be suppl - — Total Hours 0

Meter Required: Make ______ Size & Type ______ Capacity ______
Meter By-Pass Required ______ Full ______ Meter Only ______ Perm ______ Temp. ______
Meter in Stock ? ______ To Be Ordered ______ Date Ordered ______ P.R. No. ______
Regulator Required: Make ______ Size & Type ______ Capacity ______
Regulator in Stock ? ______ To Be Ordered ______ Date Ordered ______ P.R. No. ______
Overpressure Protection: IRV ______ Monitor Regulator ______ Relief Valve ______
Make Size and Type ______ Capacity ______
In Stock ? ______ To Be Ordered ______ Date Ordered ______ P.R. No. ______
Metering Pressure ______ W.C. ______ PSI Compensating Index Factor ______
Estimated Cost of Meter Set Installed $ ______
Remarks ______

Completed By ______ Date ______
Approved By ______ Date ______
Meter # ______ Issued By ______ Date ______
Meter Set Date ______ Recorded By Date ______
04/09/08 TO OPERATIONS - RETURN TO SALES


N

Clara Leider

From: Kitner Don
Sent: Sunday, February 18, 2007 9:01 AM
To: Seagrave Marc
Cc: Cox Doreen; Dysard Heidi
Subject: River Oaks
Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

Marc,
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Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL
26 Branch Services (3 Long side) Prep. by: Scribben Date: 04/09/08 Sheet No.
3/4" CTS. PE Serv. to Serve: C:\Documents and Settings\CLEIDER\Local Setting:
River Oaks
DeBary

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	1,750	LF.	$0.15		262.50				$262.50
3/4" PE Tap Tee	13	EA.	$7.00		91.00				$91.00
3/4" Tap Tee (Stl.)	0	EA.	$20.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$10.00		0.00				$0.00
3/4" Riser Assy.	26	EA.	$13.50		351.00				$351.00
3/4" Meter Stop & Plug	26	EA.	$13.00		338.00				$338.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$2.50		0.00				$0.00
Tracer Wire & Warning Tape	1,750	FT.	$0.07		122.50				$122.50
Misc. Fitting	1	Lot	$80.00		80.00				$80.00
Frt. & Handling	$1,245.00		0.37%		4.61				$4.61
Sub - Total				0.00	1249.61	0.00	0.00	0.00	$1,249.61
Install Service:									
3/4" PE Pipe	1,350	LF.	$1.93				2605.50		$2,605.50
Directional Bore	0	LF.	$9.52				0.00		$0.00
3/4" PE Bore	400	FT.	$6.47				2588.00		$2,588.00
3/4" PE Tap Tee	0	EA.	$8.08				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$10.77				0.00		$0.00
3/4" Trans Fitting	0	EA.	$8.08				0.00		$0.00
3/4" Riser Assy.	26	EA.	$5.38				139.88		$139.88
3/4" PE Fittings	15	EA.	$5.38				80.70		$80.70
Under 75' Minimum	0	LF.	$215.25				0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$19.13				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$19.08				0.00		$0.00
Restore Sod	1,350	SF.	$0.80				1080.00		$1,080.00
Hand Ditch	1,350	FT.	$1.62				2187.00		$2,187.00
FPUC Crew	0	Day	$350.00	0.00		0.00			$0.00
Eng. & Inspection	1	Lot	$1,275.00	1083.75		191.25			$1,275.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				1083.75	0.00	191.25	8681.08	0.00	$9,956.08
Meter Set & Reg.	1	Lot	$3,805.52	1141.66	2283.31	380.55			$3,805.52
26 AC-250 Meter Sets									
EST. SERVICE COST				2225.41	3532.92	571.80	8681.08	0.00	$15,011.21
TOTAL EST. MAIN COST									$0.00
TOTAL EST. MAIN COST									
CIAC BASED EST. MAIN COST									
CIAC BASED TOTAL EST. PROJECT COST				2225.41	3532.92	571.80	8681.08	0.00	$15,011.21
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				2225.41	3532.92	571.80	8681.08	0.00	$15,011.21

Clara Leider

From: Kitner Don

Sent: Sunday, February 18, 2007 9:01 AM

To: Seagrave Marc

Cc: Cox Doreen; Dysard Heidi

Subject: River Oaks

Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

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Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL

Feeder Main & East Side Only Prep. by: Scribben Date: 04/09/08 Sheet No.

1_1/4" IPS. PE Main Ext. to Serve: C:\Documents and Settings\CLEIDER\Local Settings\

River Oaks

DeBary

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
1_1/4" PE Main Extension:									
1_1/4" PE Pipe	1,800	LF.	$0.33		$594.00				$594.00
1_1/4" PE Tap Tee	0	EA.	$12.00		$0.00				$0.00
1_1/4" (Stl.) Tap Tee	0	EA.	$68.50		$0.00				$0.00
1_1/4" Trans. Fitting	0	EA.	$14.00		$0.00				$0.00
1_1/4" PE 90 Degrees or 3-Way Tee	5	EA.	$3.50		$17.50				$17.50
1_1/4" PE Cap	2	EA.	$2.50		$5.00				$5.00
1_1/4" PE Valve	0	EA.	$160.00		$0.00				$0.00
Tracer Wire & Warning Tape	1,800	FT.	$0.07		$126.00				$126.00
Misc. Fitting	1	Lot	$35.00		$35.00				$35.00
Frt. & Handling	$777.50		$0.37		$287.68				$287.68
Sub - Total				$0.00	$1,065.18	$0.00	$0.00	$0.00	$1,065.18
Install Main: 1_1/4" PE									
1_1/4" PE Pipe	1,400	LF.	$2.17				$3,038.00		$3,038.00
1_1/4" PE Tap Tee	0	EA.	$8.08				$0.00		$0.00
1_1/4" (Stl.) Tap Tee	0	EA.	$10.77				$0.00		$0.00
1_1/4" Trans Fitting	0	EA.	$10.77				$0.00		$0.00
1_1/4" PE Fittings	7	EA.	$5.38				$37.66		$37.66
1_1/4" PE Valve	0	EA.	$10.77				$0.00		$0.00
Directional Bore	50	LF.	$9.52				$476.00		$476.00
Push & Pull 1_1/4" PE	600	LF.	$6.47				$3,882.00		$3,882.00
Under 500'Premium	0	FT.	$0.27				$0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$19.13				$0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$19.08				$0.00		$0.00
Restore Sod	1,400	SF.	$0.80				$1,120.00		$1,120.00
Hand Ditch	800	FT.	$1.83				$1,464.00		$1,464.00
Extra Depth (Over 42")	0	FT.	$0.75				$0.00		$0.00
FPUC Crew	0.50	Day	$350.00	$148.75		$26.25			$175.00
Eng. & Inspection	1	Lot	$1,600.00	$1,360.00		$240.00			$1,600 00
Survey	1	Lot							$0.00
Permit	1	Lot	$200.00					$200.00	$200.00
Misc. Labor	1	Lot	$250.00				$250.00		$250.00
SUB - TOTAL				$1,508.75	$0.00	$266.25	$10,267.66	$200.00	$12,242.66
TOTAL EST. MAIN COST				$1,508.75	$1,065.18	$266.25	$10,267.66	$200.00	$13,307.84
									==========
(MAIN Cost Per FT.)	$7.39								

D:\Exhibit 2.8\COX

Back · Search · Folders

Address D:\Exhibit 2.8\COX

Folders

ocuments
dobe
Win9
orel User Files
yberLink
y eBooks
y Music
y Pictures
egBak
omputer
½ Floppy (A:
P3014 (C:)
OXIO122 (D:
Exhibit 2.8
BACHMA
COX
KHOJAS
MARTIN
MESITE
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ings on 'FP3
g on 'Fp1\Dat
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Name	Size	Type	Date Modified	Location
RE Update on cost of capital.msg	29 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Update On Schedule D-2 (20).msg	31 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Untitled (45).msg	303 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled (85).msg	230 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled.msg	198 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

start · Case Ma... · Case Ma... · Case Ma... · D:\Exhi... · Links · Desktop · 1:29 PM

Wednesday, Apr 09, 2008 01:29 PM

Clara Leider

From: Kitner Don
Sent: Sunday, February 18, 2007 9:01 AM
To: Seagrave Marc
Cc: Cox Doreen; Dysard Heidi
Subject: River Oaks
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Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

HOA AGREEMENT

THIS HOA AGREEMENT (this "Agreement") is made and entered into effective this ____ day of ___________, 2007 (the "Effective Date"), by and between Florida Public Utilities Company, a Florida corporation ("Company"), and River Oaks CSA Inc., a Florida homeowners association ("HOA") (Company and HOA may sometimes be collectively referred to as the "Party" or "Parties").

WITNESSETH

WHEREAS, HOA intends to give permission to Company to install a natural gas distribution system within the community named River Oaks, located in Volusia County, Florida (the "Project") in order to make natural gas available to interested residents that have signed individual natural gas agreements with Company and have paid their necessary contribution for service to be installed to their homes. HOA has agreed to permit Company to install such a system to service the Project, pursuant to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Company and HOA hereby agree as follows.

1. **Installation of Gas Distribution System**.

1.1. Installation. Company agrees to install a natural gas distribution system within the residential portions of the Project, including all necessary distribution lines, meters and ancillary facilities (collectively, the "Gas Distribution System") as Company deems reasonably necessary to provide natural gas service to owners, occupants and residents within the Project. From time to time, Company shall install additional lines, meters and ancillary facilities ("System Extensions") which Company deems reasonably necessary to extend the Gas Distribution System to other areas of the Project in order to supply gas service to non-residential portions of the Project that apply for and qualify for gas service from Company. For purposes of this Agreement, the term "Gas Distribution System" shall include any System Extensions that are added by Company.

1.2. Location. The location of the gas lines and all infrastructure and improvements relating to the Gas Distribution System shall be subject to HOA's prior written approval, which approval shall not be unreasonably withheld or delayed. Prior to commencing installation of the Gas Distribution System, Company shall provide, for HOA's review and comment, plans and specifications in accordance with which the Gas Distribution System is to be installed (Gas Distribution System Plans and Specifications"). Upon completion of installation of each three thousand (3000) linear feet of the Gas Distribution System (each being a "Completed Portion"), Company shall commence restoration of those portions of the Project disturbed by Company during installation of the Completed Portion and shall continue diligently such restoration work until complete. Restoration work shall be completed so that the surface of the land shall be restored to substantially the same condition existing immediately prior to commencement of the installation of the Completed Portion.

1.3. Preparation for Installation and Easements.

1.3.1. HOA agrees to provide adequate physical and legal access (including the easements described below) to all areas of the Project where portions of the Gas Distribution System are to be installed to access, maintain and operate the Gas Distribution System. Such easements are identified in the plat referenced in 1.3.2.

1.3.2. HOA has provided Company a plat of all or a portion of the Project (recorded in Official Records Book 19, Page 125, Public Records of Volusia County, Florida), which depicts the location of streets, lots and easements encompassed therein (the "Plat"). If additional plats ("Additional Plats") are created for the Project, HOA shall provide Company a copy thereof within ten (10) days after recording. The Plat and all Additional Plats (whether or not provided to Company) shall be collectively referred to herein as "Project Plats". Notwithstanding any provision contained herein to the contrary and in addition to the easements referenced in Section 1.3.1 hereof, HOA hereby grants Company an easement over those portions of the Project designated on Project Plats as a utility easement or right-of-way (public or private) (or other similar designations) for purposes of installing, operating, maintaining, repairing and replacing the Gas Distribution System.

1.3.3. HOA reserves the right to relocate any easement granted to Company if HOA deems such relocation to be necessary for the development of the Project. If Company has not installed the portion of the Gas Distribution System proposed to be installed in the relocated easement, but has commenced the design and engineering thereof prior to the date Company receives written notice from HOA of its desire to amend an easement, HOA shall be required (prior to amendment of the easement) to reimburse Company for Company's actual, out-of-pocket expenses incurred in redesigning and/or reengineering the applicable portion of the Gas Distribution System. If HOA desires to relocate any easement relating to a portion of the Gas Distribution System after the system has been installed, HOA must first, (a) obtain Company prior written consent (which consent shall not be unreasonably withheld or delayed) and (b) reimburse Company for all costs incurred by Company in relocating the Gas Distribution System, including, but not limited to the cost of redesigning and/or reengineering the Gas Distribution System, and the cost of all materials and labor therefore.

1.4. Coordination of Installation. Company agrees to cooperate with HOA with respect to the construction of the Gas Distribution System so as to minimize interference with or delay to HOA's construction and development of the Project. HOA will notify the Company in writing of any proposed or anticipated construction schedule for the Project. HOA acknowledges that Company will rely upon the HOA's Construction Schedule for purposes of coordinating its acquisition of materials, mobilization of equipment and labor at the worksite and installation of the Gas Distribution System.

1.5. Ownership of Gas Distribution System; Maintenance. Notwithstanding any provision contained herein to the contrary, the Gas Distribution System shall remain the exclusive property of Company at all times during the term of this Agreement and following its expiration or earlier termination. Company shall have the sole obligation and responsibility for the maintenance of the Gas Distribution System. Company shall at all times maintain the Gas Distribution System in accordance with the requirements of all appropriate governmental and regulatory agencies.

1.6. Supply Date. Subject to any delay caused by Force Majeure or the actions or inactions of HOA, Company agrees that the Gas Distribution System installation shall commence when 16 residents have executed an individual gas service agreement, 25 non-refundable improvement of facilities forms are executed and 1 commercial gas service agreement has been executed.

1.7. Minimum Required Appliance Installation. A minimum of 3600 therms collectively from appliances listed on the Appliance Therm Rate Schedule is required. The Company has provided the HOA a copy of an Appliance Therm Rate Schedule for the Project, which is attached hereto as Exhibit "A" and incorporated herein (the "Appliance Therm Rate Schedule"). The HOA also agrees to the installation of a 400,000 BTU Spa Heater, 400,000 BTU Pool Heater, a Gas Grill and Gas Water Heater at the HOA's clubhouse.

2. **Successors, Assigns And Assignment**. The HOA and the Company each bind itself, its successors, assigns and legal representatives to the other party in respect to all covenants, agreements and obligations contained in this Agreement. If HOA desires to convey to other HOA or HOAs any or all of the land upon which the Project is to be constructed, such conveyance may not be undertaken and shall not be effective until such HOA or HOAs expressly assumes all of the obligations and responsibilities of HOA hereunder (to the reasonable satisfaction of Company). Similarly, if HOA desires to assign this Agreement or any portion hereof to a homeowner's association, as a condition of such assignment, the homeowner's association shall pass a valid and appropriate resolution expressly assuming all of the obligations and responsibilities of HOA hereunder (such resolution being to the reasonable satisfaction of Company).

3. **Force Majeure**. Neither Party shall be liable to the other for any failure to perform pursuant to the terms and conditions of this Agreement to the extent such performance

was prevented by an event of Force Majeure. The term "Force Majeure" shall mean Acts of God, strikes, lockouts, or other industrial disturbance, acts of the public enemy, wars, riots, epidemics, industrial disturbances that affect the Parties or its customers, breakage or non-foreseeable accident to machinery or lines of pipe, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the Party whose performance is affected and which, in each of the above cases, by the exercise of due diligence such Party is unable to prevent or overcome utilizing commercially reasonable efforts; such term shall likewise include the inability of a Party to acquire, or delays on the part of such Party in acquiring at reasonable cost and by the exercise of reasonable diligence, servitudes, rights of way, grants, permits, permissions, licenses, materials or supplies which are required to enable such Party to fulfill its obligations hereunder. The Party whose performance is excused by an event of Force Majeure shall promptly notify the other Party in writing of such occurrence and its estimated duration, shall promptly remedy such Force Majeure if and to the extent reasonably possible and shall resume such performance as soon as possible; provided, however, that neither Party shall be required to settle any labor dispute against its will.

4. **Duration**.

4.1. Expiration; Automatic Extension. Subject to Subsection 4.2 hereof, this Agreement shall automatically expire twenty (20) years after execution of Agreement. The term of this Agreement shall be automatically extended for terms of one (1) year periods unless written notice is provided at least ninety (90) days but no greater than one hundred twenty (120) days prior to the expiration of the initial term of this Agreement or any extension thereto by one Party to the other Party that it will not allow the extension of the term of this Agreement.

4.2. Early Termination. Notwithstanding any provision contained herein to the Contrary, either Party may terminate this Agreement by providing the other at least fifteen (15) days prior written notice if the 17 required services have been activated with 3600 therms.

4.3. Survival of Easements. Notwithstanding the expiration or earlier termination of this Agreement (regardless of the cause therefore), the easements created herein and required to be granted herein shall survive, and the rights, privileges and responsibilities created therein shall not be adversely affected by, the termination or expiration of this Agreement

5. **Notices**. Any notices sent by either party to the other pursuant to this Agreement shall be sent by either U.S. mail, postage prepaid, return requested, or by receipted overnight national delivery service (e.g., Federal Express), and shall, if not sooner received, be deemed received three (3) business days after deposit in the United States Mail, or one business day after receipt by any overnight national delivery service, as aforesaid. All

notices shall be addressed to each party at the following address, or such other address as either party may hereafter designate to the other party in writing:

If to HOA:	River Oaks CSA Inc. P O Box 7149 Daytona Beach, Florida 32116 Attn: Joe Alemany Fax No. 386.XXX.XXXX Phone No. 386.753.1758
If to Company:	Florida Public Utilities Company 401 South Dixie Highway West Palm Beach, Florida 33401-5807 Attn: Marc Seagrave, Director of Marketing Fax No. 561.833.8562 Phone No. 561.838.1714
with a copy to:	P.O. Box 530969 DeBary, Florida 32753-0969 Attn: Donald Kitner, Director Fax No. 386.668.2692 Phone No. 386.668.2600

6. **Governing Law: Dispute Resolution**. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without reference to the laws of any other jurisdiction. HOA and Company agree to submit any disputes arising under this agreement to non-binding mediation; provided, that applicable statutes of limitation will be tolled during the pendency of such mediation. In the event Company and HOA cannot in good faith agree on a mediator within fifteen (15) days of the request of either party for mediation, or, if the parties remain in dispute following mediation, any such dispute will be resolved by final, binding arbitration. Arbitration shall be accomplished expeditiously in Orange County, Florida, and shall be conducted by the American Arbitration Association (in accordance with its rules) which will appoint three arbitrators, one of which must be an attorney. The arbitrators shall render a written judgment accompanied by findings of fact and conclusions of law, which are subject to review by the appellate courts of the State of Florida. Judgment upon the award rendered by the arbitrator(s) may be entered in any Court having jurisdiction thereof. The parties shall share equally the arbitrators' fees and costs until the prevailing party is determined or the parties have agreed in writing to an alternate allocation of fees and costs. In any suit or arbitration proceeding brought by either party, the prevailing party will be entitled to recover attorneys' fees, costs and expenses actually incurred by the prevailing party in such suit or arbitration proceeding or in any appeal. The parties consent that any arbitration may be consolidated with any other arbitration concerning this Agreement to which Company or HOA is a party and that a

dispute shall not be submitted to such binding arbitration if there are any third parties who are not subject to such binding arbitration but who are proper parties to such dispute. This Section 7 shall survive expiration or any termination of this Agreement.

7. **Indemnity; Damages to Property; Limitation on Liability**.

7.1. Company agrees to protect, defend, reimburse, indemnify and hold the HOA, its agents and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as HOA, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by HOA by reason of the negligent or intentional acts of the Company; provided however, that Company shall not be responsible to HOA for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of HOA, its respective agents, servants, employees, officers, tenants, residents or homeowners.

7.2. HOA agrees to protect, defend, reimburse, indemnify and hold the Company, its agents, and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as Company, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by Company by reason of the negligent or intentional acts of HOA and its respective agents, servants, employees, officers, tenants, residents or homeowners; provided however, that Builder shall not be responsible to Company for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of Company.

7.3. Any damage to the Project caused by Company, its agents or employees, shall be promptly repaired to the reasonable satisfaction of HOA at Company's expense. Any damage caused to Company's equipment by HOA, its agents, employees, contractors, subcontractors, tenants, residents or homeowners shall be promptly repaired by Company at HOA's expense. HOA will take all reasonable precautions to notify its agents, employees, contractors, subcontractors, tenants, residents and homeowners of the location of Company's equipment.

7.4. Neither the Company nor HOA shall have liability to the other party or any third party for any special, indirect, incidental or consequential damages or loss of any kind, including, without limitation, loss of profits or savings, loss of use, or similar damages, whether based on strict liability, or negligence, whether resulting from installation, use or maintenance of the Gas Distribution System, breach of this Agreement or otherwise, except for direct, specific damages to the extent caused by either party's negligence or misconduct.

7.5. This Section 7 shall survive the expiration or early termination of this Agreement.

8. **Miscellaneous**. This Agreement constitutes the entire understanding and agreement between the Parties and supersedes any and all prior negotiations, understandings or agreements with respect to this subject matter. This Agreement may be amended only by written instrument signed by both of the Parties. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under Florida law, but if any provision of this Agreement or the application thereof to any Party or circumstance is prohibited by or invalid under applicable law, that provision shall be effective only to the extent of such prohibition or invalidity, without invalidating the remaining provisions of this Agreement or the application of the same. Nothing contained herein shall be construed as a joint venture, partnership or any other similar relationship between Company and HOA. The captions, headings, titles, and subtitles herein are inserted for convenience of reference only and are to be ignored in any construction of the provisions of this Agreement. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties, and their respective successors and assigns, and no assignment shall relieve either Party of such Party's obligations hereunder without written consent of the other Party. This Agreement shall be subject to all applicable laws, rules, orders, permits, and regulations of any federal, state, or local governmental authority having jurisdiction over the Parties, their facilities, or the transactions contemplated. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one in the same instrument.

9. **Recording**. This Agreement may be recorded by Company among the Public Records of the County in which the Project is located.

10. **Exclusivity**. During the term of this Agreement and for a period of ten (10) years thereafter, HOA shall not install, cause to be installed, or allow to be installed any other gas distribution system in the Project or any other system or mechanism for delivery of natural gas or propane gas to residents in the Project. HOA agrees that Company has an exclusive right to provide natural gas services to the Project and that HOA will not grant, or allow others to grant any easement or right-of-way for purposes of delivering natural gas service. HOA certifies that there is no existing contractual agreement with any third party for the provision of natural gas service to the Project, with the exception of this Agreement.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

COMPANY:

FLORIDA PUBLIC UTILITIES COMPANY,
a Florida corporation

Witnesses:

Sign: ____________________

Print: ____________________

By: ______________________________
Name: ______________________________
Title: ______________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF _____________

BEFORE ME, the undersigned authority, personally appeared _______________, as _____________________ of FLORIDA PUBLIC UTILITES COMPANY, a Florida corporation, who is either personally known to me or who provided _________________ as identification, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said corporation.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ____________________________
My Commission Expires: _________________
(AFFIX NOTARY SEAL)

HOA:

River Oaks CSA Inc.
a Florida corporation

Witnesses:

Sign: ____________________

Print: ____________________

By: ________________________________
Name: ________________________________
Title: ________________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF ____________

BEFORE ME, the undersigned authority, personally appeared _______________, as _____________________ of River Oaks CSA Inc., a Florida Corporation, who is either personally known to me or who provided _________________ as identification, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said ______________________.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ____________________________
My Commission Expires: _________________
(AFFIX NOTARY SEAL)

EXHIBIT "A"
Appliance Therm Rate Schedule

Appliances Therms	Estimated Annual
• Water Heater	
○ 30 gallon	**110**
○ 40 gallon	**130**
○ Tankless– small residential	**130**
○ 50 gallon	**150**
○ 75 gallon	**190**
○ Tankless – commercial & large residential	**170**
• Range	**35**
• Dryer	**50**
• Grill	**20**
• Hydro-Heat	
○ Single Family	**130**
○ Multi-Family (includes water heater)	**170**
• Fireplace	**40**
• Space Heater	**40**
• Furnace	
○ 60,000 – 90,000 BTU	**110**
○ 90,001 – 120000 BTU	**130**
○ 120,001 & Greater BTU	**150**
• Pool / Spa Heater	**250**
• Generator	**00**

* Additional like appliances per account will be at 50% of the estimated load value. Gaslights will be exempt from this criterion and will be calculated at full load, per light.

FPU Initials: ________
Date: ________
Builder Initials: ________
Date: ________

Clara Leider

From: Kitner Don
Sent: Sunday, February 18, 2007 9:01 AM
To: Seagrave Marc
Cc: Cox Doreen; Dysard Heidi
Subject: River Oaks
Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

Marc,
Attached is the approval package for River Oaks. This is an existing community in DeBary near I-4 that wants natural gas in their community. 16 residential and 1-commercial accounts are ready to commit to install natural gas. Each will pay a $225.00 non-refundable contribution to off-set the ECC associated with the installation. An additional 7 residents will also pay the $225.00 further off-setting the ECC amount. They feel having natural gas available will increase the value of their house. The ECC is $10,969 with $5,625 being paid upfront leaving a balance of $5,344 to be collected utilizing the AEP surcharge.

As before please do not change the RNGS's as the ones attached are the only versions that have been approved at the division.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

Instructions for using the AEP & Net Present Value (NPV) Templates

Revised 5/18/2005

OBJECTIVE

The AEP & Net Present Value (NPV) Templates are to be used as an analytical tool for evaluating potential revenue generating investments and to determine the AEP surcharge rate for the recovery of the Excess Construction Costs.

INPUT

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1	**Project Name**	Short description of investment.
2	**Beginning in Year**	Projected year that the project will commence.
3	**Piping Allowance**	Estimated Piping Allowance per class of customer if not capitalized (see note 24).
4	**Occupancy Rate**	Anticipated occupancy level.
5	**Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
6	**Mains**	Cost of installing main per year.
7	**New Residential Customers**	Estimated residential customer added each month for each year.
8	**Therms per Customer each Month**	Average monthly therms per residential customer.
9	**New General Service Customers**	Estimated General Service customers added each month for each year.
10	**Therms per Customer each Month**	Average monthly therms per General Service customer.
11	**New Large Volume Customers**	Estimated Large Volume customer added each month for each year.
12	**Therms per Customer each Month**	Average monthly therms per Large Volume customer.
13	**Gas Lighting Service**	Estimated other customer added each month for each year.
14	**Therms per Customer each Month**	Average monthly therms per other customer.
15	**Customer Charge**	Estimated Customer Charge for Other Customers added.
16	**Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
17	**Other Expenses**	Other expenses estimated to be incurred from the project for each year eg Sales Rep Commissions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
18	**AEP Worksheet**	Enter AEP surcharge rate that provides cost recovery within 8-10 years.

GENERAL INFORMATION

19 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

20 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee, including piping allowance (capitalized) will be depreciated at the same rate as the other capital expenditure items. The actual contract, however, should be worded such that it allows us to depreciate the piping allowance over the life of the contract.

Instructions for using the AEP & Net Present Value (NPV) Templates

NPV MODEL ASSUMPTIONS

25 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.
26 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.
27 Required Return - WACC as per Year End Survellance Report using Cost of Equity Rate as per last Rate Case.
28 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.
29 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.
30 Interest Rate - Weighted Average Cost of Debt.
31 Depreciation Book % - Book Depreciation Rate.
32 Income Tax % - Income Tax Rate.

PROCESS

33 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**
34 Submit NPV (& AEP) worksheets for approval as per steps below.
35 Prepare IR after approval has been granted.
36 Submit approved IR , AEP worksheet and NPV to General Accounting.
37 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director
↓
Director - Propane Operations] If Propane Project
Barry Kennedy
↓
Marketing Director
Marc Seagrave
↓
Accounting
George Bachman / Doreen Cox
↓
Senior VP & COO
Chuck Stein
↓
President & CEO
Jack English
↓
Director

INPUT SHEET

Project Name **RIVER OAKS**
Beginning in Year **2007**

Prepared By: ____________
Date: **4/9/2008**
I.R. #: ____________
AEP #: ____________

NON AEP CONTRIBUTION **$ 5,625**

	Residential	Commercial	R Industrial	Gas Lights
Piping Allowance	**$ 100**			

Occupancy Rate : **100%**

Construction:

SERVICES-cost per customer:	Residential	General Serv	Large Volume	Gas Lights
	$ 577	**$ 577**		

Year:	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	Total Main $
MAINS:	**13,308**										13,308

Total Service $	Total Const.
9,815	$ 23,123

Enter Customers ADDED each Month by Tariff Rate Schedule below:

RESIDENTIAL CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1		4	4	4	4								16	16	1824	1824	881.72	1,216
2													0	16	0	2304	1113.75	1,536
3													0	16	0	2304	1113.75	1,536
4													0	16	0	2304	1113.75	1,536
5													0	16	0	2304	1113.75	1,536
6													0	16	0	2304	1113.75	1,536
7													0	16	0	2304	1113.75	1,536
8													0	16	0	2304	1113.75	1,536
9													0	16	0	2304	1113.75	1,536
10													0	16	0	2304	1113.75	1,536

Therms per Customer each month: 12.00 << Enter average therms used per customer in a month

Base Rate per Therm Residential : 0.48340 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $8.00 << Per Tariff

GENERAL SERVICE CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1		1											1	1	595.83333	595.8333333	191.30	165
2													0	1	0	650	208.70	180
3													0	1	0	650	208.70	180
4													0	1	0	650	208.70	180
5													0	1	0	650	208.70	180
6													0	1	0	650	208.70	180
7													0	1	0	650	208.70	180
8													0	1	0	650	208.70	180
9													0	1	0	650	208.70	180
10													0	1	0	650	208.70	180

Therms per Customer each month: 54.16666667 << Enter average therms used per customer in a month

Base Rate per Therm General Serv : $ 0.32107 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $15.00 << Per Tariff

LARGE VOLUME CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Large Volume : $ 0.23809 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $45.00 << Per Tariff

GAS LIGHTING SERVICE

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Light each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Gas Lights $ 0.17689 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge ______ **<< Per Tariff - applicable for customers with only Gas Lights**

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Income															
Other Expenses		591													

Area Expansion Program

Project Name: RIVER OAKS
I.R. #: 0
AEP #: 0
Prepared By: 0

Procedure No. MKT 1.1
Effective Date: 4/21/2005
Revision # 12.3

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Construction and Revenue Summary:

Estimated Construction Cost (CC):	$ 23,123	(Total from input on next page)
Customer Contribution	5,625	
Four Years Revenue (MACC)*:	12,154	Four years revenue
Net Excess Construction Cost (ECC):	$ 5,344	

Calculation of AEP Surcharge:

AEPS= (ECC+(ROR*T1*.5*ECC))/T2*TH)

ECC	5,344	As computed on Wkst
ROR	8.070%	Company's Authorized Rate
T1	10	Years for collection
T2	1	(1 if total therms used forT1)
TH	26,841	Total 10 year therms
AEPS	$ 0.279	Original calculation

Manual Input: Override Computed AEPS $ 0.300
and Rate breakdown

Summary of projected Therms:

Year	Total Annual Residential Usage	Total Annual General Serv Usage	Total Annual Large Volume Usage	Total Annual Gas Light Usage	Total Therm Load Added
1	1824	596	0	0	2420
2	2304	650	0	0	2954
3	2304	650	0	0	2954
4	2304	650	0	0	2954
5	2304	650	0	0	2954
6	2304	650	0	0	2954
7	2304	650	0	0	2954
8	2304	650	0	0	2954
9	2304	650	0	0	2954
10	2304	650	0	0	2954
Total	22,560	6,446	-	-	29,006

** Rate Breakdown:		AEPS / therm	Ratio : This % of therms per class are counted in 10 year therm total
RS	Residential	0.300	100.0000%
GS	General Service	0.199	66.4191%
LVS	Large Volume Service	0.148	49.2532%
Gas Lights		0.110	36.5929%

Projected Cash Flow of:
Revenue

Year	Residential Non-fuel Revenue	Residential Customer Charge	General Serv. Non-fuel Revenue	General Serv. Customer Charge	Large Volume Non-fuel Revenue	Large Volume Customer Charge	Lights Non-fuel Revenue	Lights Customer Charge	Total Base Revenue	AEP collection: Excess Construction Cost	AEPS Surcharge	Balance before Interest	Interest charge (cost of money)	Total Cost To be recovered
1	882	1,216	191	165	-	-	-	-	$ 2,454	$ 5,344	$ 666	$ 4,678	$ 189	$ 4,867
2	1,114	1,536	209	180	-	-	-	-	3,038	-	821	4,046	360	4,406
3	1,114	1,536	209	180	-	-	-	-	3,038	-	821	3,585	322	3,908
4	1,114	1,536	209	180	-	-	-	-	3,038	-	821	3,087	282	3,369
5	1,114	1,536	209	180	-	-	-	-	3,038	-	821	2,548	239	2,787
6	1,114	1,536	209	180	-	-	-	-	3,038	-	821	1,966	192	2,158
7	1,114	1,536	209	180	-	-	-	-	3,038	-	821	1,337	141	1,479
8	1,114	1,536	209	180	-	-	-	-	3,038	-	821	658	86	744
9	1,114	1,536	209	180	-	-	-	-	3,038	-	821	(77)	27	(50)
10	1,114	1,536	209	180	-	-	-	-	3,038	-	821	(871)	(37)	(908)
Total	$ 10,906	$ 15,040	$ 2,070	$ 1,785	$ -	$ -	$ -	$ -	$ 29,800	$ 5,344	$ 8,052		$ 1,801	

MODIFIED TO INCLUDE CUSTOMER CONTRIBUTION

Cash Flow Investment Analysis

Date: 4/9/2008

Revision #	12.3	
Procedure No.	ACT-5.11	
Effective Date:	4/6/2006	
	Initial	Date
Prepared By:		
Approved By:	Dir of Mktg	
	Fin Analyst	
	CFO	
	COO	
	CEO	

REGULATED / NON-REGULATED

R

Project Title: **RIVER OAKS**

Beginning in Year: **2007**

Input Area:

	Residential	Commercial	Industrial	Gas Lights
Annual Therms per Customer / Light	144	650	-	-
Piping Allowance	$ 100	$ -	$ -	$ -
Cost of SERVICE per Customer	$ 577	$ 577	$ -	$ -
Customer Charge (mth)	$8.00	$15.00	$45.00	$0.00
Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$0.17689

Overall Result: **Project meets or exceeds minimum 15 year required return!**

Occupancy Rate : 100%

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New Residential Customers	16	-	-	-	-	-	-	-	-	-					
New Commercial Customers	1	-	-	-	-	-	-	-	-	-					
New Industrial Customers	-	-	-	-	-	-	-	-	-	-					
New Gas Lights	-	-	-	-	-	-	-	-	-	-					
Total Customers added for year	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Customers	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17
Total Gas Lights added for year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Gas Lights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	0	590.8	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures on Services	9,815	-	-	-	-	-	-	-	-	-					
Capital Expenditures (Exc. Services)	13,308	-	-	-	-	-	-	-	-	-					
Upfront Capital Exp (Contributions)'	(10,969)														
Total Capital Expenditures by Year (List AEP ECC as contribution (credit))	$ 12,154	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Output Area: Cash Flow by Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Base Revenue	$2,454	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$2,454	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038
O&M Expense (Incl TOTI)	761	942	942	942	942	942	942	942	942	942	942	942	942	942	942
Other Expenses	0	591	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortized Piping Cost	229	229	229	229	229	229	229	0	0	0	0	0	0	0	0
Depreciation, Book	810	810	810	810	810	810	810	810	810	810	810	810	810	810	810
	1,800	2,572	1,981	1,981	1,981	1,981	1,981	1,752	1,752	1,752	1,752	1,752	1,752	1,752	1,752
Operating Income before Income Tax	654	467	1,058	1,058	1,058	1,058	1,058	1,286	1,286	1,286	1,286	1,286	1,286	1,286	1,286
Adjust to cash flow:															
Add: Depreciation, Book	810	810	810	810	810	810	810	810	810	810	810	810	810	810	810
Add: Amortized Piping	229	229	229	229	229	229	229	0	0	0	0	0	0	0	0
Less: Actual Income Tax	(361)	(13)	278	342	402	457	495	518	518	519	518	519	518	519	518
After Tax Cash Flow (before capital investments)	2,054	1,519	1,818	1,754	1,695	1,639	1,601	1,579	1,578	1,578	1,578	1,578	1,578	1,578	1,578
Less: Piping Costs	1,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Capital Expenditure - Cash Outlay	12,154	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Memo: Cumulative Capital Expenditure	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154	12,154
Asset remaining value															16,772
Net Cash Flow (w/ 15 yr ending book value)	(11,700)	1,519	1,818	1,754	1,695	1,639	1,601	1,579	1,578	1,578	1,578	1,578	1,578	1,578	18,350

Net Present Value (fifteen years) $ **7,000** *Zero = Meets Required Return*

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Income before Income Tax	654	467	1,058	1,058	1,058	1,058	1,058	1,286	1,286	1,286	1,286	1,286	1,286	1,286	1,286
Less:Interest Costs*	445	387	318	251	187	124	64	4	0	0	0	0	0	0	0
Net Income before Taxes	210	80	740	807	871	933	994	1,283	1,286	1,286	1,286	1,286	1,286	1,286	1,286
Less: Book Income Tax (37.63%)	79	30	278	303	328	351	374	483	484	484	484	484	484	484	484
Net Income after Book I/T	131	50	462	503	543	582	620	800	802	802	802	802	802	802	802
Earnings Per Share - Investment															
Corporate EPS after Investment	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Cumulative Net Cash Flow	(11,700)	(10,181)	(8,362)	(6,608)	(4,913)	(3,274)	(1,672)	(93)	1,485	3,062	4,641	6,218	7,796	9,374	27,724
Cumulative Depr. Reserve	810	1,621	2,431	3,241	4,051	4,862	5,672	6,482	7,292	8,103	8,913	9,723	10,533	11,344	12,154
Cumulative Piping Allowance	1,371	1,143	914	686	457	229	0	0	0	0	0	0	0	0	0
Book Rate of Return	4.53%	3.74%	7.33%	7.86%	8.53%	9.40%	10.55%	14.17%	16.50%	19.81%	24.76%	33.01%	49.51%	99.03%	##########
Economic Value Added (EVA)	(340)	(413)	(5)	35	76	118	161	346	410	475	541	606	672	737	17,575
NPV (EVA) $	7,000														

Net Present Value of Cap. Exp.	12,154
Net Present Value of Pip. Exp.	1,600

Average Rate of Return on Investment:

15 Years (IRR) **15%**

Revenue Comparison:

Four Year Revenue $12,154

Customer Totals:	15 Yr Total
Added Residential Customers	16
Added Commercial Customers	1
Added Industrial Customers	-
Cumulative Customers	17
Capital Expenditure per Customer $	715

Summary of Rates used

Depreciation Book %	6.67%
Income Tax %	37.62%
Base Earnings per Share	$ 0.71

Required Return	8.07%
Ratio of Debt Financing	50.00%
O&M Expense %	31.00%
Interest Rate	7.60%

CONFIDENTIAL

REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN xlsNPV Template4/9/20084 17 PM

RATES :		RESIDENTIAL	COMMERCIAL	INDUSTRIAL	GAS LIGHTS
REGULATED	Customer Charge (mth)	$8.00	$15.00	$45.00	$ -
	Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$ 0.17689

	REGULATED	NON-REGULATED
REQUIRED RETURN	8.07%	15.00%

TEMPLATE REVISION LOG

NPV Rev #	AEP Rev #	Date	Name	Changes Made	Approved By
		1/22/2004	DC	Made template a R only - NR will be done on the original 15 year template.	GB, DK
		1/27/2004	DC	Change Months on Input Sheet to "Month 1", "Month 2" etc	GB, DK
		1/27/2004	DC	Added detailed approval section on AEP Worksheet	DK
		1/28/2004	DC	Corrected AEP cell # C35 to reference Input S23	DK
		1/29/2004	DC	Changed AEP Deferred Costs formulas (Col K35 - K 44) so that Deferred Charges do not exceed amounts projected to be spent. Revised comment. Confirmed with MN and BG that costs are allocated first to ECC in the books.	DK, GB
		1/29/2004	DC	Changed NPV Cell B23 to an "IF" Statement, so that projects that do not have an ECC show aero contribution on the NPV.	DK
		1/29/2004	DC	Put if statement on AEP worksheet so that projects that do not have an ECC do not calculate a Deferred Debit, interest etc..	
11.4	1.2	7/8/2004	DC	Updated Non-Fuel Rates as per Interim Rates approved by PSC effective for Meter Reads August 2004. NSB template removed - rates for rest of Company to be used as rates will eventually be the same at final hearing.	GB, DK
11.5		10/6/2004	DC	Revised formula for the contribution on the NPV to be zero when there is no AEP surcharge even though there may be a small ECC.	GB
11.6		11/18/2004	DC	Updated Non-Fuel Rates as per Rates approved by PSC effective 11/18/04	MS, DK, GB
		11/18/2004	DC	Updated Interest Rate - See back-up WACD - Gas Rate Case	GB
		11/18/2004	DC	Updated ROR to reflect WACC approved in NG Rate Case effective 11/18/04	GB
	1.3	11/18/2004	DC	Updated ROR as per WACC approved in Gas Rate Case 10/18/04 effective 11/18/04	GB
		11/18/2004	DC	Added Gas Lighting Service - checked by DK 10/29/04	GB, DK
11.7	1.4	2/18/2005	DC	Update ROR to reflect Year-end Surveillance Rate	GB
12	2	3/9/2005	DC	Link AEP & NPV to Input Sheet so that revenues are recognized in the month of projecte not year-end turn-ons.	GB, DK
12.1	2.1	3/31/2005	DC	Updated ROR to reflect final Year-end Surveillance Report Rate	CM
12.2	12.2	4/21/2005	DC	Updated O&M % to reflect Budget 2005 (adjusted for Propane savings $604 less tax)	GB
12.2		2/24/2006	DC	Updated Avg Shares Outstansing and Available for Common as at 12/31/2005	GB
12.3	12.3	4/6/2006	DC	Update ROR to reflect Dec 2005 Average Mid-Point Surveillance Rate	GB

Clara Leider

From: Kitner Don

Sent: Sunday, February 18, 2007 9:01 AM

To: Seagrave Marc

Cc: Cox Doreen; Dysard Heidi

Subject: River Oaks

Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

Marc,
Attached is the approval package for River Oaks. This is an existing community in DeBary near I-4 that wants natural gas in their community. 16 residential and 1-commercial accounts are ready to commit to install natural gas. Each will pay a $225.00 non-refundable contribution to off-set the ECC associated with the installation. An additional 7 residents will also pay the $225.00 further off-setting the ECC amount. They feel having natural gas available will increase the value of their house. The ECC is $10,969 with $5,625 being paid upfront leaving a balance of $5,344 to be collected utilizing the AEP surcharge.

As before please do not change the RNGS's as the ones attached are the only versions that have been approved at the division.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

FLORIDA PUBLIC UTILITIES COMPANY

REQUEST FOR NEW GAS SERVICE **EMPLOYEE #2429**

Residential [ ] Commercial [X] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [X]

Customer Name: RIVER OAKS CSA INC (CLUBHOUSE)
Social Security #:
DBA/ or C/O:
Telephone #:
Service Address: 241 RIVER VILLAGE DRIVE
Alternate #:
City & State: DEBARY, FL Zip: 32713
Premise #:
Mailing Address: Zip:

Natural [X]
Propane [ ]
Metered [X]
Bulk [ ]

Request For: Main Extension [ ] New Service [X] Reactivate Service [ ]
Relocation [ ] Abandonment [ ]
Set & Lock Date: Turn-On Date: Turn-On Charge:

Gas Account Number: Meter Deposit: Converted From: PROPANE TO NATURAL GAS
Tax District: DG71 Rate:
State Tax:
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [X] 2psi [ ] 5 psi [ ] 20psi [ ]
S.I.C.: 99999 Meter Reading Route #: Pressure Factor:

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1	Pool Heater	400,000	250	250			400	
1	Spa Heater	400,000	250	250			400	
1	Gas Grill	50,000	20	20			50	
1	Water Heater	40,000	130	130			40	
				0			0	
				0			0	
				0			0	
				0			0	
				0			0	
			Total Therms per Year	650			890	0.0

System Map Page: Hourly Max: 712 SCFH-Daily Hrs @ this rate:
Map Book Page: Demand: Ave: 445 SCFH-Daily Hrs @ this rate:
Plans Attached: Min.: 89 SCFH-Daily Hrs @ this rate:
Number of Customers: 1 Total Hours:
Total Annual Therms: 650
Annual Customer Charge: $180.00 Revenues - Customer Charge: $180.00
Non-Fuel Energy Charges: 0.48340 Revenues - Non-Fuel Charge: $314.21
Four Year Estimated Non-Fuel Revenues: $1,976.84
Estimated Construction Cost: $577.00
Negative Number Indicates Contribution Required: $1,399.84

Permits Required [ ] Easement Required [ ] Estimated Start Date:
Estimated Completion:

SPECIAL PROVISIONS: COMMUNIYT CLUBHOUSE- SEPARATE POOL & SPA AREAS- COUNTING EACH INDIVIDUALLY

Cycle/Route: Initial: Date Turned On: Completed By:
Submitted By: Alicia Gladue
Approved By:

04/09/08

FLORIDA PUBLIC UTILITIES COMPANY

REQUEST FOR NEW GAS SERVICE

Residential [ ] Commercial [X] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [X]

Customer Name: RIVER OAKS CSA INC (CLUBHOUSE) Social Security #:
DBA/ or C/O: Telephone #: 0
Service Address: 241 RIVER VILLAGE DRIVE Alternate #:
City & State: DEBARY, FL Zip: 32713
Mailing Address: 0 Zip:

Natural [X]
Flo-Gas [ ]
Metered [X]
Bulk [ ]

Request For: Main Extension [0] Relocation [ ] Set & Lock Date: 1/0/1900
New Service [X] Abandonment [ ] Turn-On Date: 01/00/00
Reactivate Service [ ] Turn-On Charge: $0.00

Gas Account Number: Meter Deposit: $0.00 Converted From: PROPANE TO NATURAL GAS
Tax District: DG71 Rate: 0
State Tax:
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [X] 2psi [ ] 5 psi [ ] 20psi [ ]
S.I.C.: 99999 0 Pressure Factor:

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1	Pool Heater	400,000	250	250		0	400	
1	Spa Heater	400,000	250	250	0	0	400	
1	Gas Grill	50,000	20	20	0	0	50	
1	Water Heater	40,000	130	130	0	0	40	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
				0	0	0	0	
				0	0	0	0	
				0		0	0	
			Total Therms per Year	650			890	0

System Map Page: 0 Hourly Max: 712 0 SCFH-Daily Hrs @ this rate: 0
Map Book Page: Demand: Ave: 445 0 SCFH-Daily Hrs @ this rate: 0
Plans Attached: Min.: 89 0 SCFH-Daily Hrs @ this rate: 0
Information to be suppl - Total Hours: 0

Meter Required: Make ______ Size & Type ______ Capacity ______
Meter By-Pass Required ______ Full ______ Meter Only ______ Perm ______ Temp. ______
Meter in Stock ? ______ To Be Ordered ______ Date Ordered ______ P.R. No. ______
Regulator Required: Make ______ Size & Type ______ Capacity ______
Regulator in Stock ? ______ To Be Ordered ______ Date Ordered ______ P.R. No. ______
Overpressure Protection: IRV ______ Monitor Regulator ______ Relief Valve ______
Make ______ Size and Type ______ Capacity ______
In Stock ? ______ To Be Ordered ______ Date Ordered ______ P.R. No. ______
Metering Pressure ______ W.C. ______ PSI Compensating Index ______ Factor ______
Estimated Cost of Meter Set Installed $ ______
Remarks ______

Completed By ______ Date ______
Approved By ______ Date ______
Meter # ______ Issued By ______ Date ______
Meter Set Date ______ Recorded By ______ Date ______
04/09/08 TO OPERATIONS - RETURN TO SALES


N

Clara Leider

From: Kitner Don

Sent: Sunday, February 18, 2007 9:01 AM

To: Seagrave Marc

Cc: Cox Doreen; Dysard Heidi

Subject: River Oaks

Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

Marc,
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As before please do not change the RNGS's as the ones attached are the only versions that have been approved at the division.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

FLORIDA PUBLIC UTILITIES COMPANY

REQUEST FOR NEW GAS SERVICE **EMPLOYEE #2429**

Residential [X] Commercial [ ] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [X]

Customer Name: RIVER OAKS
Social Security #:
DBA/ or C/O:
Telephone #:
Service Address:
Alternate #:
City & State: DEBARY, FL Zip: 32713
Premise #:
Mailing Address: Zip:

Natural [X]
Propane [ ]
Metered [X]
Bulk [ ]

Request For: Main Extension [ ] Relocation [ ] Set & Lock Date
New Service [X] Abandonment [ ] Turn-On Date
Reactivate Service [ ] Turn-On Charge

Gas Account Number: Meter Deposit: Converted From: E TO G
Tax District: DG71 Rate: AEP
State Tax:
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [X] 2psi [ ] 5 psi [ ] 20psi [ ]
S.I.C.: 99999 Meter Reading Route #: Pressure Factor:

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1.0000	Water Heater	40,000	130	130			40	
0.4375	Range	60,000	35	15			60	
0.5625	Dryer	24,000	50	28			24	
0.0000	Furnace	90,000	110	0			90	
0.8750	Fireplace	36,000	40	35			36	
1.0000	Grill	50,000	20	20			50	
0.2500	Generator	250,000	100	0			250	
				0			0	
				0			0	
			Total Therms per Year	228			550	0.0

System Map Page: Hourly Max: 440 SCFH-Daily Hrs @ this rate:
Map Book Page: Demand: Ave: 275 SCFH-Daily Hrs @ this rate:
Plans Attached: Min.: 55 SCFH-Daily Hrs @ this rate:
Total Hours:

Number of Customers: 16
Total Annual Therms: 228
Annual Customer Charge: $96.00 Revenues - Customer Charge: $1,536.00
Non-Fuel Energy Charges: 0.48340 Revenues - Non-Fuel Charge: $1,766.83
Four Year Estimated Non-Fuel Revenues: $13,211.31
Estimated Construction Cost: $27,742.00
Negative Number Indicates Contribution Required: ($14,530.69)

Permits Required [ ] Easement Required [ ] Estimated Start Date:
Estimated Completion:

SPECIAL PROVISIONS:

Cycle/Route: Initial: Date Turned On: Completed By:

Submitted By: Alicia Gladue
Approved By:

04/09/08

FLORIDA PUBLIC UTILITIES COMPANY
REQUEST FOR NEW GAS SERVICE

Residential [ ] Commercial [ ] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [X]

Customer Name RIVER OAKS Social Security #
DBA/ or C/O Telephone # 0
Service Address 0 Alternate #
City & State DEBARY, FL Zip 32713
Mailing Address 0 Zip

Natural [X]
Flo-Gas [ ]
Metered [X]
Bulk [ ]

Request For: Main Extension [0] Relocation [ ] Set & Lock Date 1/0/1900
New Service [X] Abandonment [ ] Turn-On Date 01/00/00
Reactivate Service [ ] Turn-On Charge $0.00
Gas Account Number Meter Deposit $0.00 Converted From E TO G
Tax District DG71 Rate AEP
State Tax
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [X] 2psi [ ] 5 psi [ ] 20psi [ ]
S.I.C. 99999 0 Pressure Factor

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1	Water Heater	40,000	130	130		0	40	
0	Range	60,000	35	15	0	0	60	
1	Dryer	24,000	50	28	0	0	24	
0	Furnace	90,000	110	0	0	0	90	
1	Fireplace	36,000	40	35	0	0	36	
1	Grill	50,000	20	20	0	0	50	
0	Generator	250,000	100	0	0	0	250	
	0			0	0	0	0	
				0		0	0	
			Total Therms per Year	228			550	0

System Map Page 0 Hourly Max 440 0 SCFH-Daily Hrs @ this rate 0
Map Book Page Demand: Ave 275 0 SCFH-Daily Hrs @ this rate 0
Plans Attached Min. 55 0 SCFH-Daily Hrs @ this rate 0
Information to be suppl - Total Hours 0
Meter Required: Make Size & Type Capacity
Meter By-Pass Required Full Meter Only Perm Temp.
Meter in Stock ? To Be Ordered Date Ordered P.R. No.
Regulator Required: Make Size & Type Capacity
Regulator in Stock ? To Be Ordered Date Ordered P.R. No.
Overpressure Protection: IRV Monitor Regulator Relief Valve
Make Size and Type Capacity
In Stock ? To Be Ordered Date Ordered P.R. No.
Metering Pressure W.C. PSI Compensating Index Factor
Estimated Cost of Meter Set Installed $
Remarks

Completed By Date
Approved By Date
Meter # Issued By Date
Meter Set Date Recorded By Date
04/09/08 TO OPERATIONS - RETURN TO SALES


N

Clara Leider

From: Kitner Don
Sent: Sunday, February 18, 2007 9:01 AM
To: Seagrave Marc
Cc: Cox Doreen; Dysard Heidi
Subject: River Oaks
Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks Main 1.25in PE-East Side-Revised 12-1-06.xls

Marc,
Attached is the approval package for River Oaks. This is an existing community in DeBary near I-4 that wants natural gas in their community. 16 residential and 1-commercial accounts are ready to commit to install natural gas. Each will pay a $225.00 non-refundable contribution to off-set the ECC associated with the installation. An additional 7 residents will also pay the $225.00 further off-setting the ECC amount. They feel having natural gas available will increase the value of their house. The ECC is $10,969 with $5,625 being paid upfront leaving a balance of $5,344 to be collected utilizing the AEP surcharge.

As before please do not change the RNGS's as the ones attached are the only versions that have been approved at the division.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL

Feeder Main & East Side Only Prep. by: Scribben Date: 04/09/08 Sheet No.

1_1/4" IPS. PE Main Ext. to Serve: C:\Documents and Settings\CLEIDER\Local Settings\

River Oaks

DeBary

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
1_1/4" PE Main Extension:									
1_1/4" PE Pipe	1,800	LF.	$0.33		$594.00				$594.00
1_1/4" PE Tap Tee	0	EA.	$12.00		$0.00				$0.00
1_1/4" (Stl.) Tap Tee	0	EA.	$68.50		$0.00				$0.00
1_1/4" Trans. Fitting	0	EA.	$14.00		$0.00				$0.00
1_1/4" PE 90 Degrees or 3-Way Tee	5	EA.	$3.50		$17.50				$17.50
1_1/4" PE Cap	2	EA.	$2.50		$5.00				$5.00
1_1/4" PE Valve	0	EA.	$160.00		$0.00				$0.00
Tracer Wire & Warning Tape	1,800	FT.	$0.07		$126.00				$126.00
Misc. Fitting	1	Lot	$35.00		$35.00				$35.00
Frt. & Handling	$777.50		$0.37		$287.68				$287.68
Sub - Total				$0.00	$1,065.18	$0.00	$0.00	$0.00	$1,065.18
Install Main: 1_1/4" PE									
1_1/4" PE Pipe	1,400	LF.	$2.17				$3,038.00		$3,038.00
1_1/4" PE Tap Tee	0	EA.	$8.08				$0.00		$0.00
1_1/4" (Stl.) Tap Tee	0	EA.	$10.77				$0.00		$0.00
1_1/4" Trans Fitting	0	EA.	$10.77				$0.00		$0.00
1_1/4" PE Fittings	7	EA.	$5.38				$37.66		$37.66
1_1/4" PE Valve	0	EA.	$10.77				$0.00		$0.00
Directional Bore	50	LF.	$9.52				$476.00		$476.00
Push & Pull 1_1/4" PE	600	LF.	$6.47				$3,882.00		$3,882.00
Under 500'Premium	0	FT.	$0.27				$0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$19.13				$0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$19.08				$0.00		$0.00
Restore Sod	1,400	SF.	$0.80				$1,120.00		$1,120.00
Hand Ditch	800	FT.	$1.83				$1,464.00		$1,464.00
Extra Depth (Over 42")	0	FT.	$0.75				$0.00		$0.00
FPUC Crew	0.50	Day	$350.00	$148.75		$26.25			$175.00
Eng. & Inspection	1	Lot	$1,600.00	$1,360.00		$240.00			$1,600.00
Survey	1	Lot							$0.00
Permit	1	Lot	$200.00					$200.00	$200.00
Misc. Labor	1	Lot	$250.00				$250.00		$250.00
SUB - TOTAL				$1,508.75	$0.00	$266.25	$10,267.66	$200.00	$12,242.66
TOTAL EST. MAIN COST				$1,508.75	$1,065.18	$266.25	$10,267.66	$200.00	$13,307.84
									===========
(MAIN Cost Per FT.)	$7.39								

Clara Leider

From: Kitner Don

Sent: Sunday, February 18, 2007 9:01 AM

To: Seagrave Marc

Cc: Cox Doreen; Dysard Heidi

Subject: River Oaks

Attachments: HOA Agreement-RIVER OAKS- 2007.DOC; REGULATED 15 YEAR-RIVER OAKS AEP 12-01-06 CUST CONTN.xls; Request for New Gas Service-RIVER OAKS CLUBHOUSE.xls; Request for New Gas Service- RIVER OAKS.xls; River Oaks Services-East Side-26.xls; River Oaks ~~Main 1.25in PE-East Side~~-Revised 12-1-06.xls

Marc,
Attached is the approval package for River Oaks. This is an existing community in DeBary near I-4 that wants natural gas in their community. 16 residential and 1-commercial accounts are ready to commit to install natural gas. Each will pay a $225.00 non-refundable contribution to off-set the ECC associated with the installation. An additional 7 residents will also pay the $225.00 further off-setting the ECC amount. They feel having natural gas available will increase the value of their house. The ECC is $10,969 with $5,625 being paid upfront leaving a balance of $5,344 to be collected utilizing the AEP surcharge.

As before please do not change the RNGS's as the ones attached are the only versions that have been approved at the division.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL
26 Branch Services (3 Long side) Prep. by: Scribben Date: 04/09/08 Sheet No.
3/4" CTS. PE Serv. to Serve: C:\Documents and Settings\CLEIDER\Local Setting:
River Oaks
DeBary

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	1,750	LF.	$0.15		262.50				$262.50
3/4" PE Tap Tee	13	EA.	$7.00		91.00				$91.00
3/4" Tap Tee (Stl.)	0	EA.	$20.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$10.00		0.00				$0.00
3/4" Riser Assy.	26	EA.	$13.50		351.00				$351.00
3/4" Meter Stop & Plug	26	EA.	$13.00		338.00				$338.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$2.50		0.00				$0.00
Tracer Wire & Warning Tape	1,750	FT.	$0.07		122.50				$122.50
Misc. Fitting	1	Lot	$80.00		80.00				$80.00
Frt. & Handling	$1,245.00		0.37%		4.61				$4.61
Sub - Total				0.00	1249.61	0.00	0.00	0.00	$1,249.61
Install Service:									
3/4" PE Pipe	1,350	LF.	$1.93				2605.50		$2,605.50
Directional Bore	0	LF.	$9.52				0.00		$0.00
3/4" PE Bore	400	FT.	$6.47				2588.00		$2,588.00
3/4" PE Tap Tee	0	EA.	$8.08				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$10.77				0.00		$0.00
3/4" Trans Fitting	0	EA.	$8.08				0.00		$0.00
3/4" Riser Assy.	26	EA.	$5.38				139.88		$139.88
3/4" PE Fittings	15	EA.	$5.38				80.70		$80.70
Under 75' Minimum	0	LF.	$215.25				0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$19.13				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$19.08				0.00		$0.00
Restore Sod	1,350	SF.	$0.80				1080.00		$1,080.00
Hand Ditch	1,350	FT.	$1.62				2187.00		$2,187.00
FPUC Crew	0	Day	$350.00	0.00		0.00			$0.00
Eng. & Inspection	1	Lot	$1,275.00	1083.75		191.25			$1,275.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				1083.75	0.00	191.25	8681.08	0.00	$9,956.08
Meter Set & Reg.	1	Lot	$3,805.52	1141.66	2283.31	380.55			$3,805.52
26 AC-250 Meter Sets			------------------						
EST. SERVICE COST				2225.41	3532.92	571.80	8681.08	0.00	$15,011.21
TOTAL EST. MAIN COST									$0.00
				----------	-----------	-------	-------	------	-----------
TOTAL EST. MAIN COST									
				----------	-----------	-------	-------	------	-----------
CIAC BASED EST. MAIN COST									
				----------	-----------	-------	-------	------	-----------
CIAC BASED TOTAL EST. PROJECT COST				2225.41	3532.92	571.80	8681.08	0.00	$15,011.21
				----------	-----------	-------	-------	------	-----------
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				2225.41	3532.92	571.80	8681.08	0.00	$15,011.21
				----------	-----------	-------	-------	------	==========

D:\Exhibit 2.8\COX

Back · Search · Folders

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Folders

ocuments
dobe
CWin9
orel User Files
/berLink
y eBooks
y Music
y Pictures
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omputer
½ Floppy (A:
P3014 (C:)
DXIO122 (D:
Exhibit 2.8
BACHMA
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Name	Size	Type	Date Modified	Location
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Untitled (45).msg	303 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled (85).msg	230 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled.msg	198 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 03:54 PM

Clara Leider

From:	Kitner Don
Sent:	Saturday, February 24, 2007 8:15 AM
To:	Cox Doreen; Bachman George
Subject:	River Oaks
Attachments:	Copy of REGULATED 15 YEAR 2-24-07.xls; Copy of ADDRESSES WITH LOT NUMBERS-REVISED 12-01-06.xls

Doreen,
Attached is the Customer list indicating minimum appliances. We actually anticipate more but this is what customers reasonably indicated. The AEP template does not have a cell for upfront contributions so I subtracted the $5625 contribution from the main installation costs. If this will not work let me know how to enter the contribution. Net ECC is $5,344 with an Average Rate of ROI of 10%.

Don Kitner
General Manager, Central Florida
386-668-9201

Instructions for using the AEP & Net Present Value (NPV) Templates

Revised 5/18/2005

OBJECTIVE

The AEP & Net Present Value (NPV) Templates are to be used as an analytical tool for evaluating potential revenue generating investments and to determine the AEP surcharge rate for the recovery of the Excess Construction Costs.

INPUT

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1	**Project Name**	Short description of investment.
2	**Beginning In Year**	Projected year that the project will commence.
3	**Piping Allowance**	Estimated Piping Allowance per class of customer if not capitalized (see note 24).
4	**Occupancy Rate**	Anticipated occupancy level.
5	**Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
6	**Mains**	Cost of installing main per year.
7	**New Residential Customers**	Estimated residential customer added each month for each year.
8	**Therms per Customer each Month**	Average monthly therms per residential customer.
9	**New General Service Customers**	Estimated General Service customers added each month for each year.
10	**Therms per Customer each Month**	Average monthly therms per General Service customer.
11	**New Large Volume Customers**	Estimated Large Volume customer added each month for each year.
12	**Therms per Customer each Month**	Average monthly therms per Large Volume customer.
13	**Gas Lighting Service**	Estimated other customer added each month for each year.
14	**Therms per Customer each Month**	Average monthly therms per other customer.
15	**Customer Charge**	Estimated Customer Charge for Other Customers added.
16	**Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
17	**Other Expenses**	Other expenses estimated to be incurred from the project for each year eg Sales Rep Commissions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
18	**AEP Worksheet**	Enter AEP surcharge rate that provides cost recovery within 8-10 years.

GENERAL INFORMATION

19 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

20 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee, including piping allowance (capitalized) will be depreciated at the same rate as the other capital expenditure items. The actual contract, however, should be worded such that it allows us to depreciate the piping allowance over the life of the contract.

Instructions for using the AEP & Net Present Value (NPV) Templates

NPV MODEL ASSUMPTIONS

25 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.

26 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.

27 Required Return - WACC as per Year End Survellance Report using Cost of Equity Rate as per last Rate Case.

28 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.

29 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.

30 Interest Rate - Weighted Average Cost of Debt.

31 Depreciation Book % - Book Depreciation Rate.

32 Income Tax % - Income Tax Rate.

PROCESS

33 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**

34 Submit NPV (& AEP) worksheets for approval as per steps below.

35 Prepare IR after approval has been granted.

36 Submit approved IR , AEP worksheet and NPV to General Accounting.

37 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director
↓
Director - Propane Operations — If Propane Project
Barry Kennedy
↓
Marketing Director
Marc Seagrave
↓
Accounting
George Bachman / Doreen Cox
↓
Senior VP & COO
Chuck Stein
↓
President & CEO
Jack English
↓
Director

INPUT SHEET

Project Name **River Oaks**
Beginning in Year **2007**

Prepared By: D. Kitner
Date: 4/9/2008
I.R. #: ____
AEP #: ____

	Residential	Commercial	R Industrial	Gas Lights
Piping Allowance $	100			

Occupancy Rate : 100%

Construction:

SERVICES-cost per customer:	Residential	General Serv	Large Volume	Gas Lights
	$ 577	$ 577		

Year:	1st	2nd	3rd	4th	Total Main $
MAINS:	7,683				7,683

Total Service $	Total Const.
9,815	$ 17,498

Enter Customers ADDED each Month by Tariff Rate Schedule below:

RESIDENTIAL CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1			4	4	4	4							16	16	1632	1632	788.91	1,088
2													0	16	0	2304	1113.75	1,536
3													0	16	0	2304	1113.75	1,536
4													0	16	0	2304	1113.75	1,536
5													0	16	0	2304	1113.75	1,536
6													0	16	0	2304	1113.75	1,536
7													0	16	0	2304	1113.75	1,536
8													0	16	0	2304	1113.75	1,536
9													0	16	0	2304	1113.75	1,536
10													0	16	0	2304	1113.75	1,536

Therms per Customer each month: 12.00 << Enter average therms used per customer in a month

Base Rate per Therm Residential : 0.48340 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $8.00 << Per Tariff

GENERAL SERVICE CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1			1										1	1	541.66667	541.6666667	173.91	150
2													0	1	0	650	208.70	180
3													0	1	0	650	208.70	180
4													0	1	0	650	208.70	180
5													0	1	0	650	208.70	180
6													0	1	0	650	208.70	180
7													0	1	0	650	208.70	180
8													0	1	0	650	208.70	180
9													0	1	0	650	208.70	180
10													0	1	0	650	208.70	180

Therms per Customer each month: 54.16666667 << Enter average therms used per customer in a month

Base Rate per Therm General Serv $ 0.32107 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $15.00 << Per Tariff

LARGE VOLUME CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-

10													0	0	0	0	0.00	-

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Large Volume $ 0.23809 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $45.00 << Per Tariff

GAS LIGHTING SERVICE

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Light each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Gas Lights $ 0.17689 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge ______ **<< Per Tariff - applicable for customers with only Gas Lights**

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Income															
Other Expenses	1,075														

Area Expansion Program

Project Name: River Oaks
I.R. #: 0
AEP #: 0
Prepared By: D. Kitner

Procedure No. MKT 1.1
Effective Date: 8/28/2006
Revision # 12.4

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Construction and Revenue Summary:

Estimated Construction Cost (CC):	$ 17,498	Four year Construction Costs
Four Years Revenue (MACC)*:	12,154	Four years revenue
Net Excess Construction Cost (ECC):	$ 5,344	

Calculation of AEP Surcharge:

AEPS= (ECC+(ROR*T1*.5*ECC))/T2*TH)

ECC	5,344	As computed on Wkst
ROR	8.070%	Company's Authorized Rate
T1	10	Years for collection
T2	1	(1 if total therms used forT1)
TH	26,613	Total 10 year therms
AEPS	$ 0.282	Original calculation

Manual Input: Override Computed AEPS ______

and Rate breakdown

Summary of projected Therms:

Year	Total Annual Residential Usage	Total Annual General Serv Usage	Total Annual Large Volume Usage	Total Annual Gas Light Usage	Total Therm Load Added
1	1632	542	0	0	2174
2	2304	650	0	0	2954
3	2304	650	0	0	2954
4	2304	650	0	0	2954
5	2304	650	0	0	2954
6	2304	650	0	0	2954
7	2304	650	0	0	2954
8	2304	650	0	0	2954
9	2304	650	0	0	2954
10	2304	650	0	0	2954
Total	22,368	6,392	-	-	28,760

** Rate Breakdown:		AEPS / therm	Ratio This % of therms per class are counted in 10 year therm total
RS	Residential	0.000	100.0000%
GS	General Service	0.000	66.4191%
LVS	Large Volume Service	0.000	49.2532%
Gas Lights		0.000	36.5929%

Projected Cash Flow of:
Revenue

Year	Residential Non-fuel Revenue	Residential Customer Charge	General Serv. Non-fuel Revenue	General Serv. Customer Charge	Large Volume Non-fuel Revenue	Large Volume Customer Charge	Lights Non-fuel Revenue	Lights Customer Charge	Total Base Revenue	AEP collection: Excess Construction Cost	AEPS Surcharge	Balance before Interest	Interest charge (cost of money)	Total Cost To be recovered
1	789	1,088	174	150	-	-	-	-	$ 2,201	$ 5,344	$ -	$ 5,344	$ 216	$ 5,560
2	1,114	1,536	209	180	-	-	-	-	3,038	-	-	5,560	449	6,008
3	1,114	1,536	209	180	-	-	-	-	3,038	-	-	6,008	485	6,493
4	1,114	1,536	209	180	-	-	-	-	3,038	-	-	6,493	524	7,017
5	1,114	1,536	209	180	-	-	-	-	3,038	-	-	7,017	566	7,584
6	1,114	1,536	209	180	-	-	-	-	3,038	-	-	7,584	612	8,196
7	1,114	1,536	209	180	-	-	-	-	3,038	-	-	8,196	661	8,857
8	1,114	1,536	209	180	-	-	-	-	3,038	-	-	8,857	715	9,572
9	1,114	1,536	209	180	-	-	-	-	3,038	-	-	9,572	772	10,344
10	1,114	1,536	209	180	-	-	-	-	3,038	-	-	10,344	835	11,179
Total	$ 10,813	$ 14,912	$ 2,052	$ 1,770	$ -	$ -	$ -	$ -	$ 29,547	$ 5,344	$ -		$ 5,835	

Cash Flow Investment Analysis

Date: 4/9/2008 | Revision # 12.4
Procedure No. ACT-5.11
Effective Date: 8/28/2006

REGULATED / NON-REGULATED
R

Project Title: **River Oaks**
Beginning in Year: **2007**

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Input Area:

	Residential	Commercial	Industrial	Gas Lights
Annual Therms per Customer / Light	144	650	-	-
Piping Allowance $	100	$ -	$ -	$ -
Cost of SERVICE per Customer $	577	$ 577	$ -	$ -
Customer Charge (mth)	$8.00	$15.00	$45.00	$0.00
Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$0.17689

Overall Result: **Project meets or exceeds minimum 15 year required return!**

Occupancy Rate : 100%

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New Residential Customers	16	-	-	-	-	-	-	-	-	-					
New Commercial Customers	1	-	-	-	-	-	-	-	-	-					
New Industrial Customers	-	-	-	-	-	-	-	-	-	-					
New Gas Lights	-	-	-	-	-	-	-	-	-	-					
Total Customers added for year	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Customers	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17
Total Gas Lights added for year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Gas Lights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	1075	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures on Services	9,815	-	-	-	-	-	-	-	-	-					
Capital Expenditures (Exc. Services)	7,683	-	-	-	-	-	-	-	-	-					
Upfront Capital Exp (Contributions)'	0														
Total Capital Expenditures by Year (List AEP ECC as contribution (credit))	$ 17,498	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Output Area: Cash Flow by Year															
Total Base Revenue	$2,201	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$2,201	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038	$3,038
O&M Expense (Incl TOTI)	682	942	942	942	942	942	942	942	942	942	942	942	942	942	942
Other Expenses	1,075	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortized Piping Cost	229	229	229	229	229	229	229	0	0	0	0	0	0	0	0
Depreciation, Book	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167
	3,152	2,337	2,337	2,337	2,337	2,337	2,337	2,108	2,108	2,108	2,108	2,108	2,108	2,108	2,108
Operating Income before Income Tax	(952)	701	701	701	701	701	701	930	930	930	930	930	930	930	930
Adjust to cash flow:															
Add: Depreciation, Book	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167
Add: Amortized Piping	229	229	229	229	229	229	229	0	0	0	0	0	0	0	0
Less: Actual Income Tax	(1,016)	(58)	34	118	196	268	316	341	365	390	400	400	400	400	400
After Tax Cash Flow (before capital investments)	1,460	2,155	2,063	1,978	1,900	1,828	1,781	1,756	1,732	1,707	1,697	1,696	1,697	1,696	1,697
Less: Piping Costs	1,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Capital Expenditure - Cash Outlay	17,498	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Memo: Cumulative Capital Expenditure	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498
Asset remaining value															16,772
Net Cash Flow (w/ 15 yr ending book value)	(17,638)	2,155	2,063	1,978	1,900	1,828	1,781	1,756	1,732	1,707	1,697	1,696	1,697	1,696	18,469
Net Present Value (fifteen years) $	**3,000**	*Zero = Meets Required Return*													
Operating Income before Income Tax	(952)	701	701	701	701	701	701	930	930	930	930	930	930	930	930
Less:Interest Costs*	670	588	510	435	363	293	225	159	93	28	0	0	0	0	0
Net Income before Taxes	(1,622)	113	191	267	339	408	476	771	837	902	930	930	930	930	930
Less Book Income Tax (37.63%)	(610)	43	72	100	127	154	179	290	315	339	350	350	350	350	350
Net Income after Book I/T	(1,012)	71	119	166	211	255	297	481	522	563	580	580	580	580	580
Earnings Per Share - Investment															
Corporate EPS after Investment	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Cumulative Net Cash Flow	(17,638)	(15,483)	(13,421)	(11,443)	(9,542)	(7,714)	(5,933)	(4,177)	(2,445)	(739)	958	2,655	4,351	6,048	24,517
Cumulative Depr. Reserve	1,167	2,333	3,500	4,666	5,833	6,999	8,166	9,332	10,499	11,665	12,832	13,998	15,165	16,331	17,498
Cumulative Piping Allowance	1,371	1,143	914	686	457	229	0	0	0	0	0	0	0	0	0
Book Rate of Return	**-1.93%**	**4.04%**	**4.22%**	**4.45%**	**4.73%**	**5.11%**	**5.60%**	**7.84%**	**8.79%**	**10.13%**	**12.43%**	**16.58%**	**24.87%**	**49.73%**	**#DIV/0!**
Economic Value Added (EVA)	**(1,659)**	**(565)**	**(500)**	**(434)**	**(367)**	**(299)**	**(231)**	**(19)**	**50**	**120**	**204**	**298**	**392**	**486**	**17,352**
NPV (EVA) $	**3,000**														

Net Present Value of Cap. Exp.	17,498
Net Present Value of Pip. Exp.	1,600

Average Rate of Return on Investment:

15 Years (IRR) **10%**

Revenue Comparison:

Four Year Revenue $12,154

Customer Totals:	**15 Yr Total**
Added Residential Customers	16
Added Commercial Customers	1
Added Industrial Customers	-
Cumulative Customers	17
Capital Expenditure per Customer $	1,029

Summary of Rates used

Depreciation Book %	6.67%	Required Return	8.07%
Income Tax %	37.62%	Ratio of Debt Financing	50.00%
Base Earnings per Share	$ 0.71	O&M Expense %	31.00%
		Interest Rate	7.60%

CONFIDENTIAL

Copy of REGULATED -10 YEAR 2-24-07 xlsNPV Template4/9/20082 52 PM

RATES :		RESIDENTIAL	COMMERCIAL	INDUSTRIAL	GAS LIGHTS
REGULATED	Customer Charge (mth)	$8.00	$15.00	$45.00	$ -
	Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$ 0.17689

	REGULATED	NON-REGULATED
REQUIRED RETURN	8.07%	15.00%

Clara Leider

From: Kitner Don
Sent: Saturday, February 24, 2007 8:15 AM
To: Cox Doreen; Bachman George
Subject: River Oaks
Attachments: Copy of REGULATED 15 YEAR 2-24-07.xls; Copy of ADDRESSES WITH LOT NUMBERS-REVISED 12-01-06.xls

Doreen,
Attached is the Customer list indicating minimum appliances. We actually anticipate more but this is what customers reasonably indicated. The AEP template does not have a cell for upfront contributions so I subtracted the $5625 contribution from the main installation costs. If this will not work let me know how to enter the contribution. Net ECC is $5,344 with an Average Rate of ROI of 10%.

Don Kitner
General Manager, Central Florida
386-668-9201

RIVER OAKS SUBDIVSION

PHASE 1

LOT #	ADDRESS	NAME	HOME PHONE#	CELL PHONE#	INTERESTED IN GAS Y OR N	APPLS ON LP	CONVERT E TO G	WH	R	D	F	FP	GR	GEN	POOL HTR
1	299 MARSH LANDING CIRCLE	BRITTNEY SPARTZ			N										
2	297 MARSH LANDING CIRCLE	JAMES CONRAD KLINE													
3	295 MARSH LANDING CIRCLE	KARL J & LINDA M TALPAI			N										
4	293 MARSH LANDING CIRCLE	PAUL A & JOYCE M HAGAN			N										
5	291 MARSH LANDING CIRCLE	TREVOR & REBECCA J CHAPPLE			Y										
6	289 MARSH LANDING CIRCLE	M JEAN SHINE													
7	285 MARSH LANDING CIRCLE	KERRY K & JOAN KRIEGER													
8	287 MARSH LANDING CIRCLE	JACK A & RUBYE D BROWNING			N										
9	283 BAYOU CIRCLE	DAVID NOURACHI			N										
10	281 BAYOU CIRCLE	PETER & SANDRA MCDONALD CO-TTEES													
11	279 BAYOU CIRCLE	DAVID G FREEMAN TRUSTEE	386-668-8995		Y	GR, FP	WH,	1				1	1		
12	277 BAYOU CIRCLE	ROBERT E & ALEXIS G KEEFER													
13	275 BAYOU CIRCLE	RICHARD H & BARBARA A LARSEN			Y	WH, R, D		1	1	1					
14	273 BAYOU CIRCLE	SCOTT MASON & DONNA SORRENTINO	321-277-9977		Y		50 GAL WH, R,	1	1						
15	271 BAYOU CIRCLE	WILLIAM K & KATHLEEN M BROCK	386-668-1120		Y		FP, GR, WH	1				1	1		
16	269 BAYOU CIRCLE	MICHAEL R & SHELLEH HARKCOM													
17	267 BAYOU CIRCLE	J ROGER & MARGARET R BRUEHL	321-282-1332	407-443-8054	Y	R,	WH	1	1						
18	265 BAYOU CIRCLE	R DOYLE & CHERYL B CARLTON			Y		FP, D,			1		1			
19	263 BAYOU CIRCLE	J CHARLES & SAUNDRA H GRAY			Y	GEN, 2FP,	R,		1				1.5	1	
20	261 BAYOU CIRCLE	THOMAS R JR & MARCIA F SMITH	386-668-1877	386-956-1111	Y		-								
21	259 BAYOU CIRCLE	THOMAS & BONNIE MCDONALD													
22	257 BAYOU CIRCLE	STEPHEN J BACON & BARBARA A LEIBOWITZ													
23	255 BAYOU CIRCLE	DAVID A BERLIN			Y		FP, R		1			1			
24	253 BAYOU CIRCLE	WILLIAM C & SUSAN C SCHWAB			N	R, FP									
25	251 BAYOU CIRCLE	DANA & DEBORAH SANDERS													
26	249 BAYOU CIRCLE	WILLIAM J & JENNIFER PENNEY			Y										
27	247 BAYOU CIRCLE	MILDRED A PIPER													
28	245 BAYOU CIRCLE	HAYTHEM NOURACHI			N										
29	243 RIVER VILLAGE DRIVE	TRACY HARDY			Y										
30	270 BAYOU CIRCLE	JASON L & REBECCA A COSPER			Y										
31	239 RIVER VILLAGE DRIVE	HARVEY W & ALAINE M SCHEFSKY			Y		WH & OTHERS	1							
32	237 RIVER VILLAGE DRIVE	JOSEPH H & KATHLEEN H ALEMANY	386-753-1758	386-561-7303	Y	GEN								1	
33	235 RIVER VILLAGE DRIVE	LAWRENCE A KENT TRUSTEE			Y	GEN	WH,	1						1	
34	233 RIVER VILLAGE DRIVE	ANDREA P JURLINA			N										
35	231 RIVER VILLAGE DRIVE	JOHN HOLDEN BROWN & SHELLEY MCCORMACK DANIEL													
36	229 RIVER VILLAGE DRIVE	LORRAINE CARLSON & DONNA K & MICHAEL J KING JTRS			N										
37	227 RIVER VILLAGE DRIVE	JEFFREY HENWOOD													
38	225 RIVER VILLAGE DRIVE	ROBERT & SUSAN E ATTANASIO TTE	386-668-2399		Y										
39	223 RIVER VILLAGE DRIVE	F M & WILGEFORT E BOUTWELL			N										
40	224 RIVER VILLAGE DRIVE	COREY S & TARA WILSON													
41	226 RIVER VILLAGE DRIVE	RAUL & JANET B GANDARA			N										
42	228 RIVER VILLAGE DRIVE	ALICE M GRIFFITH	386-753-1255		Y	FP,	R		1			1			
43	230 RIVER VILLAGE DRIVE	FRANK & BEUNOLA DRAGOUN			N										
44	232 RIVER VILLAGE DRIVE	DAVID L & MARY G FINLEY	386-753-1276		Y	GEN	WH	1						1	
45	234 RIVER VILLAGE DRIVE	GEORGE W & MARY A MCCAMMON			Y	GR									
46	236 RIVER VILLAGE DRIVE	TIMOTHY & DONNA PAYNE			Y	GR									
47	238 RIVER VILLAGE DRIVE	DON PARKER L/E			Y	WH		1							
48	240 RIVER VILLAGE DRIVE	JOSEPH A JR & GLORIA MELBOURNE	386-668-7016		Y		GR, WH, R	1	1				1		
49	242 RIVER OAKS LANDING COI	THOMAS J & PATRICIA A CARDULLO			N										
50	244 RIVER OAKS LANDING COI	DAVID & LUISA DYE													
51	246 RIVER OAKS LANDING COI	RICHARD W & JOAN M WALTER													
52	248 RIVER OAKS LANDING COI	REBECCA A HERBER	386-668-1239		Y		FP, WH	1				1			
53	250 RIVER OAKS LANDING COI	BLAINE E & NANCY J TIMMER	386-668-0707	407-221-9092	Y	WH, D	GR	1		1			1		
54	252 RIVER OAKS LANDING COI	LARRY T & MARY L CAIN			N										
55	222 RIVER VILLAGE DRIVE	WILLIAM P COOKE TR													
56	220 RIVER VILLAGE DRIVE	CRAIG E & KATHLEEN L RUDGERS	386-753-1909		N										
								12	7	3	0	6	5.5	4	0
								160	35	50	110	40	20	0	250
								1920	245	150	0	240	110	0	0
									TOTAL THERMS FOR PHASE I & II						**2665**
CLUBHOUSE HAS SPA HEATER AND 2 GRILLS ON PROPANE					Y		SPA HEATER, 2 GR						1.5		2

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Name	Size	Type	Date Modified	Location
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
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Untitled.msg	198 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
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Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
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Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 02:54 PM

Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Tuesday, July 03, 2007 12:34 PM
To: Cox Doreen; Bachman George
Cc: Martin Cheryl; Mike Welsh
Subject: Short-term debt
Categories: Elec Rate Case

Doreen,
George,

The observed short-term debt cost rate for FPU, based on month-end balances, is 3.28% for 2006. This interest rate level is remarkably low in view of the contractual rate, which I estimate to be 6.03%, also for '06. I have reasoned that the actual contractual rate is applicable to daily balances, and so if the daily balances are substantially below month-end balances, then 3.28% is conceivable. However, the differences between the daily average and month-end balances would need to be very large in order to ever obtain 3.28%. The result is a substantial understatement of true interest costs for ST Debt, and what I suggest is this:

1) calculate the daily balances, by month, and use the average daily balance in lieu of month-end balances. Essentially, short-term debt is a special case because of the variation in balances over the course of the month, and year.

2) use this daily balance approach for the determination of cost of capital for all years. The result is a more accurate reflection of the weighted average cost of capital, which is inherently higher than that suggested by month balances.

This is an important issue, and we should turn to it immediately.

I should mention that, if I don't have the story right - daily vs. month-end balances, then something else is wrong, and we need to understand why such large differences in the calculated vs. actual cost rates.

Thanks, Robert

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Wednesday, Apr 09, 2008 02:54 PM

Clara Leider

From: Martin Cheryl
Sent: Tuesday, February 13, 2007 11:04 AM
To: Cox Doreen
Cc: Bhatia Nadira; Khojasteh Mehrdad
Subject: ST interest expense in 2006 compared to 2005

We say st interest expense went up over 2005, but the balance in ST debt went down. We say it is because the rates were higher in 2006 but I wonder is it also perhaps because the average ST debt throughout the year could have been higher in 2006 compared to 2005. What do you think?

Thanks,

Cheryl Martin
Controller, FPUC
561-838-1725

D:\Exhibit 2.8\COX

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Address D:\Exhibit 2.8\COX

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Wednesday, Apr 09, 2008 02:55 PM

Clara Leider

From: Martin Cheryl
Sent: Monday, July 09, 2007 7:51 AM
To: Cox Doreen
Subject: st
Categories: Elec Rate Case

What is the bottom line summary of what we are proposing doing for ST debt?

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

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Address D:\Exhibit 2.8\COX

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Wednesday, Apr 09, 2008 02:56 PM

Clara Leider

From:	Seagrave Marc
Sent:	Friday, March 23, 2007 6:15 PM
To:	Kitner Don; Lynch Daniel; Cutshaw Mark; Schaak Clifford; Pomeroy Keith; Stepherson Leb; Keip Doug; Kennedy Barry; Moreland Doug; Becker Michael
Cc:	Stein Chuck; Dysard Heidi; Cox Doreen; Bachman George
Subject:	Standardized Cost Estimation Spreadsheet
Attachments:	Cost Estimation sheet costs 03-2007.xls; Cost Estimation Spreadsheet - 052506 - v 2.xls

Team,

We are very happy to announce that we are just about ready to begin use of the attached installation cost spreadsheet company-wide. The spreadsheet that is attached is pre-loaded with installation costs but not specific to division. I have attached a data page for your division to input your local installation prices. We will load the data page into your division's estimation sheet, save the originals on the corporate marketing P: Drive and send you an original for your use.

Some of the data input areas, such as electrical and plumbing are new. We will expand these categories as we go forward and find that we need additional inputs. Please complete the data inputs for your division as soon as possible. As soon as we receive the data back, we will load your spreadsheet and save a protected version for your staff's use.

The new format was modified from the SF version in use as of today. Central Florida actually developed this new version with input from SF. This will be used in the new project management system.

Any questions, comments or suggestions please contact me if they are positive or Don Kitner if your suggestions are negative or require a lot of work to incorporate.

Thanks!

Marc S. Seagrave

Marc Seagrave, *CSP*
Director of Marketing & Sales
Florida Public Utilities Company
401 S. Dixie Hwy
West Palm Beach, FL 33401
(561) 838-1714 Office
(561) 723-3439 Cell
(561) 833-8562 Fax
mseagrave@fpuc.com

Pipe Drop Data		
#	Material	Cost
1	1/2" PIPE	
2	3/4 PIPE	
3	1" PIPE	
4		
5		
6		
7		
8		

3 # CEILING TO FLOOR PIPE DROPS

Fuel Piping Data		
#	Material	Cost
1	1/2" PIPE - Residential	
2	1/2" PIPE Commercial	
3	1/2" PE	
4	3/4 PIPE - Residential	
5	3/4 PIPE - Commercial	
6	3/4" PE	
7	1" PIPE - Residential	
8	1" PIPE - Commercial	
9	1 1/4" PIPE - Residential	
10	1 1/4" PIPE - Commercial	
11	1 1/4" PE	
12	1 1/2" PIPE - Residential	
13	1 1/2" Commercial	
14	2" PIPE - Residential	
15	2" PIPE - Commercial	
16	2" PE	

4 LINEAR FEET OF FUEL LINE
8 LINEAR FEET OF FUEL LINE
6 LINEAR FEET OF FUEL LINE

1 # OUTSIDE WALL PENETRATIONS
5 # OF ROOF PENETRATIONS

Hard Cooper		
#	Material	Cost
1	1/2" - per pair per foot	
2	3/4" - per pair per foot	
3	1" - per pair per foot	
4		
5		
6		
7		

2 HARD COPPER

Plumbing		
#	Material	Cost
1	Plumb Item #1	
2	Plumb Item #2	
3	Plumb Item #3	
4	Plumb Item #4	
5	Plumb Item #5	
6	Plumb Item #6	
7	Plumb Item #7	

1 PLUMBING ITEM #1
2 PLUMBING ITEM #2
3 PLUMBING ITEM #3

Electrical		
#	Material	Cost
1	Electric Item #1	
2	Electric Item #2	
3	Electric Item #3	
4	Electric Item #4	
5	Electric Item #5	
6	Electric Item #6	
7	Electric Item #7	

1 ELECTRICAL ITEM #1
2 ELECTRICAL ITEM #2
3 ELECTRICAL ITEM #3

Venting		
#	Material	Cost
1	Typical	
2	Offset	
3		
4		
5		
6		

2 VENT TYPE

1 Greater Than 10'

3 VENT TYPE

2	7 on 12	
3	2 Story	

Venting - PVC		
#	Material	Cost
1	3" PVC VENT	
2	3 & 4" Standard vent	
3	6" Vent	
4	8" Vent	
5	Rinnai venting	
6		

1 LINEAR FEET OF PVC VENT

Flashing		
#	Material	Cost
1	3" Flash Instl	
2	4" Flash Instl	

1 ROOF FLASHING INSTALLED

[redacted]

Floor Casing 5.00

Service Line Installation		
#	Material	Cost
1	1/2" PE	
2	3/4" PE	
3	1 1/4" PE	
4	2" PE	
5	3/8" Copper	
6	1/2" Copper	
7	5/8" Copper	
8		
9		
10		
11		
12		
13		
14		

1 SERVICE LINE INSTALLED

CUSTOMER OWNED TANK INSTALLATION		
#	Material	Cost
1	200 pound AG	
2	300 pound AG	
3	120 gallon UG	
4	120 gallon AG	
5	250 gallon UG	
6	250 gallon AG	
7	500 gallon UG	
8	500 gallon AG	
9	1000 gallon UG	
10	1000 gallon AG	
11	1450 gallon UG	
12	1450 gallon AG	

7 CUSTOMER OWNED TANK

Miscellaneous Installations		
#	Material	Cost
1	3/4" Second Stage Regulator	
2	1/2" Quick Disconnect	
3	Appliance Connection	
4	1/2" Fireplace Key Valve & Excutcheon	
5	Water Heater Stand	
6	Water Heater Vent Connection	
7	12" X 12" Fresh Air Grate	
8	Appliance Conversions	
9	Dryer Vent Connector	
10	Driveway Push/Bore (# of Ft)	
11	Buried Fuel Lines	

Water Heater		
#	Material	Cost
1	40 gallon	
2	50 gallon	
3	75 gallon	
4	E to G-40 w/10' vent	
5	E to G-50 w/10' vent	

3 WATER HEATER

6	E to G-75 w/10' vent	
7	Rinnai - no electric	

Pool Heater	
#	Material
1	Gas to Gas
2	Electric to Gas
3	
4	
5	
6	
7	

2 POOL HEATER

ASSET TANK INSTALLATION		
#	Material	Cost
1	200 pound AG	
2	300 pound AG	
3	120 gallon UG	
4	120 gallon AG	
5	250 gallon UG	
6	250 gallon AG	
7	500 gallon UG	
8	500 gallon AG	
9	1000 gallon UG	
10	1000 gallon AG	
11	1450 gallon UG	
12	1450 gallon AG	

5 ASSET TANK

Appliances		
#	Material	Cost
1	Delivery Only	
2	Dryer	
3	Range	
4	Built-in grill	
5	Free-standing grill	
6	Post mounted grill	
7	Gas log	
8	Gas fireplace box	
9	Cooktop	
10	Post mount gas light	
11	Wall mount gas light	
12	Washing machine	
13	Space Heater-wall mount	
14	Space Heater-floor mount	
15	Water Heater Shed	

8 APPLICANCE #1
3 APPLICANCE #2
1 APPLICANCE #3
1 APPLICANCE #4
1 APPLICANCE #5
1 APPLICANCE #6

Water Heater STAND / SHED		
#	Material	Cost
1	Water Heater Stand	
2	Water Heater Shed	
3		
4		
5		

2 WATER HEATER

Clara Leider

From:	Seagrave Marc
Sent:	Friday, March 23, 2007 6:15 PM
To:	Kitner Don; Lynch Daniel; Cutshaw Mark; Schaak Clifford; Pomeroy Keith; Stepherson Leb; Keip Doug; Kennedy Barry; Moreland Doug; Becker Michael
Cc:	Stein Chuck; Dysard Heidi; Cox Doreen; Bachman George
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Thanks!

Marc S. Seagrave

Marc Seagrave, *CSP*
Director of Marketing & Sales
Florida Public Utilities Company
401 S. Dixie Hwy
West Palm Beach, FL 33401
(561) 838-1714 Office
(561) 723-3439 Cell
(561) 833-8562 Fax
mseagrave@fpuc.com

FUEL LINE INSTALLATION WORKSHEET

CUSTOMER NAME ______________________ ADDRESS: ______________________

FUEL LINE

	Quantity	Material Utilized	Per Item Cost	Job Cost	Mark-up %	Customer Charge	Job Cost Subtotal	Customer Charge Subtotal
MINIMUM CHARGE includes first 25' (residential)			300.00	$ -	65%	$ -		
Linera Feet of Fuel Line - 50' min. for Commercial		3/4 PIPE - Resident	8.80	$ -	65%	$ -		
Linera Feet of Fuel Line - 50' min. for Commercial		1" PIPE - Commerci	11.10	$ -	65%	$ -		
Linera Feet of Fuel Line - 50' min. for Commercial		3/4" PE	4.50	$ -	65%	$ -		
DRIVEWAY PUSH/BORE			9.00	$ -	65%	$ -		
2lb. REGULATORS			50.00	$ -	65%	$ -		
SOD			1.20	$ -	65%	$ -		
FLOOR CASINGS			5.00	$ -	65%	$ -	$ -	$ -
VENTING								
VENT TYPE		Offset	165.00	$ -	65%	$ -		
ROOF PITCH > 7 on 12 & 2-story		2 Story	60.00	$ -	65%	$ -		
LINEAR FEET OF VENTING		3" PVC VENT	5.60	$ -	65%	$ -		
PLUMBING								
Water lines		3/4" - per pair per f	6.50	$ -	65%	$ -		
Miscellaneous Material		Plumb Item #2	-	$ -	65%	$ -		
Miscellaneous Material		Plumb Item #3	-	$ -	65%	$ -	$ -	$ -
ELECTRICAL								
Initial Service Call			0.00	$ -	65%	$ -		
Bond Wire			0.00	$ -	65%	$ -	$ -	$ -
MISCELLANEOUS INSTALLATIONS								
Quick Disconnect			38.00	$ -	65%	$ -		
Fireplace Key Valve & Escutcheon			65.00	$ -	65%	$ -		
Combustion Air			30.00	$ -	65%	$ -		
Dryer Vent			55.00	$ -	65%	$ -		
Appliance Connections			60.00	$ -	65%	$ -		
Vent Connections			30.00		65%			
Appliance Conversions			100.00	$ -	65%	$ -	$ -	$ -
TANK INSTALLATION - includes 1st 25'		250 gallon UG	1,280.00	$ -	65%	$ -		
SERVICE LINE			3.20	$ -	65%	$ -		
DRIVEWAY PUSH/BORE			9.25	$ -	65%	$ -		
SOD			1.20	$ -	65%	$ -		
REGULATOR - 2nd stage			65.00	$ -	65%	$ -	$ -	$ -
PERMIT - tank installation			100.00	$ -	65%	$ -		
PERMIT - fuel line installation			100.00	$ -	65%	$ -		
______________________				$ -	65%	$ -	$ -	$ -

APPLIANCES INSTALLATIONS

	Quantity	Material Utilized	Per Item Cost	Job Cost	Mark-up %	Customer Charge
WATER HEATER		75 gallon	295.00	$ -	20%	$ -
WATER HEATER STAND / SHED		Water Heater Shed	138.00	$ -	20%	$ -
POOL HEATER (no electric)		Electric to Gas	475.00	$ -	20%	$ -
Electric/Misc				$ -	20%	$ -
APPLICANCE INSTALLATION #1		Gas fireplace box	180.00	$ -	20%	$ -
APPLICANCE INSTALLATION #2		Range	120.00	$ -	20%	$ -
APPLICANCE INSTALLATION #3		Delivery Only	65.00	$ -	20%	$ -
TOTAL APPLIANCE INSTALLATION COST			**TOTAL**	**$ -**	0%	**$ -**
			TANK SALE / CAPITAL COSTS	**$ -**	65%	**$ -**
			FUEL LINE COSTS	**$ -**	65%	**$ -**

MARKETING REPRESENTATIVE: ______________________ DATE: 4/9/08 2:59 PM

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Name	Size	Type	Date Modified	Location
RE Update On Schedule D-2 (20).msg	31 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Untitled (45).msg	303 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled (85).msg	230 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled.msg	198 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09. 2008 03:00 PM

Clara Leider

From: Cutshaw Mark

Sent: Tuesday, August 07, 2007 5:43 PM

To: Dan Hansen

Cc: Cox Doreen; Martin Cheryl; Myers Don

Subject: Standby Rate Information

Attachments: Standby Rate ELHIGH_30pt.xls; Industrial Billing Consumption.xls

Dan,
Attached the GSD and GSLD spreadsheet that I think you can use for the Standby rate calculation. You may have to sort the data to get all the GSLD accounts together. I have also included the historical information on the GSLD1 customers in the Industrial Billing Consumption file. You can use the tabs for "Jefferson-Smurfit 2006" and "Rayonier 2006" to get the Maximum Demands for these.

Let me know if you have questions or if you need more information. Thanks.

Mark Cutshaw, General Manager
Florida Public Utilities Company
911 South 8th Street
Fernandina Beach, Florida 32034
(904)277-1957 office
(904)753-1272 cell

Consolidated Electric
Weighted KWh 2006

Sum of Weighted kW	MONTH												
RATE	200601	200602	200603	200604	200605	200606	200607	200608	200609	200610	200611	200612	Grand Total
FCD51	967	1,371	2,435	779	682	698	3,498	4,020	3,392	1,130	304	2,057	21,333
FCD55									807				807
FCD62		710	1,349		576		2,046		592				5,273
FPD51	445	170	367	55	625	489	1	234	1,904	375	486	423	5,574
MCD51	2,479	1,072	2,008	1,671	319	1,997	3,573	3,232	2,976	1,060	1,320	2,298	24,006
MCD54								702					702
MCD55		1,788		579					849				3,216
MCD56							1,584			1,752		786	4,122
MCD61	594					1,044	2,352			1,624			5,614
MCD64								888					888
MPD51	799	1,756	681	290	468	283	581	1,567	2,734	89	92	913	10,253
Grand Total	5,284	6,868	6,840	3,374	2,670	4,511	13,635	10,642	13,253	6,030	2,203	6,477	81,787

AREA	CLASS	RATE	ACCT	METER	UTILITY	DEMAND	ACCT05	Weighted I	MONTH	RATEDESP	REVDESP	UMNAM
FB	CD	FCD62	26898	90798F	E	592	12	592	200609	Gen Serv Lrg Demand >500 KW	GSLD Base Revenue	PUBLIX SUPRMARKET INC., #0322
FB	CD	FCD62	44625	91014F	E	708	12	708	200603	Gen Serv Lrg Demand >500 KW	GSLD Base Revenue	AMELIA PLANT OPER CORP
FB	CD	FCD62	117132	90942F	E	576	12	576	200605	Gen Serv Lrg Demand >500 KW	GSLD Base Revenue	COAST CHIPS INC
FB	CD	FCD62	117132	91475F	E	710.4	12	710	200602	Gen Serv Lrg Demand >500 KW	GSLD Base Revenue	COAST CHIPS INC
FB	CD	FCD62	117133	91561F	E	2046	12	2,046	200607	Gen Serv Lrg Demand >500 KW	GSLD Base Revenue	RITZ CARLTON-AMELIA ISLAND
FB	CD	FCD62	123811	91009F	E	640.8	12	641	200603	Gen Serv Lrg Demand >500 KW	GSLD Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	5143	15994F	E	45.9	12	46	200606	General Service Demand	Large Commercial Base Revenue	ROBERTS, DAWN
FB	CL	FCD51	5166	91260F	E	46.33	12	46	200608	General Service Demand	Large Commercial Base Revenue	M POMPEO MANGANIARO
FB	CL	FCD51	5196	91065F	E	40.8	12	41	200602	General Service Demand	Large Commercial Base Revenue	NASSAU BCH DEV VENTURES
FB	CL	FCD51	5205	90378F	E	46.4	12	46	200609	General Service Demand	Large Commercial Base Revenue	BANK OF AMERICA
FB	CL	FCD51	5207	90410F	E	64	12	64	200601	General Service Demand	Large Commercial Base Revenue	STEVEN B SHAW
FB	CL	FCD51	5280	90662F	E	41.6	10	35	200605	General Service Demand	Large Commercial Base Revenue	THE PANTRY, INC.
FB	CL	FCD51	5280	91594F	E	32.4	2	5	200611	General Service Demand	Large Commercial Base Revenue	THE PANTRY, INC.
FB	CL	FCD51	5295	91254F	E	52.12	12	52	200603	General Service Demand	Large Commercial Base Revenue	ST PETERS EPISCOPAL CHURCH
FB	CL	FCD51	5299	90323F	E	68	16	91	200607	General Service Demand	Large Commercial Base Revenue	MEMORIAL UNITED METHODIST CHUR
FB	CL	FCD51	5306	91185F	E	20	9	15	200605	General Service Demand	Large Commercial Base Revenue	1ST PRESBYTERIAN CH
FB	CL	FCD51	5314	90722F	E	29.6	12	30	200611	General Service Demand	Large Commercial Base Revenue	U S POSTAL SERVICE
FB	CL	FCD51	5389	90986F	E	36.18	12	36	200608	General Service Demand	Large Commercial Base Revenue	LINDA HANAWALT
FB	CL	FCD51	5405	90565F	E	38.4	12	38	200606	General Service Demand	Large Commercial Base Revenue	MARINA RESTAURANT
FB	CL	FCD51	5408	90617F	E	113.6	12	114	200607	General Service Demand	Large Commercial Base Revenue	BRETT'S WATERWAY CAFE INC
FB	CL	FCD51	5422	90578F	E	13.2	5	6	200607	General Service Demand	Large Commercial Base Revenue	FLORIDA PETROLEUM CORP
FB	CL	FCD51	5427	91235F	E	47.92	12	48	200609	General Service Demand	Large Commercial Base Revenue	NASSAU TERMINALS
FB	CL	FCD51	5432	91186F	E	128	12	128	200609	General Service Demand	Large Commercial Base Revenue	NASSAU TERMINALS
FB	CL	FCD51	5432	91238F	E	131.77	12	132	200604	General Service Demand	Large Commercial Base Revenue	NASSAU TERMINALS
FB	CL	FCD51	5495	90656F	E	38.4	11	35	200609	General Service Demand	Large Commercial Base Revenue	DOWN UNDER MARINA REST
FB	CL	FCD51	5505	91284F	E	66.42	12	66	200608	General Service Demand	Large Commercial Base Revenue	RICHARD OF WAYCROSS
FB	CL	FCD51	5646	90962F	E	28.41	9	21	200609	General Service Demand	Large Commercial Base Revenue	ST MICHAELS CHURCH
FB	CL	FCD51	5646	91660F	E	35	5	15	200612	General Service Demand	Large Commercial Base Revenue	ST MICHAELS CHURCH
FB	CL	FCD51	5646	91664F	E	23.52	2	4	200611	General Service Demand	Large Commercial Base Revenue	ST MICHAELS CHURCH
FB	CL	FCD51	10512	91111F	E	70.86	12	71	200607	General Service Demand	Large Commercial Base Revenue	FIRST BAPTIST CHURCH
FB	CL	FCD51	10515	91479F	E	81.6	12	82	200610	General Service Demand	Large Commercial Base Revenue	FIRST BAPTIST CHURCH
FB	CL	FCD51	10615	91472F	E	76	12	76	200603	General Service Demand	Large Commercial Base Revenue	1ST PRESBYTERIAN CH
FB	CL	FCD51	10621	90881F	E	50	9	38	200607	General Service Demand	Large Commercial Base Revenue	MEMORIAL UNITED METHODIST CHUR
FB	CL	FCD51	10621	91586F	E	48.8	3	12	200610	General Service Demand	Large Commercial Base Revenue	MEMORIAL UNITED METHODIST CHUR
FB	CL	FCD51	10701	90899F	E	90	12	90	200609	General Service Demand	Large Commercial Base Revenue	ST PETERS EPISCOPAL CHURCH
FB	CL	FCD51	10715	91265F	E	59.74	12	60	200603	General Service Demand	Large Commercial Base Revenue	HEARD, JACK
FB	CL	FCD51	10784	90949F	E	58.8	12	59	200608	General Service Demand	Large Commercial Base Revenue	MOORE, MICHAEL
FB	CL	FCD51	10871	90542F	E	24.8	2	4	200601	General Service Demand	Large Commercial Base Revenue	SEARCH ALLIANCE INC
FB	CL	FCD51	16632	15987F	E	27.57	9	21	200603	General Service Demand	Large Commercial Base Revenue	NELSON, LYNNETTE
FB	CL	FCD51	16661	91504F	E	34.68	12	35	200610	General Service Demand	Large Commercial Base Revenue	AICC, INC.
FB	CL	FCD51	16684	91243F	E	49.72	12	50	200606	General Service Demand	Large Commercial Base Revenue	TRAWICK TILE INC
FB	CL	FCD51	16701	90567F	E	28.8	10	24	200608	General Service Demand	Large Commercial Base Revenue	FAMOUS AMOS INC
FB	CL	FCD51	16801	90972F	E	32.02	8	21	200601	General Service Demand	Large Commercial Base Revenue	JACO INC
FB	CL	FCD51	17003	90537F	E	76.8	3	19	200602	General Service Demand	Large Commercial Base Revenue	1ST MISSIONARY BAP CH
FB	CL	FCD51	17003	91478F	E	62.4	9	47	200610	General Service Demand	Large Commercial Base Revenue	1ST MISSIONARY BAP CH
FB	CL	FCD51	21727	90445F	E	65.6	12	66	200602	General Service Demand	Large Commercial Base Revenue	CHURCH OF GOD NO 1044
FB	CL	FCD51	26148	13639F	E	38.38	12	38	200601	General Service Demand	Large Commercial Base Revenue	MCCLANE & STUBITS ODPA
FB	CL	FCD51	26271	90944F	E	25.78	3	6	200610	General Service Demand	Large Commercial Base Revenue	GORDO ROJO INC
FB	CL	FCD51	26273	15434F	E	20.48	9	15	200604	General Service Demand	Large Commercial Base Revenue	FLASH FOODS INC
FB	CL	FCD51	26276	90677F	E	47.2	12	47	200602	General Service Demand	Large Commercial Base Revenue	FLASH FOODS INC #138
FB	CL	FCD51	26436	91177F	E	63	4	21	200603	General Service Demand	Large Commercial Base Revenue	CHURCH OF CHRIST
FB	CL	FCD51	26481	15662F	E	32.54	12	33	200603	General Service Demand	Large Commercial Base Revenue	DIXIE MANNING

FB	CL	FCD51	26487	90943F	E	78.71	12	79	200609	General Service Demand	Large Commercial Base Revenue	MISAND INC
FB	CL	FCD51	26488	90927F	E	38.8	12	39	200609	General Service Demand	Large Commercial Base Revenue	BLOCKBUSTER ENTERTAIN
FB	CL	FCD51	26538	90766F	E	34.3	12	34	200612	General Service Demand	Large Commercial Base Revenue	CARMIKE CINEMAS
FB	CL	FCD51	26539	90787F	E	20.93	2	3	200601	General Service Demand	Large Commercial Base Revenue	CARMIKE CINEMAS
FB	CL	FCD51	26564	90372F	E	31.2	12	31	200609	General Service Demand	Large Commercial Base Revenue	DOLLAR GENERAL CORP
FB	CL	FCD51	26714	90483F	E	45.6	14	53	200603	General Service Demand	Large Commercial Base Revenue	BIBLE BAPTIST CHURCH
FB	CL	FCD51	26754	90718F	E	84.8	12	85	200604	General Service Demand	Large Commercial Base Revenue	1ST ASSEMBLY OF GOD
FB	CL	FCD51	26904	90432F	E	138.4	12	138	200608	General Service Demand	Large Commercial Base Revenue	BEALL'S INC
FB	CL	FCD51	26914	91247F	E	33.58	12	34	200611	General Service Demand	Large Commercial Base Revenue	HOWARD C DICK
FB	CL	FCD51	26934	90639F	E	3.2	1	0	200601	General Service Demand	Large Commercial Base Revenue	SOUTH TRUST BANK
FB	CL	FCD51	26969	91010F	E	239.2	12	239	200609	General Service Demand	Large Commercial Base Revenue	BAPTIST MED CTR-NASSAU
FB	CL	FCD51	27409	90663F	E	206	12	206	200602	General Service Demand	Large Commercial Base Revenue	QUALITY HEALTH OF FDNA BCH INC
FB	CL	FCD51	27411	91469F	E	472	12	472	200603	General Service Demand	Large Commercial Base Revenue	BAPTIST MED CTR-NASSAU
FB	CL	FCD51	27433	90967F	E	46.48	12	46	200603	General Service Demand	Large Commercial Base Revenue	NASSAU COUNCIL ON AGING
FB	CL	FCD51	33888	19721F	E	65.28	12	65	200602	General Service Demand	Large Commercial Base Revenue	C K OWENS DDS
FB	CL	FCD51	33889	91473F	E	128	12	128	200608	General Service Demand	Large Commercial Base Revenue	YMCA OF FL'S 1ST COAST
FB	CL	FCD51	37951	90346F	E	25.5	11	23	200603	General Service Demand	Large Commercial Base Revenue	TREVETT HOMES INC
FB	CL	FCD51	38050	90574F	E	75.6	12	76	200609	General Service Demand	Large Commercial Base Revenue	SMURFIT-STONE CONTAINER CORP
FB	CL	FCD51	43322	90433F	E	151.2	3	38	200601	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	43322	91656F	E	182.43	9	137	200604	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	43323	90667F	E	138.4	12	138	200608	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	43324	90607F	E	55.6	12	56	200603	General Service Demand	Large Commercial Base Revenue	PROPERTY OWNERS CLUBHS
FB	CL	FCD51	44009	15435F	E	29.39	12	29	200603	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	44014	91484F	E	92.8	12	93	200607	General Service Demand	Large Commercial Base Revenue	AMELIA PLANTATION CHAPEL
FB	CL	FCD51	50395	91011F	E	152	12	152	200607	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	50402	91296F	E	66.4	12	66	200608	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	54299	91342F	E	30	12	30	200602	General Service Demand	Large Commercial Base Revenue	PRINCE OF PEACE
FB	CL	FCD51	54358	90529F	E	27.2	12	27	200608	General Service Demand	Large Commercial Base Revenue	FLASH FOODS INC #101
FB	CL	FCD51	61519	90549F	E	61.2	4	20	200603	General Service Demand	Large Commercial Base Revenue	CAREER SYS DEV CORP
FB	CL	FCD51	62547	91587F	E	74	4	25	200609	General Service Demand	Large Commercial Base Revenue	GULAB INC
FB	CL	FCD51	68675	19937F	E	22	8	15	200603	General Service Demand	Large Commercial Base Revenue	AULD LAND SYNE
FB	CL	FCD51	68911	90950F	E	67.2	12	67	200612	General Service Demand	Large Commercial Base Revenue	LODGING RESOURCES INC
FB	CL	FCD51	69364	91343F	E	157	12	157	200607	General Service Demand	Large Commercial Base Revenue	SHONEYS MDB INC
FB	CL	FCD51	69368	90664F	E	278.4	12	278	200607	General Service Demand	Large Commercial Base Revenue	LHM MGMT INC
FB	CL	FCD51	69377	91427F	E	40	12	40	200606	General Service Demand	Large Commercial Base Revenue	CEDAR RIVER SEAFOOD OF FDNA IN
FB	CL	FCD51	74808	90657F	E	90.8	12	91	200603	General Service Demand	Large Commercial Base Revenue	THE PANTRY, INC.
FB	CL	FCD51	75251	19935F	E	43.88	12	44	200606	General Service Demand	Large Commercial Base Revenue	L L HALL JR
FB	CL	FCD51	81517	90350F	E	44	12	44	200601	General Service Demand	Large Commercial Base Revenue	5 POINTS BAPTIST CHURCH
FB	CL	FCD51	81517	91249F	E	28.12	12	28	200605	General Service Demand	Large Commercial Base Revenue	5 POINTS BAPTIST CHURCH
FB	CL	FCD51	81805	90650F	E	51.2	12	51	200612	General Service Demand	Large Commercial Base Revenue	CAPITAL CONCRETE INC
FB	CL	FCD51	81844	91023F	E	80	12	80	200603	General Service Demand	Large Commercial Base Revenue	H C OF FLORIDA INC
FB	CL	FCD51	81886	90336F	E	73.6	12	74	200605	General Service Demand	Large Commercial Base Revenue	FLASH FOODS INC #120
FB	CL	FCD51	81889	90991F	E	31.91	12	32	200607	General Service Demand	Large Commercial Base Revenue	FIREHOUSE REST GRP INC FERN
FB	CL	FCD51	81892	91424F	E	144.8	12	145	200608	General Service Demand	Large Commercial Base Revenue	M LISANTE ENTERPRISES INC
FB	CL	FCD51	81893	90539F	E	60.8	12	61	200601	General Service Demand	Large Commercial Base Revenue	FIRST UNION NAT BANK
FB	CL	FCD51	81894	90670F	E	58.8	12	59	200608	General Service Demand	Large Commercial Base Revenue	FLORIDA ISL FOODS INC
FB	CL	FCD51	81896	90877F	E	55.2	12	55	200601	General Service Demand	Large Commercial Base Revenue	BANK OF AMERICA
FB	CL	FCD51	81902	91252F	E	36.48	12	36	200601	General Service Demand	Large Commercial Base Revenue	1ST PERFORMANCE BANK
FB	CL	FCD51	81938	91274F	E	37	12	37	200604	General Service Demand	Large Commercial Base Revenue	CHEN, JI ZHANG
FB	CL	FCD51	81945	91255F	E	64.32	12	64	200607	General Service Demand	Large Commercial Base Revenue	KEEN & KEEN INC
FB	CL	FCD51	81946	90974F	E	55.79	12	56	200602	General Service Demand	Large Commercial Base Revenue	CATO FASHIONS #704
FB	CL	FCD51	81962	90765F	E	289.2	12	289	200608	General Service Demand	Large Commercial Base Revenue	WAL-MART STORES INC
FB	CL	FCD51	81991	90948F	E	45.6	12	46	200603	General Service Demand	Large Commercial Base Revenue	FOWLER ENTERPRISE INC

FB	CL	FCD51	87581	90326F	E	47.2	12	47	200607	General Service Demand	Large Commercial Base Revenue	NASSAU TERMINALS
FB	CL	FCD51	87612	90680F	E	44.4	12	44	200609	General Service Demand	Large Commercial Base Revenue	FLASH FOODS INC #97
FB	CL	FCD51	87695	90498F	E	32	12	32	200602	General Service Demand	Large Commercial Base Revenue	CHURCH OF GOD
FB	CL	FCD51	87776	90534F	E	82.8	12	83	200606	General Service Demand	Large Commercial Base Revenue	JUST RIGHT ENT., INC.
FB	CL	FCD51	87851	90960F	E	68.16	2	11	200602	General Service Demand	Large Commercial Base Revenue	AMERADA HESS CORP
FB	CL	FCD51	87851	91659F	E	68.16	10	57	200603	General Service Demand	Large Commercial Base Revenue	AMERADA HESS CORP
FB	CL	FCD51	88153	91159F	E	33.82	12	34	200606	General Service Demand	Large Commercial Base Revenue	ATLANTIC LAND & DEV
FB	CL	FCD51	88657	90971F	E	40.7	12	41	200607	General Service Demand	Large Commercial Base Revenue	BUCHANAN PETROLEUM INC
FB	CL	FCD51	93360	90674F	E	92	7	54	200602	General Service Demand	Large Commercial Base Revenue	RON ANDERSON CHEVY-OLDS
FB	CL	FCD51	93362	91352F	E	59.31	12	59	200609	General Service Demand	Large Commercial Base Revenue	ISLAND FALLS ADVENTURE
FB	CL	FCD51	93363	91043F	E	40.89	12	41	200602	General Service Demand	Large Commercial Base Revenue	FLASH FOODS #143
FB	CL	FCD51	93368	15985F	E	45.58	12	46	200602	General Service Demand	Large Commercial Base Revenue	LAPETITE ACADEMY #138-20
FB	CL	FCD51	93721	90797F	E	265.6	12	266	200608	General Service Demand	Large Commercial Base Revenue	FOOD LION INC #498
FB	CL	FCD51	93733	91311F	E	31.5	7	18	200602	General Service Demand	Large Commercial Base Revenue	JESUS ZAMBRANO
FB	CL	FCD51	99289	90375F	E	25.2	12	25	200606	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	99301	91032F	E	48.11	12	48	200607	General Service Demand	Large Commercial Base Revenue	THE PANTRY, INC.
FB	CL	FCD51	99523	90431F	E	76.4	12	76	200607	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	99524	90348F	E	35.2	12	35	200611	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND MONTESSORI
FB	CL	FCD51	99526	90554F	E	40.8	12	41	200612	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	99529	90511F	E	134.4	12	134	200604	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	99530	90509F	E	58.4	12	58	200612	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	99531	90925F	E	52	12	52	200602	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	99697	91428F	E	41.6	12	42	200612	General Service Demand	Large Commercial Base Revenue	BELLSOUTH TELECOMM
FB	CL	FCD51	99742	91263F	E	40.5	12	41	200601	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	99804	90153F	E	54	12	54	200608	General Service Demand	Large Commercial Base Revenue	KRAFT ATHLETIC CLUB
FB	CL	FCD51	99817	90719F	E	74.4	12	74	200601	General Service Demand	Large Commercial Base Revenue	AMELIA BAPTIST CHURCH
FB	CL	FCD51	106127	91267F	E	27.4	12	27	200605	General Service Demand	Large Commercial Base Revenue	WILSON R TENNILLE
FB	CL	FCD51	106416	90648F	E	44.8	12	45	200607	General Service Demand	Large Commercial Base Revenue	FLASH FOODS #171
FB	CL	FCD51	106427	90311F	E	65	14	76	200608	General Service Demand	Large Commercial Base Revenue	PARKWAY GRILLE, INC.
FB	CL	FCD51	106801	90799F	E	40	12	40	200606	General Service Demand	Large Commercial Base Revenue	CHURCH OF JESUS CHRIST
FB	CL	FCD51	111803	13637F	E	38.61	12	39	200606	General Service Demand	Large Commercial Base Revenue	STOKES O'STEEN
FB	CL	FCD51	111810	90512F	E	130	12	130	200608	General Service Demand	Large Commercial Base Revenue	STOKES O'STEEN
FB	CL	FCD51	112162	90731F	E	154.8	11	142	200608	General Service Demand	Large Commercial Base Revenue	SUMMER BEACH AMENITIES
FB	CL	FCD51	117092	90527F	E	71.6	12	72	200608	General Service Demand	Large Commercial Base Revenue	FRED'S, INC., SITE #1600
FB	CL	FCD51	117117	91026F	E	113.4	12	113	200609	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND CARE CENTER
FB	CL	FCD51	117128	90908F	E	28.93	12	29	200608	General Service Demand	Large Commercial Base Revenue	ALBERT HILLIARD
FB	CL	FCD51	117129	90535F	E	107.2	12	107	200606	General Service Demand	Large Commercial Base Revenue	BELLSOUTH TELECOMM
FB	CL	FCD51	117137	91068F	E	157.6	12	158	200612	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	117140	91483F	E	52.8	12	53	200609	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	117142	91482F	E	448.8	12	449	200603	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	118711	91016F	E	115.2	12	115	200607	General Service Demand	Large Commercial Base Revenue	THE HAMPTON INN
FB	CL	FCD51	118949	90964F	E	48.72	12	49	200607	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	119953	90409F	E	19.2	1	2	200601	General Service Demand	Large Commercial Base Revenue	STOKES JOHNSON
FB	CL	FCD51	120755	90401F	E	420	11	385	200609	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	120825	91259F	E	47.59	12	48	200604	General Service Demand	Large Commercial Base Revenue	WELL TRAVEL IMPORTS INC
FB	CL	FCD51	120909	91253F	E	68.93	12	69	200608	General Service Demand	Large Commercial Base Revenue	BEACHSIDE VILLA CONDO ASSOC
FB	CL	FCD51	120924	91022F	E	80.8	12	81	200607	General Service Demand	Large Commercial Base Revenue	U S POSTAL SERVICE
FB	CL	FCD51	121552	19289F	E	24.72	12	25	200608	General Service Demand	Large Commercial Base Revenue	U STORE IT
FB	CL	FCD51	121767	17182F	E	43.56	10	36	200603	General Service Demand	Large Commercial Base Revenue	CARVER, JAN
FB	CL	FCD51	121767	520166F	E	37.08	2	6	200612	General Service Demand	Large Commercial Base Revenue	CARVER, JAN
FB	CL	FCD51	122096	17181F	E	46.89	12	47	200612	General Service Demand	Large Commercial Base Revenue	CARVER, JAN
FB	CL	FCD51	122482	90546F	E	596.8	12	597	200608	General Service Demand	Large Commercial Base Revenue	AMELIA PLANT OPER CORP
FB	CL	FCD51	123972	91034F	E	96	12	96	200610	General Service Demand	Large Commercial Base Revenue	WALGREENS CO #4449

FB	CL	FCD51	124225	90973F	E	76.8	12	77	200609	General Service Demand	Large Commercial Base Revenue	OSPREY VILL AT AMELIA ISL LTD
FB	CL	FCD51	124313	91030F	E	131.33	12	131	200605	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	124520	91020F	E	222	12	222	200609	General Service Demand	Large Commercial Base Revenue	BAPTIST HEALTH PROPERTIES
FB	CL	FCD51	124617	90895F	E	134.4	12	134	200607	General Service Demand	Large Commercial Base Revenue	OSPREY VILL AT AMELIA ISL LTD
FB	CL	FCD51	124671	91044F	E	103.6	12	104	200610	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	124809	91487F	E	85.6	12	86	200603	General Service Demand	Large Commercial Base Revenue	ST MICHAELS CHURCH
FB	CL	FCD51	128315	91183F	E	33	12	33	200608	General Service Demand	Large Commercial Base Revenue	MAGNA'S FULL BODY SALON, INC
FB	CL	FCD51	128586	17184F	E	40.97	12	41	200602	General Service Demand	Large Commercial Base Revenue	FIRST NATIONAL BANK OF NASSAU
FB	CL	FCD51	128840	90894F	E	89.6	12	90	200608	General Service Demand	Large Commercial Base Revenue	ECKERD DRUGS #430
FB	CL	FCD51	130525	91015F	E	73.6	10	61	200607	General Service Demand	Large Commercial Base Revenue	PETROFERM USA
FB	CL	FCD51	132382	91184F	E	50	12	50	200606	General Service Demand	Large Commercial Base Revenue	MOONEY, WILLIAM A
FB	CL	FCD51	132752	91103F	E	32.76	12	33	200602	General Service Demand	Large Commercial Base Revenue	LEXINGTON VENTURES INC
FB	CL	FCD51	133818	91134F	E	448.8	12	449	200607	General Service Demand	Large Commercial Base Revenue	HARRIS TEETER INC MS 1189
FB	CL	FCD51	133925	18860F	E	41.6	12	42	200604	General Service Demand	Large Commercial Base Revenue	NATIONAL COMPUTER SERVICES INC
FB	CL	FCD51	134044	91180F	E	68	12	68	200608	General Service Demand	Large Commercial Base Revenue	KRYSTALS, FLASH FOODS, INC.
FB	CL	FCD51	134129	91181F	E	65	12	65	200608	General Service Demand	Large Commercial Base Revenue	ZAXBY'S FRANCHISING,, INC.
FB	CL	FCD51	134258	91133F	E	84.8	4	28	200604	General Service Demand	Large Commercial Base Revenue	STAPLES #01063
FB	CL	FCD51	134299	91178F	E	41	12	41	200602	General Service Demand	Large Commercial Base Revenue	RIMES JR, J E
FB	CL	FCD51	136593	91179F	E	53	12	53	200610	General Service Demand	Large Commercial Base Revenue	COMPASS BANK
FB	CL	FCD51	138233	91350F	E	30.4	12	30	200601	General Service Demand	Large Commercial Base Revenue	TIRE KINGDOM
FB	CL	FCD51	138390	91421F	E	140.8	12	141	200608	General Service Demand	Large Commercial Base Revenue	LIFE IS GOOD CORP
FB	CL	FCD51	139417	520165F	E	28	12	28	200603	General Service Demand	Large Commercial Base Revenue	MEMORIAL UNITED METHODIST
FB	CL	FCD51	142005	18856F	E	33	10	28	200608	General Service Demand	Large Commercial Base Revenue	SOUTH TRUST BANK
FB	CL	FCD51	143670	91231F	E	128	12	128	200605	General Service Demand	Large Commercial Base Revenue	BOSLAND, KATHLEEN
FB	CL	FCD51	143848	91341F	E	149	12	149	200603	General Service Demand	Large Commercial Base Revenue	FIRST COAST COMMUNITY BANK, #
FB	CL	FCD51	144769	91291F	E	106	1	9	200609	General Service Demand	Large Commercial Base Revenue	MARCO-DESTIN, INC.
FB	CL	FCD51	144769	91588F	E	88	3	22	200610	General Service Demand	Large Commercial Base Revenue	MARCO-DESTIN, INC.
FB	CL	FCD51	147083	91246F	E	67.5	12	68	200603	General Service Demand	Large Commercial Base Revenue	J INC
FB	CL	FCD51	147351	91344F	E	40	3	10	200601	General Service Demand	Large Commercial Base Revenue	TWO EASE, INC
FB	CL	FCD51	147579	91292F	E	71	12	71	200603	General Service Demand	Large Commercial Base Revenue	N & E GROUP
FB	CL	FCD51	147731	91135F	E	125	12	125	200612	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	151732	91355F	E	59.5	12	60	200608	General Service Demand	Large Commercial Base Revenue	SINO AMERICAN FOODS ENT, INC.
FB	CL	FCD51	154023	91346F	E	130	12	130	200601	General Service Demand	Large Commercial Base Revenue	RAYONIER FOREST RESOURCES, LP
FB	CL	FCD51	154081	91283F	E	29	12	29	200602	General Service Demand	Large Commercial Base Revenue	RINEY, J DONALD
FB	CL	FCD51	154343	91234F	E	30.29	12	30	200606	General Service Demand	Large Commercial Base Revenue	MCCRANIE, COURTNEY
FB	CL	FCD51	154802	91297F	E	101	12	101	200609	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	154905	90793F	E	27.32	12	27	200612	General Service Demand	Large Commercial Base Revenue	BILL'S VIDEO DESIGN, INC
FB	CL	FCD51	158459	90575F	E	398.4	12	398	200609	General Service Demand	Large Commercial Base Revenue	KMART CORPORATION "D I P"
FB	CL	FCD51	159655	91064F	E	36.51	12	37	200608	General Service Demand	Large Commercial Base Revenue	SUMMER BEACH RESORT
FB	CL	FCD51	168625	91347F	E	125	4	42	200602	General Service Demand	Large Commercial Base Revenue	THE WIT GROUP, INC.
FB	CL	FCD51	170809	91264F	E	79.31	12	79	200608	General Service Demand	Large Commercial Base Revenue	SEA SIDE AMELIA, INC.
FB	CL	FCD51	171035	91301F	E	30.3	12	30	200609	General Service Demand	Large Commercial Base Revenue	BEALL'S OUTLET STORES
FB	CL	FCD51	171037	91298F	E	24	8	16	200601	General Service Demand	Large Commercial Base Revenue	BEALL'S OUTLET STORES
FB	CL	FCD51	171231	91339F	E	108	12	108	200608	General Service Demand	Large Commercial Base Revenue	RRG OF AMELIA INC
FB	CL	FCD51	174267	16312F	E	21.02	3	5	200611	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND YACHT BASIN LTD
FB	CL	FCD51	174332	91251F	E	58.42	13	63	200607	General Service Demand	Large Commercial Base Revenue	SUMMER BEACH AMENITIES
FB	CL	FCD51	175020	91353F	E	43	12	43	200603	General Service Demand	Large Commercial Base Revenue	OCEAN CLUB SOUTH
FB	CL	FCD51	175854	91360F	E	21	1	2	200601	General Service Demand	Large Commercial Base Revenue	PETROFERM USA
FB	CL	FCD51	177956	90430F	E	224.4	12	224	200607	General Service Demand	Large Commercial Base Revenue	SAND SPRING, LLC
FB	CL	FCD51	180925	91069F	E	300	12	300	200609	General Service Demand	Large Commercial Base Revenue	AMELIA HARBOR VIEW, LLC
FB	CL	FCD51	181297	90491F	E	54.4	12	54	200601	General Service Demand	Large Commercial Base Revenue	ATLANTIC COAST BANK
FB	CL	FCD51	182225	91062F	E	19.35	2	3	200602	General Service Demand	Large Commercial Base Revenue	KENT, BARBARA
FB	CL	FCD51	186223	91351F	E	48	12	48	200608	General Service Demand	Large Commercial Base Revenue	24 HOUR LAUNDRY ZONE, INC.

FB	CL	FCD51	187790	91027F	E	85.52	12	86	200609	General Service Demand	Large Commercial Base Revenue	BIG SHEF, INC.
FB	CL	FCD51	188801	14431F	E	31.57	12	32	200609	General Service Demand	Large Commercial Base Revenue	CONSTRUCTION & PROPERTY MGMT
FB	CL	FCD51	189421	91356F	E	61	12	61	200607	General Service Demand	Large Commercial Base Revenue	JUST REWARDS, INC.
FB	CL	FCD51	190390	91250F	E	68.64	12	69	200607	General Service Demand	Large Commercial Base Revenue	AMELIA STEAK HOUSE, INC.
FB	CL	FCD51	191281	90668F	E	86.4	12	86	200612	General Service Demand	Large Commercial Base Revenue	FIRST COAST FOODS LLC
FB	CL	FCD51	191533	91288F	E	85	12	85	200607	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND REST #II, INC.
FB	CL	FCD51	191757	19726F	E	42	12	42	200611	General Service Demand	Large Commercial Base Revenue	BEACHES DERMATOLOGY
FB	CL	FCD51	193126	15659F	E	31.12	12	31	200603	General Service Demand	Large Commercial Base Revenue	ICABOD, INC
FB	CL	FCD51	193374	91262F	E	81	12	81	200612	General Service Demand	Large Commercial Base Revenue	SPANKY'S SEAFOOD GRILL & BAR
FB	CL	FCD51	195935	91503F	E	191	12	191	200610	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	196569	91286F	E	28	12	28	200607	General Service Demand	Large Commercial Base Revenue	AMSOUTH BANK
FB	CL	FCD51	196690	91470F	E	422	12	422	200609	General Service Demand	Large Commercial Base Revenue	BAPTIST MED CTR-NASSAU
FB	CL	FCD51	197273	91358F	E	34	12	34	200608	General Service Demand	Large Commercial Base Revenue	WATSON REALTY CORP
FB	CL	FCD51	201731	90951F	E	60.8	12	61	200607	General Service Demand	Large Commercial Base Revenue	CENTRE STREET GLAD, LLC
FB	CL	FCD51	202536	91471F	E	84.4	12	84	200608	General Service Demand	Large Commercial Base Revenue	JAX FOODS LLC
FB	CL	FCD51	203614	91474F	E	99	12	99	200607	General Service Demand	Large Commercial Base Revenue	FLORIDA APPLEBEE'S, LLC
FB	CL	FCD51	205282	90531F	E	78.4	12	78	200607	General Service Demand	Large Commercial Base Revenue	ALL SERVICE REALTY
FB	CL	FCD51	206348	90172F	E	51.2	12	51	200607	General Service Demand	Large Commercial Base Revenue	ATLANTICAVE LLC
FB	CL	FCD51	206601	91285F	E	37	12	37	200608	General Service Demand	Large Commercial Base Revenue	PLANTATION HOUSING CORP.
FB	CL	FCD51	206623	90499F	E	69.6	12	70	200602	General Service Demand	Large Commercial Base Revenue	DOLLAR TREE
FB	CL	FCD51	207015	90770F	E	43.78	12	44	200602	General Service Demand	Large Commercial Base Revenue	MINH DANG
FB	CL	FCD51	207133	91520F	E	116	12	116	200601	General Service Demand	Large Commercial Base Revenue	STEINMART # 704
FB	CL	FCD51	209525	91506F	E	153	12	153	200602	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	210202	91505F	E	42	12	42	200605	General Service Demand	Large Commercial Base Revenue	SMURFIT-STONE CONTAINER CORP
FB	CL	FCD51	212226	18863F	E	28	12	28	200608	General Service Demand	Large Commercial Base Revenue	SARPJ, LLC
FB	CL	FCD51	212233	90878F	E	86	12	86	200607	General Service Demand	Large Commercial Base Revenue	RIDISON SOUTH, INC
FB	CL	FCD51	212675	90947F	E	26.46	12	26	200601	General Service Demand	Large Commercial Base Revenue	ISLAND WALK ASSOC, LLC
FB	CL	FCD51	214121	91507F	E	86	4	29	200604	General Service Demand	Large Commercial Base Revenue	BUTLER, SAM
FB	CL	FCD51	215244	91278F	E	39	12	39	200603	General Service Demand	Large Commercial Base Revenue	TUESDAY MORNING, INC.
FB	CL	FCD51	216003	91128F	E	49.74	12	50	200603	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND DIALYSIS
FB	CL	FCD51	216159	91244F	E	24.99	9	19	200601	General Service Demand	Large Commercial Base Revenue	MARSH, KIM
FB	CL	FCD51	217084	90659F	E	32.4	10	27	200603	General Service Demand	Large Commercial Base Revenue	PUG JUG, LLC
FB	CL	FCD51	217289	90660F	E	137.2	12	137	200607	General Service Demand	Large Commercial Base Revenue	FERNANDINA SEAFOOD COMPANY
FB	CL	FCD51	217289	91275F	E	43	12	43	200607	General Service Demand	Large Commercial Base Revenue	FERNANDINA SEAFOOD COMPANY
FB	CL	FCD51	218260	91025F	E	54.4	12	54	200609	General Service Demand	Large Commercial Base Revenue	PROF CONSULTING ASSOCS
FB	CL	FCD51	218879	91488F	E	75	12	75	200603	General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMM ASSOC
FB	CL	FCD51	219396	91508F	E	95	12	95	200605	General Service Demand	Large Commercial Base Revenue	SUN GALLERY, INC.
FB	CL	FCD51	220994	90965F	E	65.39	12	65	200608	General Service Demand	Large Commercial Base Revenue	KURANI PIZZA, INC.
FB	CL	FCD51	221812	90576F	E	34.8	12	35	200607	General Service Demand	Large Commercial Base Revenue	FERNANDINA FOOD MART
FB	CL	FCD51	222012	90791F	E	33.55	7	20	200601	General Service Demand	Large Commercial Base Revenue	DONG, LI YUN
FB	CL	FCD51	223071	90790F	E	27.72	3	7	200610	General Service Demand	Large Commercial Base Revenue	HALEY'S VENTURES, LLC
FB	CL	FCD51	223074	90893F	E	69.6	12	70	200610	General Service Demand	Large Commercial Base Revenue	STEWART COMMERCIAL PROP LLC
FB	CL	FCD51	223428	90615F	E	80.8	12	81	200605	General Service Demand	Large Commercial Base Revenue	REDPHYSH COMPANY INC
FB	CL	FCD51	223475	90570F	E	156.8	12	157	200612	General Service Demand	Large Commercial Base Revenue	CHANDLERY BULIDING, LLC
FB	CL	FCD51	224609	90924F	E	952	12	952	200612	General Service Demand	Large Commercial Base Revenue	WINN DIXIE STORE #84
FB	CL	FCD51	225969	91039F	E	33.84	12	34	200609	General Service Demand	Large Commercial Base Revenue	WANGS ENTERPRISE OF AMELIA INC
FB	CL	FCD51	226798	91514F	E	27	3	7	200602	General Service Demand	Large Commercial Base Revenue	BRANNEN DEVELOPMENT CO
FB	CL	FCD51	227586	91233F	E	61.41	12	61	200601	General Service Demand	Large Commercial Base Revenue	THE RIVER CHURCH @ FDNA, INC
FB	CL	FCD51	232097	90984F	E	23.27	10	19	200604	General Service Demand	Large Commercial Base Revenue	ISLAND GARDEN GRILL
FB	CL	FCD51	232736	90678F	E	356.8	12	357	200610	General Service Demand	Large Commercial Base Revenue	AMELIA TRACE ASSED LIVING, INC
FB	CL	FCD51	232789	90351F	E	25.6	12	26	200605	General Service Demand	Large Commercial Base Revenue	KARENS FABRICS, INC
FB	CL	FCD51	233180	91357F	E	24	8	16	200606	General Service Demand	Large Commercial Base Revenue	VILLAGE CENTER AT GATEWAY
FB	CL	FCD51	233844	91430F	E	39	10	33	200609	General Service Demand	Large Commercial Base Revenue	AMELIA BAPTIST CHURCH

FB	CL	FCD51	234056	91621F	E	42	2	7	200603 General Service Demand	Large Commercial Base Revenue	BEKKA CORPORATION
FB	CL	FCD51	234378	90829F	E	28	14	33	200608 General Service Demand	Large Commercial Base Revenue	NORTH FLORIDA SHIPPING INC
FB	CL	FCD51	235019	91108F	E	143.3	12	143	200611 General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	236413	90302F	E	20	11	18	200607 General Service Demand	Large Commercial Base Revenue	FERNANDINA RESTAURANT, INC
FB	CL	FCD51	238271	19723F	E	54.28	12	54	200602 General Service Demand	Large Commercial Base Revenue	BEATON III, ERNEST L
FB	CL	FCD51	238484	90489F	E	71.4	12	71	200602 General Service Demand	Large Commercial Base Revenue	FERNANDINA BCH REALTY
FB	CL	FCD51	239149	91648F	E	62	7	36	200607 General Service Demand	Large Commercial Base Revenue	SPYGLASS VILLA ASSOC
FB	CL	FCD51	240266	91344F	E	53.6	11	49	200608 General Service Demand	Large Commercial Base Revenue	AAWN FOOD GROUP, INC.
FB	CL	FCD51	240370	90639F	E	7.6	9	6	200604 General Service Demand	Large Commercial Base Revenue	FIRST STATES INVESTORS
FB	CL	FCD51	240449	91360F	E	20	8	13	200604 General Service Demand	Large Commercial Base Revenue	1ST COAST MOVING & STORAGE
FB	CL	FCD51	241018	90542F	E	40.4	8	27	200603 General Service Demand	Large Commercial Base Revenue	WARWICK, DIANE
FB	CL	FCD51	241026	91587F	E	330	8	220	200608 General Service Demand	Large Commercial Base Revenue	COMPASS GROUP INC
FB	CL	FCD51	241560	91564F	E	13	7	8	200606 General Service Demand	Large Commercial Base Revenue	PITTS, TROY
FB	CL	FCD51	243289	91585F	E	73	9	55	200604 General Service Demand	Large Commercial Base Revenue	AMELIA ISLAND COMPANY
FB	CL	FCD51	243946	91621F	E	29	9	22	200612 General Service Demand	Large Commercial Base Revenue	FIRST COAST PEDIATRICS
FB	CL	FCD51	244412	90549F	E	64.8	9	49	200606 General Service Demand	Large Commercial Base Revenue	YOUTH FOUNDATION, INC, HENRY &
FB	CL	FCD51	244566	91514F	E	42	9	32	200612 General Service Demand	Large Commercial Base Revenue	ADVANCE STORES COMPANY, INC
FB	CL	FCD51	245309	91347F	E	125	8	83	200609 General Service Demand	Large Commercial Base Revenue	DYNAMICALLY MANAGED REST., INC
FB	CL	FCD51	245614	91177F	E	46	8	31	200612 General Service Demand	Large Commercial Base Revenue	CHURCH OF CHRIST
FB	CL	FCD51	246023	91133F	E	122.4	8	82	200607 General Service Demand	Large Commercial Base Revenue	STAPLES #01063
FB	CL	FCD51	246968	91657F	E	62	4	21	200608 General Service Demand	Large Commercial Base Revenue	BUCHANAN BLDRS
FB	CL	FCD51	248675	91311F	E	31.19	6	16	200612 General Service Demand	Large Commercial Base Revenue	LOS ARRAYANES, INC
FB	CL	FCD51	249419	91791F	E	30	5	13	200608 General Service Demand	Large Commercial Base Revenue	GREAT KHAN, INC
FB	CL	FCD51	251669	90984F	E	10.12	4	3	200610 General Service Demand	Large Commercial Base Revenue	BUCHANAN BUILDERS
FB	CL	FCD51	252500	91657F	E	55	3	14	200610 General Service Demand	Large Commercial Base Revenue	PICKETT, KEN
FB	CL	FCD51	252862	90567F	E	22.4	3	6	200611 General Service Demand	Large Commercial Base Revenue	NEW RIVER GROUP, LLC
FB	CL	FCD51	252943	91015F	E	48	3	12	200610 General Service Demand	Large Commercial Base Revenue	FERNANDINA BCH MEDICAL, LLC
FB	CL	FCD51	253710	18856F	E	39	3	10	200612 General Service Demand	Large Commercial Base Revenue	FIRST FEDERAL SAVINGS BANK, OF
FB	CS	FCD51	143019	90781F	E	24	1	2	200610 General Service Demand	Large Commercial Base Revenue	A MILLION ISLAND INC
FB	PA	FCD51	215668	520587F	E	71	3	18	200610 General Service Demand	Large Commercial Base Revenue	FT CLINCH STATE PARK
FB	PA	FCD55	117100	91555F	E	807	12	807	200609 Gen Serv Lrg Demand >500 KW	GSLD Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	5202	91345F	E	80	12	80	200608 General Service Demand - PA	Large Commercial Base Revenue	NAS CO BRD OF CO COMM
FB	PA	FPD51	5410	90716F	E	158.4	4	53	200602 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	10487	90157F	E	52	12	52	200609 General Service Demand - PA	Large Commercial Base Revenue	NAS CO BRD OF CO COMM
FB	PA	FPD51	10710	91486F	E	333	12	333	200609 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	10714	91289F	E	36	12	36	200601 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	10783	90884F	E	61.6	12	62	200603 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	10873	90463F	E	37.6	12	38	200609 General Service Demand - PA	Large Commercial Base Revenue	NAS CO BRD OF CO COMM
FB	PA	FPD51	21638	90371F	E	91.2	12	91	200603 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	21638	91348F	E	72	12	72	200606 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	21665	90369F	E	500	12	500	200609 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	21760	91012F	E	262.4	12	262	200611 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	21865	91241F	E	48.98	12	49	200612 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	22143	91107F	E	41.87	12	42	200609 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	32880	91136F	E	114.4	12	114	200606 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	32882	19722F	E	82.65	8	55	200604 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	32883	91349F	E	156	12	156	200609 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	32903	90568F	E	48	12	48	200612 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	54301	91279F	E	41	12	41	200603 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	54301	91340F	E	95	12	95	200601 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	68448	91240F	E	31.39	12	31	200609 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	82083	91423F	E	410.4	12	410	200605 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	87735	91489F	E	172.2	11	158	200609 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH

FB	PA	FPD51	88634	90651F E	215	12	215	200605 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	99746	90911F E	49.99	12	50	200608 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	106715	91018F E	318	12	318	200612 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	117115	90533F E	16.8	2	3	200608 General Service Demand - PA	Large Commercial Base Revenue	NAS CO BRD OF CO COMM
FB	PA	FPD51	121257	91290F E	101	12	101	200608 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	138481	91021F E	209	12	209	200609 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	159403	91354F E	28	12	28	200601 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	169894	520167F E	27	2	5	200612 General Service Demand - PA	Large Commercial Base Revenue	FT CLINCH STATE PARK
FB	PA	FPD51	172673	91282F E	49	12	49	200601 General Service Demand - PA	Large Commercial Base Revenue	NASSAU COUNTY HEALTH DEPT
FB	PA	FPD51	179216	91313F E	27	11	25	200603 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	189171	91019F E	316.8	12	317	200610 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	189172	91268F E	384.8	12	385	200609 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	189180	91269F E	303	12	303	200606 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	191180	91248F E	30.29	12	30	200603 General Service Demand - PA	Large Commercial Base Revenue	NASSAU AMELIA WATER
FB	PA	FPD51	191187	90363F E	222.4	12	222	200611 General Service Demand - PA	Large Commercial Base Revenue	NASSAU AMELIA WATER
FB	PA	FPD51	191188	90891F E	237.2	12	237	200601 General Service Demand - PA	Large Commercial Base Revenue	NASSAU AMELIA WATER
FB	PA	FPD51	191254	90928F E	116.8	12	117	200602 General Service Demand - PA	Large Commercial Base Revenue	NASSAU AMELIA WATER
FB	PA	FPD51	209096	91655F E	118	12	118	200603 General Service Demand - PA	Large Commercial Base Revenue	NASSAU CO SCHOOL BOARD
FB	PA	FPD51	224537	91431F E	44	10	37	200610 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FERNANDINA BEACH
FB	PA	FPD51	245533	90716F E	86	3	22	200610 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
FB	PA	FPD51	247400	91507F E	10	1	1	200607 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FERNANDINA BEACH
FB	PA	FPD51	253783	91591F E	37	1	3	200612 General Service Demand - PA	Large Commercial Base Revenue	FT CLINCH STATE PARK
FB	PA	FPD51	254095	91276F E	10	2	2	200611 General Service Demand - PA	Large Commercial Base Revenue	CITY OF FDNA BCH
MAR	CD	MCD61	86679	19335M E	1065	12	1,065	200610 General Service Demand >500 KW	GSLD Base Revenue	CLOVERLEAF GIN
MAR	CD	MCD61	155749	19838M E	1158	12	1,158	200607 General Service Demand >500 KW	GSLD Base Revenue	WAL-MART STORES, INC #01-1375
MAR	CD	MCD61	216874	22527M E	594	12	594	200601 General Service Demand >500 KW	GSLD Base Revenue	LOWE'S HOME CENTER #1924
MAR	CD	MCD61	217426	21534M E	1194	12	1,194	200607 General Service Demand >500 KW	GSLD Base Revenue	FAMILY DOLLAR
MAR	CD	MCD61	217428	22531M E	1044	12	1,044	200606 General Service Demand >500 KW	GSLD Base Revenue	FAMILY DOLLAR
MAR	CD	MCD61	224746	23446M E	559.2	12	559	200610 General Service Demand >500 KW	GSLD Base Revenue	WINN DIXIE "D.I.P."
MAR	CD	MCD64	224141	22525M E	888	12	888	200608 Gen Serv Lg Dmd >500 KW w/Disc	GSLD Base Revenue	WEST POINT STEVENS
MAR	CL	MCD51	3942	19052M E	38.11	12	38	200604 General Service Demand	Large Commercial Base Revenue	JR FOOD STORES OF WEST
MAR	CL	MCD51	4515	16186M E	43.77	12	44	200608 General Service Demand	Large Commercial Base Revenue	DAVIS OPTOMETRY GROUP
MAR	CL	MCD51	4583	12216M E	52	12	52	200607 General Service Demand	Large Commercial Base Revenue	FIRST PRESBYTERIAN
MAR	CL	MCD51	4618	16569M E	31.7	12	32	200603 General Service Demand	Large Commercial Base Revenue	MADISON'S WAREHOUSE, INC
MAR	CL	MCD51	5034	19320M E	204.8	12	205	200609 General Service Demand	Large Commercial Base Revenue	FIRST BAPTIST CHURCH
MAR	CL	MCD51	5036	17473M E	35.2	1	3	200601 General Service Demand	Large Commercial Base Revenue	REGIONS BANK
MAR	CL	MCD51	5038	9403M E	75.2	12	75	200607 General Service Demand	Large Commercial Base Revenue	NIFTY CLEANERS AND
MAR	CL	MCD51	5057	19333M E	62.4	12	62	200610 General Service Demand	Large Commercial Base Revenue	JIREH DEVELOPERS INC
MAR	CL	MCD51	5105	19261M E	56	12	56	200612 General Service Demand	Large Commercial Base Revenue	EVAN FOSTER DBA
MAR	CL	MCD51	5113	14051M E	49.5	12	50	200607 General Service Demand	Large Commercial Base Revenue	WATSON REXALL DRUG
MAR	CL	MCD51	9438	10912M E	86.4	12	86	200609 General Service Demand	Large Commercial Base Revenue	ASSOCIATED MINISTRIES INC
MAR	CL	MCD51	9569	13982M E	59.2	9	44	200603 General Service Demand	Large Commercial Base Revenue	CHRIST ALLIANCE CHURCH
MAR	CL	MCD51	10200	13983M E	100.8	12	101	200608 General Service Demand	Large Commercial Base Revenue	CHURCH OF LATTER DAY
MAR	CL	MCD51	10264	10774M E	56.8	12	57	200601 General Service Demand	Large Commercial Base Revenue	MARIANNA CHURCH OF
MAR	CL	MCD51	14739	16738M E	50.8	2	8	200602 General Service Demand	Large Commercial Base Revenue	PIZZA HUTT # 2058
MAR	CL	MCD51	14739	23441M E	52	10	43	200609 General Service Demand	Large Commercial Base Revenue	PIZZA HUTT # 2058
MAR	CL	MCD51	14743	10371M E	62.4	12	62	200601 General Service Demand	Large Commercial Base Revenue	SPOTLIGHT CINEMA DBA
MAR	CL	MCD51	14745	16053M E	92	12	92	200609 General Service Demand	Large Commercial Base Revenue	GGG FOOD, INC.
MAR	CL	MCD51	14757	19316M E	69.29	12	69	200608 General Service Demand	Large Commercial Base Revenue	N F ARTIFICIAL KIDNEY #867
MAR	CL	MCD51	14768	21529M E	40	12	40	200601 General Service Demand	Large Commercial Base Revenue	BANK OF JACKSON COUNTY
MAR	CL	MCD51	14781	18809M E	52.8	7	31	200606 General Service Demand	Large Commercial Base Revenue	CAPTAIN D'S SEAFOOD
MAR	CL	MCD51	14998	19304M E	55.36	12	55	200601 General Service Demand	Large Commercial Base Revenue	USERY, EDWIN
MAR	CL	MCD51	15002	16039M E	39.62	11	36	200601 General Service Demand	Large Commercial Base Revenue	BIG LITTLE STORES INC

MAR	CL	MCD51	15002	24386M E	37.54	1	3	200612	General Service Demand	Large Commercial Base Revenue	BIG LITTLE STORES INC
MAR	CL	MCD51	15036	23458M E	46.85	12	47	200603	General Service Demand	Large Commercial Base Revenue	RAHAL-RUSSELL TOYOTA
MAR	CL	MCD51	15042	13762M E	44	12	44	200609	General Service Demand	Large Commercial Base Revenue	SERVICE AUTO PARTS
MAR	CL	MCD51	15061	16634M E	79.71	12	80	200601	General Service Demand	Large Commercial Base Revenue	HSIU FANG HSIEH DBA
MAR	CL	MCD51	15075	13699M E	65.2	12	65	200607	General Service Demand	Large Commercial Base Revenue	FIRST ASSEMBLY OF GOD
MAR	CL	MCD51	15114	12274M E	40.8	12	41	200603	General Service Demand	Large Commercial Base Revenue	WATTS CO OF MARIANNA
MAR	CL	MCD51	15122	13340M E	27.2	12	27	200603	General Service Demand	Large Commercial Base Revenue	EDWARD COHEE DBA
MAR	CL	MCD51	15125	6229M E	40	12	40	200608	General Service Demand	Large Commercial Base Revenue	TRANSAMERICA RENTAL
MAR	CL	MCD51	15128	17763M E	40.01	12	40	200605	General Service Demand	Large Commercial Base Revenue	DOLLAR GENERAL
MAR	CL	MCD51	15129	16290M E	137.2	12	137	200607	General Service Demand	Large Commercial Base Revenue	RAHAL CHEVROLET BUICK
MAR	CL	MCD51	15132	10943M E	64	12	64	200608	General Service Demand	Large Commercial Base Revenue	BOB PFORTE-DEALERSHIP
MAR	CL	MCD51	15135	22526M E	80.8	12	81	200609	General Service Demand	Large Commercial Base Revenue	CHIPOLA FORD
MAR	CL	MCD51	15189	17700M E	31.68	5	13	200605	General Service Demand	Large Commercial Base Revenue	MADDOX FUNERAL HOME
MAR	CL	MCD51	15189	20279M E	36.83	7	21	200608	General Service Demand	Large Commercial Base Revenue	MADDOX FUNERAL HOME
MAR	CL	MCD51	15462	5718M E	39.6	12	40	200607	General Service Demand	Large Commercial Base Revenue	ST LUKES EPISCOPAL
MAR	CL	MCD51	15797	15508M E	100.8	12	101	200603	General Service Demand	Large Commercial Base Revenue	FIRST METHODIST CHURCH
MAR	CL	MCD51	15915	15925M E	96.5	12	97	200608	General Service Demand	Large Commercial Base Revenue	JCARC
MAR	CL	MCD51	15923	23433M E	147.2	12	147	200609	General Service Demand	Large Commercial Base Revenue	FORSTER & HOWELL, INC D
MAR	CL	MCD51	15924	11959M E	48	12	48	200607	General Service Demand	Large Commercial Base Revenue	BAXTER, WILLIAM D
MAR	CL	MCD51	15925	15618M E	63.59	12	64	200609	General Service Demand	Large Commercial Base Revenue	FARMERS FURNITURE CO
MAR	CL	MCD51	15948	11385M E	35	12	35	200612	General Service Demand	Large Commercial Base Revenue	GRACE METHODIST CHURCH
MAR	CL	MCD51	16098	16200M E	35.61	12	36	200612	General Service Demand	Large Commercial Base Revenue	DANIEL E FEITZ DBA
MAR	CL	MCD51	16128	14635M E	170.4	12	170	200608	General Service Demand	Large Commercial Base Revenue	DELTA HEALTH GROUP
MAR	CL	MCD51	16129	16196M E	75.6	12	76	200612	General Service Demand	Large Commercial Base Revenue	DELTA HEALTH GROUP
MAR	CL	MCD51	16163	10062M E	54	12	54	200611	General Service Demand	Large Commercial Base Revenue	BRUNNER, WILLIAM F
MAR	CL	MCD51	16199	16632M E	45.56	12	46	200602	General Service Demand	Large Commercial Base Revenue	NORTH FL EYE INSTITUTE
MAR	CL	MCD51	16218	14859M E	36	12	36	200601	General Service Demand	Large Commercial Base Revenue	COOK DMD PA, DR LARRY J
MAR	CL	MCD51	16246	18870M E	30.78	12	31	200601	General Service Demand	Large Commercial Base Revenue	INTERNAL MEDICINE
MAR	CL	MCD51	20826	18652M E	84	12	84	200602	General Service Demand	Large Commercial Base Revenue	CHURCH OF JESUS CHRIST
MAR	CL	MCD51	20858	16199M E	28.17	6	14	200605	General Service Demand	Large Commercial Base Revenue	BRISTOL PHARMACY
MAR	CL	MCD51	21185	21532M E	132.8	12	133	200608	General Service Demand	Large Commercial Base Revenue	CHILDREN'S COMPREHENSIVE
MAR	CL	MCD51	21279	19302M E	66	12	66	200602	General Service Demand	Large Commercial Base Revenue	CHURCH OF GOD
MAR	CL	MCD51	25713	14109M E	42.8	12	43	200612	General Service Demand	Large Commercial Base Revenue	CHRISTIAN CHURCH
MAR	CL	MCD51	25724	12966M E	44	12	44	200612	General Service Demand	Large Commercial Base Revenue	C & L BANK OF BRISTOL
MAR	CL	MCD51	25727	12524M E	76.8	12	77	200603	General Service Demand	Large Commercial Base Revenue	FIRST BAPTIST CHURCH
MAR	CL	MCD51	25729	9277M E	70.4	3	18	200601	General Service Demand	Large Commercial Base Revenue	STRICKLAND INC
MAR	CL	MCD51	25729	24385M E	45.46	9	34	200606	General Service Demand	Large Commercial Base Revenue	STRICKLAND INC
MAR	CL	MCD51	25882	14335M E	35	12	35	200607	General Service Demand	Large Commercial Base Revenue	BENNETT EUBANKS OIL CO
MAR	CL	MCD51	25911	16894M E	41.21	12	41	200602	General Service Demand	Large Commercial Base Revenue	LIBERTY POST CO INC
MAR	CL	MCD51	26025	19394M E	43.2	12	43	200603	General Service Demand	Large Commercial Base Revenue	APALACHEE CENTER FOR
MAR	CL	MCD51	26096	14336M E	36	12	36	200606	General Service Demand	Large Commercial Base Revenue	BENNY'S INC
MAR	CL	MCD51	31789	16191M E	52.76	12	53	200607	General Service Demand	Large Commercial Base Revenue	DAFFIN MERCANTILE CO
MAR	CL	MCD51	31790	19293M E	77.63	12	78	200609	General Service Demand	Large Commercial Base Revenue	DAFFIN MERCANTILE CO
MAR	CL	MCD51	32418	18544M E	91.03	12	91	200607	General Service Demand	Large Commercial Base Revenue	DAFFIN MERCANTILE CO
MAR	CL	MCD51	32422	19288M E	216.4	12	216	200609	General Service Demand	Large Commercial Base Revenue	EMBARQ FLORIDA INC
MAR	CL	MCD51	32424	16285M E	62.4	12	62	200607	General Service Demand	Large Commercial Base Revenue	SOUTHTRUST BANK
MAR	CL	MCD51	32430	13428M E	99.2	12	99	200603	General Service Demand	Large Commercial Base Revenue	BAYCO DEVELOPMENT CO
MAR	CL	MCD51	32444	18873M E	28.2	11	26	200601	General Service Demand	Large Commercial Base Revenue	LIFE MANAGEMENT CENTER
MAR	CL	MCD51	32444	24403M E	21.34	1	2	200612	General Service Demand	Large Commercial Base Revenue	LIFE MANAGEMENT CENTER
MAR	CL	MCD51	32451	13350M E	72	12	72	200603	General Service Demand	Large Commercial Base Revenue	GLASS PROPERTIES LLC
MAR	CL	MCD51	32463	11958M E	26.4	12	26	200609	General Service Demand	Large Commercial Base Revenue	MARIANNA NEWSPAPERS
MAR	CL	MCD51	32473	12972M E	52.8	5	22	200605	General Service Demand	Large Commercial Base Revenue	CITIZENS BANK
MAR	CL	MCD51	32473	23449M E	112	7	65	200606	General Service Demand	Large Commercial Base Revenue	CITIZENS BANK

MAR	CL	MCD51	32501	12222M E	43	12	43	200607	General Service Demand	Large Commercial Base Revenue	TROY E MCCOY DBA
MAR	CL	MCD51	32672	18988M E	46.75	12	47	200606	General Service Demand	Large Commercial Base Revenue	TAMI M SMITH DBA
MAR	CL	MCD51	32718	4267M E	32	12	32	200601	General Service Demand	Large Commercial Base Revenue	FL LAND TITLE & TRUST
MAR	CL	MCD51	37179	16202M E	44.2	12	44	200603	General Service Demand	Large Commercial Base Revenue	SANGAREE OIL CO, INC. DBA
MAR	CL	MCD51	37183	19267M E	38	12	38	200608	General Service Demand	Large Commercial Base Revenue	MARIANNA PROVISION CO
MAR	CL	MCD51	37316	17970M E	56.62	12	57	200610	General Service Demand	Large Commercial Base Revenue	DISCOUNT AUTO PARTS, #109349
MAR	CL	MCD51	37317	16111M E	32.04	12	32	200612	General Service Demand	Large Commercial Base Revenue	ROADMART INC
MAR	CL	MCD51	37331	14112M E	75.6	12	76	200609	General Service Demand	Large Commercial Base Revenue	GOLDEN APPLE MGR CO
MAR	CL	MCD51	37332	19285M E	35.3	12	35	200604	General Service Demand	Large Commercial Base Revenue	SUNTRUST (UTILITY BILLING)
MAR	CL	MCD51	37353	19307M E	42.4	12	42	200607	General Service Demand	Large Commercial Base Revenue	NORTHWEST FL DRY CLEANING &
MAR	CL	MCD51	37367	17697M E	45.66	12	46	200607	General Service Demand	Large Commercial Base Revenue	AUTO ZONE INC #2427
MAR	CL	MCD51	37373	10135M E	56.4	12	56	200607	General Service Demand	Large Commercial Base Revenue	MARIANNA ELKS LODGE
MAR	CL	MCD51	37390	19317M E	111.6	12	112	200607	General Service Demand	Large Commercial Base Revenue	SHREE HARI INC
MAR	CL	MCD51	37404	18985M E	54.9	12	55	200610	General Service Demand	Large Commercial Base Revenue	H H & M INC DBA
MAR	CL	MCD51	37422	19318M E	40.8	12	41	200607	General Service Demand	Large Commercial Base Revenue	FAMILY DOLLAR STORES
MAR	CL	MCD51	37425	22535M E	28.86	12	29	200603	General Service Demand	Large Commercial Base Revenue	THE DECORATOR'S DOOR
MAR	CL	MCD51	37431	11007M E	26	12	26	200608	General Service Demand	Large Commercial Base Revenue	MARIANNA AUTO PARTS & SUPPLY
MAR	CL	MCD51	37437	14395M E	38	12	38	200609	General Service Demand	Large Commercial Base Revenue	ECONOMIC SERVICES
MAR	CL	MCD51	37446	16177M E	27.82	12	28	200612	General Service Demand	Large Commercial Base Revenue	HUNGRY HOWIE'S
MAR	CL	MCD51	37450	18220M E	24.53	12	25	200608	General Service Demand	Large Commercial Base Revenue	MGA INC DBA
MAR	CL	MCD51	37486	16064M E	59.78	6	30	200603	General Service Demand	Large Commercial Base Revenue	HERNDON OIL CORPORATION
MAR	CL	MCD51	37493	8982M E	56	12	56	200603	General Service Demand	Large Commercial Base Revenue	BILLY KENDALL DBA
MAR	CL	MCD51	37885	19842M E	41.2	12	41	200607	General Service Demand	Large Commercial Base Revenue	4610 INC
MAR	CL	MCD51	42118	17221M E	26.24	12	26	200608	General Service Demand	Large Commercial Base Revenue	GARRY GOCHENAUR DBA MARIANNA
MAR	CL	MCD51	42504	10554M E	34.5	12	35	200611	General Service Demand	Large Commercial Base Revenue	360 COMMUNICATIONS CO
MAR	CL	MCD51	42508	19280M E	27.92	2	5	200601	General Service Demand	Large Commercial Base Revenue	ESTELLE FORDHAM DBA
MAR	CL	MCD51	42511	9223M E	51.2	2	9	200601	General Service Demand	Large Commercial Base Revenue	KINDELSPIRE, JEFF
MAR	CL	MCD51	42511	23439M E	68.8	10	57	200609	General Service Demand	Large Commercial Base Revenue	KINDELSPIRE, JEFF
MAR	CL	MCD51	42515	19049M E	65.39	12	65	200602	General Service Demand	Large Commercial Base Revenue	TACO BELL
MAR	CL	MCD51	42530	16065M E	29.89	2	5	200601	General Service Demand	Large Commercial Base Revenue	UNI-MAC COMPANY
MAR	CL	MCD51	42536	16052M E	118	12	118	200607	General Service Demand	Large Commercial Base Revenue	BEALL'S DEPARTMENT
MAR	CL	MCD51	42556	19278M E	54.3	12	54	200607	General Service Demand	Large Commercial Base Revenue	ECKERD DRUG COMPANY #382309
MAR	CL	MCD51	42561	17764M E	70.09	12	70	200602	General Service Demand	Large Commercial Base Revenue	SWEARINGEN-LORD
MAR	CL	MCD51	42563	18802M E	73.41	12	73	200601	General Service Demand	Large Commercial Base Revenue	J D SWEARINGEN DBA
MAR	CL	MCD51	43154	19321M E	100.4	12	100	200606	General Service Demand	Large Commercial Base Revenue	WEST FLORIDA DISTRICT
MAR	CL	MCD51	43250	16040M E	32.25	12	32	200606	General Service Demand	Large Commercial Base Revenue	LISA ANN CHAVEZ DBA SAN MARCOS
MAR	CL	MCD51	48800	16192M E	102.86	12	103	200605	General Service Demand	Large Commercial Base Revenue	INDIAN SPRINGS GOLF CLUB INC
MAR	CL	MCD51	48964	11534M E	52	7	30	200606	General Service Demand	Large Commercial Base Revenue	FARM CREDIT OF NORTHWEST, FL
MAR	CL	MCD51	48964	23453M E	68.4	5	29	200609	General Service Demand	Large Commercial Base Revenue	FARM CREDIT OF NORTHWEST, FL
MAR	CL	MCD51	49101	13764M E	11.2	2	2	200601	General Service Demand	Large Commercial Base Revenue	SOUTHEAST MEDICAL
MAR	CL	MCD51	49105	18755M E	74.8	12	75	200611	General Service Demand	Large Commercial Base Revenue	FAMILY FITNESS CENTER
MAR	CL	MCD51	49163	18757M E	38.57	12	39	200602	General Service Demand	Large Commercial Base Revenue	REGIONS BANK
MAR	CL	MCD51	49210	12525M E	27.2	11	25	200606	General Service Demand	Large Commercial Base Revenue	CELILIA DUNCAN DBA SUPER
MAR	CL	MCD51	49210	24389M E	25.2	1	2	200612	General Service Demand	Large Commercial Base Revenue	CELILIA DUNCAN DBA SUPER
MAR	CL	MCD51	49219	23463M E	114.8	12	115	200609	General Service Demand	Large Commercial Base Revenue	ARROWHEAD CAMPSITES, INC.
MAR	CL	MCD51	49225	13649M E	40.8	12	41	200611	General Service Demand	Large Commercial Base Revenue	ARROWHEAD CAMPSITES, INC.
MAR	CL	MCD51	49228	20585M E	130	12	130	200607	General Service Demand	Large Commercial Base Revenue	ARROWHEAD CAMPSITES, INC.
MAR	CL	MCD51	49334	14633M E	127.2	12	127	200607	General Service Demand	Large Commercial Base Revenue	ARCHANA HOSPITALITY, INC
MAR	CL	MCD51	49338	8931M E	0.8	1	0	200602	General Service Demand	Large Commercial Base Revenue	MALLOY FARMS
MAR	CL	MCD51	49353	15512M E	156	12	156	200611	General Service Demand	Large Commercial Base Revenue	ARCHANA HOSPITALITY, INC
MAR	CL	MCD51	49358	23459M E	46.74	12	47	200609	General Service Demand	Large Commercial Base Revenue	WAFFLE HOUSE INC
MAR	CL	MCD51	49359	17472M E	205.2	12	205	200607	General Service Demand	Large Commercial Base Revenue	PILOT TRAVEL CENTER INC 374
MAR	CL	MCD51	49364	17762M E	206	12	206	200611	General Service Demand	Large Commercial Base Revenue	ARCHANA HOSPITALITY, INC

MAR	CL	MCD51	49391	18129M E	89.6	12	90	200608	General Service Demand	Large Commercial Base Revenue	NEILKANTH INVEST DBA
MAR	CL	MCD51	49459	17698M E	111.26	12	111	200606	General Service Demand	Large Commercial Base Revenue	SONNY'S BAR-B Q
MAR	CL	MCD51	49466	19313M E	463	3	116	200603	General Service Demand	Large Commercial Base Revenue	ANDERSON COLUMBIA
MAR	CL	MCD51	49466	23440M E	504	9	378	200612	General Service Demand	Large Commercial Base Revenue	ANDERSON COLUMBIA
MAR	CL	MCD51	49513	17702M E	62.08	12	62	200603	General Service Demand	Large Commercial Base Revenue	MARIANNA BAPTIST TEMPLE
MAR	CL	MCD51	49557	12853M E	96	12	96	200602	General Service Demand	Large Commercial Base Revenue	HOPKINS PONTIAC-OLDS-
MAR	CL	MCD51	53488	17758M E	29.45	10	25	200612	General Service Demand	Large Commercial Base Revenue	DRYDEN, RUTH E
MAR	CL	MCD51	53542	18222M E	46.29	12	46	200608	General Service Demand	Large Commercial Base Revenue	MARIANNA MOOSE LODGE
MAR	CL	MCD51	53754	13939M E	140	10	117	200604	General Service Demand	Large Commercial Base Revenue	MARIANNA LIME PRODUCTS
MAR	CL	MCD51	53754	23454M E	280.32	2	47	200611	General Service Demand	Large Commercial Base Revenue	MARIANNA LIME PRODUCTS
MAR	CL	MCD51	53772	15924M E	56.1	12	56	200603	General Service Demand	Large Commercial Base Revenue	EVER INCREASING WORD
MAR	CL	MCD51	59542	19382M E	30.51	12	31	200601	General Service Demand	Large Commercial Base Revenue	S & K INT'L INC DBA
MAR	CL	MCD51	59545	13324M E	57.5	12	58	200608	General Service Demand	Large Commercial Base Revenue	TRINITY BAPTIST CHURCH
MAR	CL	MCD51	59553	19059M E	32.74	12	33	200601	General Service Demand	Large Commercial Base Revenue	S & K INT'L INC DBA
MAR	CL	MCD51	59743	11533M E	28	12	28	200608	General Service Demand	Large Commercial Base Revenue	LIFE MANAGEMENT CENTER
MAR	CL	MCD51	59744	18231M E	59.19	12	59	200608	General Service Demand	Large Commercial Base Revenue	SCHRENKER, TIMOTHY
MAR	CL	MCD51	59749	10944M E	39.2	12	39	200604	General Service Demand	Large Commercial Base Revenue	JACKSON CO LUMBER &
MAR	CL	MCD51	59765	11386M E	33.5	12	34	200612	General Service Demand	Large Commercial Base Revenue	NHC HOMECARE
MAR	CL	MCD51	59770	19363M E	42.4	12	42	200602	General Service Demand	Large Commercial Base Revenue	GEORGE RILEY DBA TONY'S
MAR	CL	MCD51	59792	19050M E	49.04	12	49	200612	General Service Demand	Large Commercial Base Revenue	HERITAGE CATHEDRAL
MAR	CL	MCD51	59828	19379M E	30.15	12	30	200601	General Service Demand	Large Commercial Base Revenue	MARIANNA CHAPEL
MAR	CL	MCD51	59899	12965M E	33	12	33	200610	General Service Demand	Large Commercial Base Revenue	NEW LIFE FAMILY CHURCH
MAR	CL	MCD51	59913	18596M E	352.8	12	353	200609	General Service Demand	Large Commercial Base Revenue	BAXTER'S ASPHALT &
MAR	CL	MCD51	60003	18997M E	203.2	12	203	200609	General Service Demand	Large Commercial Base Revenue	TRI STATES AUTOMOTIVE
MAR	CL	MCD51	60005	12223M E	27	12	27	200601	General Service Demand	Large Commercial Base Revenue	ASSOCIATED CONTRACTORS
MAR	CL	MCD51	60708	14298M E	52	12	52	200602	General Service Demand	Large Commercial Base Revenue	APOSTOLIC LIFE UPC
MAR	CL	MCD51	60879	17701M E	45.65	12	46	200603	General Service Demand	Large Commercial Base Revenue	INDEPENDENT LIFE AND
MAR	CL	MCD51	60909	16170M E	31.9	12	32	200608	General Service Demand	Large Commercial Base Revenue	SECOND WEST
MAR	CL	MCD51	67765	18643M E	36.77	12	37	200609	General Service Demand	Large Commercial Base Revenue	ST JAMES AME CHURCH
MAR	CL	MCD51	67847	14285M E	62	12	62	200601	General Service Demand	Large Commercial Base Revenue	ST LUKE BAPTIST CHURCH
MAR	CL	MCD51	72898	16579M E	70.96	12	71	200601	General Service Demand	Large Commercial Base Revenue	JERUSALEM AME CHURCH
MAR	CL	MCD51	72930	18168M E	41.51	12	42	200612	General Service Demand	Large Commercial Base Revenue	NEW GALILEE CHURCH
MAR	CL	MCD51	80930	16568M E	42.35	12	42	200604	General Service Demand	Large Commercial Base Revenue	RACE MART II
MAR	CL	MCD51	80943	17117M E	36.8	12	37	200602	General Service Demand	Large Commercial Base Revenue	PCB, THE COMMUNITY BANK
MAR	CL	MCD51	86515	19836M E	52	12	52	200612	General Service Demand	Large Commercial Base Revenue	GOLDEN PEANUT COMPANY
MAR	CL	MCD51	86518	17759M E	44.8	9	34	200611	General Service Demand	Large Commercial Base Revenue	GOLDEN PEANUT COMPANY
MAR	CL	MCD51	86521	19319M E	59.2	6	30	200610	General Service Demand	Large Commercial Base Revenue	GOLDEN PEANUT COMPANY
MAR	CL	MCD51	86523	10137M E	120	4	40	200610	General Service Demand	Large Commercial Base Revenue	GOLDEN PEANUT COMPANY
MAR	CL	MCD51	86680	17470M E	62.52	12	63	200612	General Service Demand	Large Commercial Base Revenue	CLOVERLEAF GIN
MAR	CL	MCD51	86756	18876M E	31.67	12	32	200607	General Service Demand	Large Commercial Base Revenue	BUCKHORN BAPTIST
MAR	CL	MCD51	86915	12999M E	105.6	12	106	200604	General Service Demand	Large Commercial Base Revenue	BILLY SMITH DBA
MAR	CL	MCD51	86992	22537M E	33.83	12	34	200606	General Service Demand	Large Commercial Base Revenue	GREENWOOD BAPTIST CHUR
MAR	CL	MCD51	92766	8935M E	30	12	30	200606	General Service Demand	Large Commercial Base Revenue	FIRST BAPTIST CHURCH
MAR	CL	MCD51	92953	14684M E	104.8	12	105	200608	General Service Demand	Large Commercial Base Revenue	REGISTER MEAT CO
MAR	CL	MCD51	97994	19299M E	71.6	12	72	200612	General Service Demand	Large Commercial Base Revenue	CARMICHAEL, PETER R
MAR	CL	MCD51	98134	13998M E	53.2	12	53	200601	General Service Demand	Large Commercial Base Revenue	ALFORD BAPTIST CHURCH
MAR	CL	MCD51	98167	16201M E	45.21	12	45	200612	General Service Demand	Large Commercial Base Revenue	ALFORD ASSEMBLY OF GOD
MAR	CL	MCD51	98380	16732M E	41.9	12	42	200607	General Service Demand	Large Commercial Base Revenue	SALEM FREEWILL BAPTIST
MAR	CL	MCD51	98381	13224M E	34	12	34	200604	General Service Demand	Large Commercial Base Revenue	SANGAREE OIL CO INC
MAR	CL	MCD51	98440	12920M E	31	12	31	200606	General Service Demand	Large Commercial Base Revenue	BENNETT EUBANKS OIL CO
MAR	CL	MCD51	98441	19292M E	72.48	2	12	200601	General Service Demand	Large Commercial Base Revenue	SEMINOLE INVESTMENTS
MAR	CL	MCD51	98447	10805M E	27	4	9	200610	General Service Demand	Large Commercial Base Revenue	GALO ENTERPRISES INC
MAR	CL	MCD51	98887	8934M E	44	12	44	200607	General Service Demand	Large Commercial Base Revenue	JR FOOD STORES OF WEST

MAR	CL	MCD51	98888	11242M E	41.6	12	42	200606	General Service Demand	Large Commercial Base Revenue	JR FOOD STORES OF WEST
MAR	CL	MCD51	105173	16067M E	33.69	12	34	200602	General Service Demand	Large Commercial Base Revenue	BENNETT EUBANKS OIL CO
MAR	CL	MCD51	105406	18128M E	450	12	450	200606	General Service Demand	Large Commercial Base Revenue	OGLESBY PLANTS INTERNATIONAL
MAR	CL	MCD51	105408	13964M E	38	12	38	200608	General Service Demand	Large Commercial Base Revenue	OGLESBY PLANTS INTERNATIONAL
MAR	CL	MCD51	105422	19864M E	48	12	48	200611	General Service Demand	Large Commercial Base Revenue	OGLESBY NURSERY INC
MAR	CL	MCD51	105423	19374M E	113.11	12	113	200612	General Service Demand	Large Commercial Base Revenue	OGLESBY NURSERY INC
MAR	CL	MCD51	105509	15620M E	41.12	12	41	200606	General Service Demand	Large Commercial Base Revenue	SCOTT'S GLADIOLUS
MAR	CL	MCD51	105762	19357M E	108.41	12	108	200608	General Service Demand	Large Commercial Base Revenue	NORTH FLORIDA ROCK LTD
MAR	CL	MCD51	105821	12849M E	144	12	144	200601	General Service Demand	Large Commercial Base Revenue	DOLOMITE INC
MAR	CL	MCD51	105822	19340M E	60.37	12	60	200611	General Service Demand	Large Commercial Base Revenue	DOLOMITE INC
MAR	CL	MCD51	110906	10946M E	38.4	12	38	200607	General Service Demand	Large Commercial Base Revenue	BIG RIVER CYPRESS AND
MAR	CL	MCD51	110913	10107M E	64	12	64	200612	General Service Demand	Large Commercial Base Revenue	SOUTHLAND MILLING CO
MAR	CL	MCD51	111471	19054M E	344	12	344	200612	General Service Demand	Large Commercial Base Revenue	BIG RIVER CYPRESS AND
MAR	CL	MCD51	116668	12852M E	96	12	96	200607	General Service Demand	Large Commercial Base Revenue	METAL PRODUCTS, LC
MAR	CL	MCD51	116668	16179M E	65	12	65	200608	General Service Demand	Large Commercial Base Revenue	METAL PRODUCTS, LC
MAR	CL	MCD51	116669	12330M E	40.8	12	41	200609	General Service Demand	Large Commercial Base Revenue	GOLDEN SEAL SERVICES
MAR	CL	MCD51	116675	13431M E	87.2	12	87	200603	General Service Demand	Large Commercial Base Revenue	ROLLS RITE TRAILERS, INC
MAR	CL	MCD51	116678	13941M E	62.4	12	62	200608	General Service Demand	Large Commercial Base Revenue	MCKEE ENGINEERING CO
MAR	CL	MCD51	116695	16415M E	350	12	350	200604	General Service Demand	Large Commercial Base Revenue	ALLIANCE LAUNDRY SYSTEMS LLC
MAR	CL	MCD51	116698	18752M E	430	12	430	200604	General Service Demand	Large Commercial Base Revenue	ALLIANCE LAUNDRY SYSTEMS LLC
MAR	CL	MCD51	116703	14868M E	174	8	116	200601	General Service Demand	Large Commercial Base Revenue	ALLIANCE LAUNDRY SYSTEMS LLC
MAR	CL	MCD51	116705	12486M E	24	12	24	200606	General Service Demand	Large Commercial Base Revenue	ALLIANCE LAUNDRY SYSTEMS LLC
MAR	CL	MCD51	116707	16839M E	438	12	438	200606	General Service Demand	Large Commercial Base Revenue	ALLIANCE LAUNDRY SYSTEMS LLC
MAR	CL	MCD51	116798	13225M E	39	12	39	200602	General Service Demand	Large Commercial Base Revenue	FIRST BAPTIST CHURCH
MAR	CL	MCD51	116836	17011M E	46.68	1	4	200601	General Service Demand	Large Commercial Base Revenue	BRYAN, W W
MAR	CL	MCD51	116836	23471M E	47	4	16	200603	General Service Demand	Large Commercial Base Revenue	BRYAN, W W
MAR	CL	MCD51	116836	24387M E	53.76	9	40	200607	General Service Demand	Large Commercial Base Revenue	BRYAN, W W
MAR	CL	MCD51	120141	17760M E	248	8	165	200601	General Service Demand	Large Commercial Base Revenue	COURT YARD REHAB &, NURSING CE
MAR	CL	MCD51	121270	18545M E	83.44	12	83	200602	General Service Demand	Large Commercial Base Revenue	FIRST METHODIST CHURCH
MAR	CL	MCD51	121618	10603M E	27	2	5	200610	General Service Demand	Large Commercial Base Revenue	GOLDEN PEANUT COMPANY
MAR	CL	MCD51	121837	18543M E	55.54	12	56	200607	General Service Demand	Large Commercial Base Revenue	INTEGRAS THERAPY & WELLNESS
MAR	CL	MCD51	125151	17752M E	188.38	12	188	200608	General Service Demand	Large Commercial Base Revenue	JACKSON HOSPITAL
MAR	CL	MCD51	125524	18223M E	39.19	12	39	200608	General Service Demand	Large Commercial Base Revenue	ANDERSON COLUMBIA
MAR	CL	MCD51	126876	18595M E	245.76	12	246	200611	General Service Demand	Large Commercial Base Revenue	NORTH FLORIDA ROCK LTD
MAR	CL	MCD51	127436	17753M E	28.35	12	28	200609	General Service Demand	Large Commercial Base Revenue	ROBERT L WRIGHT DBA
MAR	CL	MCD51	128005	19051M E	31.01	12	31	200609	General Service Demand	Large Commercial Base Revenue	JACKSON CO TEACHERS
MAR	CL	MCD51	129916	18808M E	234.24	12	234	200606	General Service Demand	Large Commercial Base Revenue	NORTH FLORIDA ROCK LTD
MAR	CL	MCD51	130255	18811M E	81.6	12	82	200601	General Service Demand	Large Commercial Base Revenue	SUPER 8 MOTELS
MAR	CL	MCD51	132273	19053M E	140.4	12	140	200608	General Service Demand	Large Commercial Base Revenue	RUBY TUESDAY INC
MAR	CL	MCD51	132507	19000M E	172	12	172	200601	General Service Demand	Large Commercial Base Revenue	EASTSIDE BAPTIST CHURCH
MAR	CL	MCD51	132952	23420M E	25.93	12	26	200602	General Service Demand	Large Commercial Base Revenue	JACKSON HOSPITAL
MAR	CL	MCD51	133309	19253M E	97.2	12	97	200609	General Service Demand	Large Commercial Base Revenue	MICROTEL INN & SUITES, INC
MAR	CL	MCD51	133683	19060M E	56.3	12	56	200611	General Service Demand	Large Commercial Base Revenue	DOLLAR GENERAL
MAR	CL	MCD51	134088	22542M E	59.44	12	59	200601	General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	CL	MCD51	134291	17973M E	50.71	11	46	200602	General Service Demand	Large Commercial Base Revenue	MCKEE ENGINEERING CO
MAR	CL	MCD51	135692	19286M E	128.08	12	128	200610	General Service Demand	Large Commercial Base Revenue	BILLY SMITH DBA
MAR	CL	MCD51	136116	12326M E	54.4	12	54	200603	General Service Demand	Large Commercial Base Revenue	HOSPICE OF THE EMERALD COAST
MAR	CL	MCD51	139089	19359M E	103.2	12	103	200607	General Service Demand	Large Commercial Base Revenue	WENDTAL LLC
MAR	CL	MCD51	144364	19352M E	28	12	28	200601	General Service Demand	Large Commercial Base Revenue	DOUBLE L W CO. INC
MAR	CL	MCD51	144484	16284M E	114.8	12	115	200610	General Service Demand	Large Commercial Base Revenue	MALONE IGA INC
MAR	CL	MCD51	146328	19840M E	246	12	246	200604	General Service Demand	Large Commercial Base Revenue	FLORENATA SOLID SURFACES
MAR	CL	MCD51	146577	18384M E	51.86	12	52	200601	General Service Demand	Large Commercial Base Revenue	TATUM & ASSOCIATES INC
MAR	CL	MCD51	151193	14386M E	58.8	12	59	200607	General Service Demand	Large Commercial Base Revenue	"JAY" DIXIE DANDY

MAR	CL	MCD51	151596	19297M E	61	12	61	200602 General Service Demand	Large Commercial Base Revenue	STEPHENS, HENRY
MAR	CL	MCD51	152747	19296M E	25	12	25	200602 General Service Demand	Large Commercial Base Revenue	MURPHY OIL USA, INC #6742
MAR	CL	MCD51	154067	9441M E	28.4	12	28	200601 General Service Demand	Large Commercial Base Revenue	BUDGET INN MOTEL
MAR	CL	MCD51	169392	19839M E	436	12	436	200608 General Service Demand	Large Commercial Base Revenue	JACKSON HOSPITAL
MAR	CL	MCD51	170145	17469M E	183	12	183	200609 General Service Demand	Large Commercial Base Revenue	OGLESBY NURSERY INC
MAR	CL	MCD51	170651	12488M E	28	12	28	200602 General Service Demand	Large Commercial Base Revenue	CENTURY FIRE PROTECTION, INC
MAR	CL	MCD51	172165	19271M E	40	12	40	200604 General Service Demand	Large Commercial Base Revenue	DOLLAR GENERAL STORE
MAR	CL	MCD51	173161	18282M E	29.5	12	30	200610 General Service Demand	Large Commercial Base Revenue	FAMILY DOLLAR STORES
MAR	CL	MCD51	175044	15617M E	68.08	12	68	200603 General Service Demand	Large Commercial Base Revenue	JACKSON HOSPITAL
MAR	CL	MCD51	175798	12389M E	36	8	24	200602 General Service Demand	Large Commercial Base Revenue	PESCE'S
MAR	CL	MCD51	180450	19343M E	26	12	26	200601 General Service Demand	Large Commercial Base Revenue	QUICK WAY CAR WASH
MAR	CL	MCD51	181092	19336M E	501	12	501	200607 General Service Demand	Large Commercial Base Revenue	SALLIE MAE INC
MAR	CL	MCD51	186304	9958M E	39.5	12	40	200612 General Service Demand	Large Commercial Base Revenue	DIXIE FOOD & GAS MART
MAR	CL	MCD51	186497	18650M E	93	12	93	200606 General Service Demand	Large Commercial Base Revenue	GOLD CO
MAR	CL	MCD51	186977	18542M E	42	8	28	200606 General Service Demand	Large Commercial Base Revenue	ANDERSON COLUMBIA
MAR	CL	MCD51	186977	24394M E	42.63	4	14	200611 General Service Demand	Large Commercial Base Revenue	ANDERSON COLUMBIA
MAR	CL	MCD51	187598	19349M E	44.86	12	45	200609 General Service Demand	Large Commercial Base Revenue	TATUM HDWRE & BUILDING
MAR	CL	MCD51	187906	19300M E	74	12	74	200603 General Service Demand	Large Commercial Base Revenue	EVANGEL WORSHIP CENTER
MAR	CL	MCD51	188189	23432M E	1.99	2	0	200609 General Service Demand	Large Commercial Base Revenue	RACE MART, INC
MAR	CL	MCD51	188913	19834M E	108	12	108	200610 General Service Demand	Large Commercial Base Revenue	JUNCTION CITY MINING
MAR	CL	MCD51	189004	23464M E	54.8	11	50	200609 General Service Demand	Large Commercial Base Revenue	EXPREZIT
MAR	CL	MCD51	189005	18221M E	40.46	12	40	200606 General Service Demand	Large Commercial Base Revenue	EXPREZIT
MAR	CL	MCD51	189007	14721M E	27	12	27	200602 General Service Demand	Large Commercial Base Revenue	EXPREZIT
MAR	CL	MCD51	189010	20586M E	45.6	11	42	200601 General Service Demand	Large Commercial Base Revenue	EXPREZIT
MAR	CL	MCD51	189410	19274M E	32.63	11	30	200610 General Service Demand	Large Commercial Base Revenue	OM SAI RAM, INC
MAR	CL	MCD51	190164	19371M E	41	8	27	200604 General Service Demand	Large Commercial Base Revenue	STOUTAMIRE, KENNETH N
MAR	CL	MCD51	190270	22541M E	67	12	67	200612 General Service Demand	Large Commercial Base Revenue	SEA SHUTTERS INC
MAR	CL	MCD51	190439	17116M E	68	12	68	200612 General Service Demand	Large Commercial Base Revenue	SHREE HARI OF MARIANNA INC
MAR	CL	MCD51	191819	12592M E	280	12	280	200608 General Service Demand	Large Commercial Base Revenue	TRAVEL CENTERS OF AMERICA
MAR	CL	MCD51	191821	18987M E	19.58	12	20	200607 General Service Demand	Large Commercial Base Revenue	TRAVEL CENTERS OF AMERICA
MAR	CL	MCD51	192991	19377M E	59	12	59	200609 General Service Demand	Large Commercial Base Revenue	PIZZA HUTT # 2059
MAR	CL	MCD51	193756	19372M E	76	6	38	200612 General Service Demand	Large Commercial Base Revenue	DALTON E BARNES DBA BARNES
MAR	CL	MCD51	194198	18382M E	87.86	12	88	200607 General Service Demand	Large Commercial Base Revenue	PONDER ENTERPRISES INC
MAR	CL	MCD51	196028	16291M E	132.4	12	132	200608 General Service Demand	Large Commercial Base Revenue	JAKE VITTLES INC
MAR	CL	MCD51	196156	19365M E	95	12	95	200612 General Service Demand	Large Commercial Base Revenue	GGG FOOD, INC.
MAR	CL	MCD51	196790	19327M E	21	2	4	200601 General Service Demand	Large Commercial Base Revenue	AT&T WIRELESS
MAR	CL	MCD51	201524	18388M E	55	9	41	200609 General Service Demand	Large Commercial Base Revenue	ROLLS RITE TRAILERS, INC
MAR	CL	MCD51	201524	23456M E	47	3	12	200610 General Service Demand	Large Commercial Base Revenue	ROLLS RITE TRAILERS, INC
MAR	CL	MCD51	202230	17694M E	49.07	12	49	200605 General Service Demand	Large Commercial Base Revenue	A & S FOOD MART
MAR	CL	MCD51	203370	19311M E	72	12	72	200607 General Service Demand	Large Commercial Base Revenue	CINDALE FARMS LLC
MAR	CL	MCD51	204368	19364M E	95	12	95	200601 General Service Demand	Large Commercial Base Revenue	WEST FLORIDA DISTRICT
MAR	CL	MCD51	205521	19387M E	137	12	137	200608 General Service Demand	Large Commercial Base Revenue	FRED'S INC. #2298
MAR	CL	MCD51	206484	19356M E	90.02	12	90	200607 General Service Demand	Large Commercial Base Revenue	COTTONDALE FOODLINER
MAR	CL	MCD51	206734	19386M E	107	12	107	200604 General Service Demand	Large Commercial Base Revenue	BEALL'S DEPARTMENT
MAR	CL	MCD51	207115	22529M E	71.2	12	71	200601 General Service Demand	Large Commercial Base Revenue	NALHAM INC
MAR	CL	MCD51	209788	18655M E	89.1	12	89	200611 General Service Demand	Large Commercial Base Revenue	MALONE PEANUT, LLC
MAR	CL	MCD51	209789	17914M E	90.62	5	38	200610 General Service Demand	Large Commercial Base Revenue	MALONE PEANUT, LLC
MAR	CL	MCD51	209790	17913M E	40.43	3	10	200610 General Service Demand	Large Commercial Base Revenue	MALONE PEANUT, LLC
MAR	CL	MCD51	209791	10448M E	144	12	144	200610 General Service Demand	Large Commercial Base Revenue	MALONE PEANUT, LLC
MAR	CL	MCD51	211201	19376M E	44	12	44	200612 General Service Demand	Large Commercial Base Revenue	DOLLAR GENERAL
MAR	CL	MCD51	213687	21531M E	134	12	134	200601 General Service Demand	Large Commercial Base Revenue	COUNTRY INN & SUITES
MAR	CL	MCD51	213909	21533M E	139	12	139	200607 General Service Demand	Large Commercial Base Revenue	BIG LOTS STORES INC #1840
MAR	CL	MCD51	214598	19366M E	56.14	12	56	200601 General Service Demand	Large Commercial Base Revenue	EFAW INDUSTRIES

MAR	CL	MCD51	216914	16413M E	72	12	72	200603	General Service Demand	Large Commercial Base Revenue	WACO TRAVEL CENTER
MAR	CL	MCD51	217225	15926M E	33.21	5	14	200604	General Service Demand	Large Commercial Base Revenue	TASTES OF THE OLD SOUTH
MAR	CL	MCD51	217226	22536M E	54.71	12	55	200608	General Service Demand	Large Commercial Base Revenue	EXPRESS LANE #92
MAR	CL	MCD51	217598	13378M E	32.4	12	32	200602	General Service Demand	Large Commercial Base Revenue	PIRATE PROPERTIES OF FLORIDA,
MAR	CL	MCD51	218753	16838M E	87.6	12	88	200607	General Service Demand	Large Commercial Base Revenue	MARELLA LLC
MAR	CL	MCD51	218821	19398M E	55	12	55	200612	General Service Demand	Large Commercial Base Revenue	DOLLAR GENERAL #6645
MAR	CL	MCD51	219702	23435M E	100	5	42	200605	General Service Demand	Large Commercial Base Revenue	MCDONALDS
MAR	CL	MCD51	219702	23451M E	146	5	61	200608	General Service Demand	Large Commercial Base Revenue	MCDONALDS
MAR	CL	MCD51	219704	18754M E	148	12	148	200610	General Service Demand	Large Commercial Base Revenue	MCDONALDS #7542
MAR	CL	MCD51	219707	12841M E	118.8	12	119	200603	General Service Demand	Large Commercial Base Revenue	MCDONALDS #11757
MAR	CL	MCD51	223880	10060M E	79.2	12	79	200603	General Service Demand	Large Commercial Base Revenue	SNELGROVE, PAUL
MAR	CL	MCD51	224564	16171M E	35.54	12	36	200607	General Service Demand	Large Commercial Base Revenue	CHIPOLA MART
MAR	CL	MCD51	224570	23450M E	111	7	65	200607	General Service Demand	Large Commercial Base Revenue	FIRST BAPTIST CHURCH
MAR	CL	MCD51	225077	19368M E	59	12	59	200601	General Service Demand	Large Commercial Base Revenue	MOBILE FOOD CREATIVE FOOD LLC
MAR	CL	MCD51	225482	12998M E	46.8	12	47	200612	General Service Demand	Large Commercial Base Revenue	SEVENTH DAY ADVENTIST
MAR	CL	MCD51	227066	16739M E	114.4	12	114	200611	General Service Demand	Large Commercial Base Revenue	AARON RENTS INC # 0793
MAR	CL	MCD51	227675	23467M E	37	6	19	200609	General Service Demand	Large Commercial Base Revenue	ARROWHEAD CAMPSITES, INC.
MAR	CL	MCD51	227820	19392M E	221	12	221	200603	General Service Demand	Large Commercial Base Revenue	FAMILY DOLLAR
MAR	CL	MCD51	228573	19287M E	30	8	20	200601	General Service Demand	Large Commercial Base Revenue	ARQUETTE DEVELOPMENT CORP
MAR	CL	MCD51	229000	19381M E	45.67	12	46	200611	General Service Demand	Large Commercial Base Revenue	FLA BAMA PETRO LLC
MAR	CL	MCD51	229002	16066M E	33.47	12	33	200607	General Service Demand	Large Commercial Base Revenue	FLA BAMA PETRO LLC
MAR	CL	MCD51	231570	23419M E	30.44	12	30	200605	General Service Demand	Large Commercial Base Revenue	JALA FOOD MART INC
MAR	CL	MCD51	232089	10058M E	16	4	5	200603	General Service Demand	Large Commercial Base Revenue	ARQUETTE DEVELOPMENT CORP
MAR	CL	MCD51	233715	22530M E	87	12	87	200603	General Service Demand	Large Commercial Base Revenue	JCARC
MAR	CL	MCD51	234508	16410M E	65.14	12	65	200608	General Service Demand	Large Commercial Base Revenue	MARIANNA QUICK SERVICE LLC, DB
MAR	CL	MCD51	234561	13710M E	35	12	35	200608	General Service Demand	Large Commercial Base Revenue	BENNETT EUBANKS OIL CO
MAR	CL	MCD51	236675	23448M E	37.6	12	38	200608	General Service Demand	Large Commercial Base Revenue	RAINBOW CAFE DBA
MAR	CL	MCD51	236741	16733M E	28.9	12	29	200601	General Service Demand	Large Commercial Base Revenue	APALACHEE FOOD SERVICE INC
MAR	CL	MCD51	236741	18598M E	57	12	57	200607	General Service Demand	Large Commercial Base Revenue	APALACHEE FOOD SERVICE INC
MAR	CL	MCD51	237583	18993M E	53.5	12	54	200603	General Service Demand	Large Commercial Base Revenue	SAI KRISHNA LLC
MAR	CL	MCD51	238406	20587M E	46.8	13	51	200603	General Service Demand	Large Commercial Base Revenue	PANHANDLE ORTHOPAEDICS
MAR	CL	MCD51	238833	17761M E	34.8	12	35	200601	General Service Demand	Large Commercial Base Revenue	BONTRAGER, REUBEN
MAR	CL	MCD51	239784	15623M E	45.27	12	45	200604	General Service Demand	Large Commercial Base Revenue	MARIANNA OAKS GOLF COURSE
MAR	CL	MCD51	239955	23442M E	212	12	212	200609	General Service Demand	Large Commercial Base Revenue	ARIZONA CHEMICAL COMPANY
MAR	CL	MCD51	240584	17473M E	113.6	11	104	200609	General Service Demand	Large Commercial Base Revenue	FIRST STATES INVESTORS
MAR	CL	MCD51	240894	19292M E	84.21	11	77	200608	General Service Demand	Large Commercial Base Revenue	GENEVA ENTERPRISES LLC
MAR	CL	MCD51	241252	16065M E	33	11	30	200612	General Service Demand	Large Commercial Base Revenue	SPANKIN' CLEAN COIN LAUNDRY
MAR	CL	MCD51	242660	23465M E	39	4	13	200609	General Service Demand	Large Commercial Base Revenue	PACK-RAT STORAGE
MAR	CL	MCD51	243115	12843M E	100	9	75	200607	General Service Demand	Large Commercial Base Revenue	CHRISTTOWN BARGAIN CENTER
MAR	CL	MCD51	243881	10058M E	43.2	9	32	200607	General Service Demand	Large Commercial Base Revenue	THE ONLY BAR, LLC
MAR	CL	MCD51	244596	23427M E	20	7	12	200612	General Service Demand	Large Commercial Base Revenue	WAKULLA BANK
MAR	CL	MCD51	244771	10023M E	35	1	3	200608	General Service Demand	Large Commercial Base Revenue	HABANA EXPRESS CORP. SOUTH
MAR	CL	MCD51	244771	23470M E	29	4	10	200609	General Service Demand	Large Commercial Base Revenue	HABANA EXPRESS CORP. SOUTH
MAR	CL	MCD51	245296	16199M E	30.76	7	18	200607	General Service Demand	Large Commercial Base Revenue	BUY-RITE DRUGS #9
MAR	CL	MCD51	246462	10942M E	20	1	2	200609	General Service Demand	Large Commercial Base Revenue	PEOPLES 1ST FINANCIAL
MAR	CL	MCD51	246462	23455M E	21	3	5	200610	General Service Demand	Large Commercial Base Revenue	PEOPLES 1ST FINANCIAL
MAR	CL	MCD51	247600	18809M E	52.4	6	26	200607	General Service Demand	Large Commercial Base Revenue	CAPTAIN D'S LLC #3779
MAR	CL	MCD51	248037	14290M E	50	3	13	200612	General Service Demand	Large Commercial Base Revenue	JEANNE HITCHCOCK DBA ALONG THE
MAR	CL	MCD51	250585	17760M E	223.2	5	93	200612	General Service Demand	Large Commercial Base Revenue	COURT YARD REHABILITATION
MAR	CL	MCD51	250714	12389M E	28	2	5	200609	General Service Demand	Large Commercial Base Revenue	PENN AVE LLC
MAR	CL	MCD51	250714	23468M E	44.01	2	7	200612	General Service Demand	Large Commercial Base Revenue	PENN AVE LLC
MAR	CL	MCD51	252496	13982M E	70.4	3	18	200612	General Service Demand	Large Commercial Base Revenue	DAY SPRING CHRISTIAN ACADEMY
MAR	CL	MCD51	253670	23464M E	48.8	2	8	200612	General Service Demand	Large Commercial Base Revenue	FILL-UPS FOOD STORE'S INC

MAR	CL	MCD51	253671	20586M E	45.6	2	8	200612 General Service Demand	Large Commercial Base Revenue	FILL-UPS FOOD STORE'S INC
MAR	CL	MCD51	254101	19274M E	28.52	2	5	200612 General Service Demand	Large Commercial Base Revenue	HEMYOG LLC
MAR	CL	MCD51	255582	19253M E	66.4	1	6	200612 General Service Demand	Large Commercial Base Revenue	PIPER LODGING, LLC
MAR	CL	MCD54	49092	23436M E	414	12	414	200608 General Serv Demand w/Pri Disc	Large Commercial Base Revenue	BLUE SPRINGS ASSEMBLY
MAR	CL	MCD54	116746	13979M E	288	12	288	200608 General Serv Demand w/Pri Disc	Large Commercial Base Revenue	T. MOWREY PROPERTIES, INC.
MAR	CS	MCD51	126011	18653M E	158.8	12	159	200601 General Service Demand	Large Commercial Base Revenue	ALTHA CHURCH OF GOD
MAR	CS	MCD51	239421	23442M E	138	1	12	200601 General Service Demand	Large Commercial Base Revenue	THE CONLAN CO.
MAR	CS	MCD51	245100	24378M E	98	1	8	200612 General Service Demand	Large Commercial Base Revenue	WHITE ROCK & ASSOCIATES
MAR	CS	MCD51	245519	19850M E	16	4	5	200605 General Service Demand	Large Commercial Base Revenue	SANTIAGE SOLORIO DBA
MAR	CS	MCD51	255640	17694M E	43.37	1	4	200612 General Service Demand	Large Commercial Base Revenue	HEMU INC
MAR	PA	MCD51	253120	9958M E	34.5	1	3	200610 General Service Demand	Large Commercial Base Revenue	STATE OF FLORIDA DEP-BPSS
MAR	PA	MCD55	15984	18130M E	578.88	12	579	200604 General Service Demand >500 KW	GSLD Base Revenue	JACKSON HOSPITAL
MAR	PA	MCD55	116764	19337M E	1788	12	1,788	200602 General Service Demand >500 KW	GSLD Base Revenue	CHIPOLA COLLEGE
MAR	PA	MCD55	226200	21528M E	849	12	849	200609 General Service Demand >500 KW	GSLD Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MCD56	42199	23443M E	1752	12	1,752	200610 Gen Serv Lg Dmd >500 KW w/Disc	GSLD Base Revenue	FEDERAL CORRECTIONAL INSTITUTE
MAR	PA	MCD56	116642	23447M E	786	12	786	200612 Gen Serv Lg Dmd >500 KW w/Disc	GSLD Base Revenue	ARTHUR G DOZIER
MAR	PA	MCD56	116656	19254N E	1584	12	1,584	200607 Gen Serv Lg Dmd >500 KW w/Disc	GSLD Base Revenue	SUNLAND TRAINING CENTER
MAR	PA	MPD51	4259	16054M E	269.6	12	270	200609 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	4273	10373M E	102.4	12	102	200609 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	4590	14301M E	66	12	66	200601 General Service Demand	Large Commercial Base Revenue	FL DEPT CHILDREN & FAMILIES
MAR	PA	MPD51	4981	16306M E	62.43	12	62	200612 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY PUBLIC
MAR	PA	MPD51	5046	23445M E	71.2	12	71	200607 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL BD
MAR	PA	MPD51	9440	19057M E	89.64	12	90	200612 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	9673	13648M E	66.8	12	67	200603 General Service Demand	Large Commercial Base Revenue	FL CAVERNS STATE PARK
MAR	PA	MPD51	15179	7448M E	32.4	12	32	200609 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	15237	13222M E	26	12	26	200603 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	15238	12969M E	52.8	12	53	200608 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	15243	19256M E	144	12	144	200609 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	15798	9809M E	116.8	12	117	200609 General Service Demand	Large Commercial Base Revenue	UNITED STATES POSTAL SERVICE
MAR	PA	MPD51	16011	13348M E	354	12	354	200609 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	16014	14107M E	49.2	12	49	200603 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	16127	12970M E	324	12	324	200609 General Service Demand	Large Commercial Base Revenue	MARIANNA HEALTH & REHAB CENTER
MAR	PA	MPD51	16153	18285M E	88.01	12	88	200603 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	16323	14546M E	71	12	71	200601 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	20853	19310M E	218	12	218	200606 General Service Demand	Large Commercial Base Revenue	LIBERTY CO SCHOOL BOARD
MAR	PA	MPD51	20855	18651M E	164	12	164	200601 General Service Demand	Large Commercial Base Revenue	LIBERTY CO SCHOOL BOARD
MAR	PA	MPD51	20856	19055M E	50	12	50	200609 General Service Demand	Large Commercial Base Revenue	LIBERTY CO SCHOOL BOARD
MAR	PA	MPD51	21253	17699M E	34.77	12	35	200609 General Service Demand	Large Commercial Base Revenue	U S FOREST SERVICE
MAR	PA	MPD51	25750	16414M E	102	12	102	200603 General Service Demand	Large Commercial Base Revenue	LIBERTY CO COURT HOUSE
MAR	PA	MPD51	25779	15021M E	32	12	32	200608 General Service Demand	Large Commercial Base Revenue	LIBERTY CO HEALTH DEPT
MAR	PA	MPD51	26079	12967M E	192.4	12	192	200609 General Service Demand	Large Commercial Base Revenue	LIBERTY CO SCHOOL BOARD
MAR	PA	MPD51	26084	16044M E	44.84	12	45	200611 General Service Demand	Large Commercial Base Revenue	LIBERTY CO PUBLIC LIBRARY
MAR	PA	MPD51	32565	13346M E	32	12	32	200606 General Service Demand	Large Commercial Base Revenue	JACKSON CO BOARD OF
MAR	PA	MPD51	32710	19355M E	53.12	12	53	200605 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	37139	18392M E	33.13	12	33	200603 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY
MAR	PA	MPD51	37482	10099M E	64	12	64	200607 General Service Demand	Large Commercial Base Revenue	JACKSON CO COMMUNITY
MAR	PA	MPD51	42122	16357M E	50.91	12	51	200603 General Service Demand	Large Commercial Base Revenue	JACKSON CO BOARD OF
MAR	PA	MPD51	42190	15152M E	33	12	33	200604 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	42192	19315M E	55.82	12	56	200602 General Service Demand	Large Commercial Base Revenue	FEDERAL CORRECTIONAL INSTITUTE
MAR	PA	MPD51	42193	13765M E	339	12	339	200609 General Service Demand	Large Commercial Base Revenue	FEDERAL CORRECTIONAL INSTITUTE
MAR	PA	MPD51	42194	21527M E	40	12	40	200602 General Service Demand	Large Commercial Base Revenue	FEDERAL CORRECTIONAL INSTITUTE
MAR	PA	MPD51	42196	16737M E	75	12	75	200612 General Service Demand	Large Commercial Base Revenue	FEDERAL CORRECTIONAL INSTITUTE
MAR	PA	MPD51	49292	10634M E	160	12	160	200604 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL

MAR	PA	MPD51	49360	19268M E	94.56	12	95	200612 General Service Demand	Large Commercial Base Revenue	JACKSON CO BOARD OF
MAR	PA	MPD51	53649	18541M E	66.11	12	66	200603 General Service Demand	Large Commercial Base Revenue	DEPT OF TRANSPORTATION
MAR	PA	MPD51	53651	13563M E	48	12	48	200612 General Service Demand	Large Commercial Base Revenue	MARIANNA COMMUNITY
MAR	PA	MPD51	53716	18284M E	68.74	12	69	200612 General Service Demand	Large Commercial Base Revenue	JACKSON CO AGRI CENTER
MAR	PA	MPD51	53719	10806M E	38	12	38	200610 General Service Demand	Large Commercial Base Revenue	JACKSON CO AGRI CENTER
MAR	PA	MPD51	53962	18654M E	110.96	12	111	200601 General Service Demand	Large Commercial Base Revenue	NATIONAL GUARD ARMORY
MAR	PA	MPD51	59893	9966M E	94.4	12	94	200608 General Service Demand	Large Commercial Base Revenue	JACKSON CO BOARD OF
MAR	PA	MPD51	67540	19275M E	31.72	12	32	200602 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	67550	12851M E	320	12	320	200608 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	67551	17336M E	47.93	9	36	200601 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	67551	24393M E	40.49	3	10	200612 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	67552	18999M E	134.4	12	134	200602 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	67580	13962M E	6.8	6	3	200606 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	67580	23452M E	30.8	6	15	200608 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	67583	18391M E	144	12	144	200608 General Service Demand	Large Commercial Base Revenue	JACKSON CO AGRICULTURAL
MAR	PA	MPD51	67585	19837M E	268	12	268	200609 General Service Demand	Large Commercial Base Revenue	JACKSON CO BOARD OF
MAR	PA	MPD51	81335	18597M E	146.4	12	146	200609 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	81374	19312M E	260.8	12	261	200609 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	87044	10206M E	64	12	64	200602 General Service Demand	Large Commercial Base Revenue	FL FOUNDATION SEED
MAR	PA	MPD51	87263	19341M E	58.69	12	59	200612 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	92505	15507M E	165.6	12	166	200608 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	92752	15612M E	44.69	12	45	200601 General Service Demand	Large Commercial Base Revenue	CITY OF COTTONDALE
MAR	PA	MPD51	93266	19289M E	324.8	12	325	200602 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	98213	19375M E	38.07	12	38	200612 General Service Demand	Large Commercial Base Revenue	TOWN OF ALFORD
MAR	PA	MPD51	105131	13960M E	140	12	140	200608 General Service Demand	Large Commercial Base Revenue	ALTHA HIGH SCHOOL
MAR	PA	MPD51	105144	16195M E	282	12	282	200608 General Service Demand	Large Commercial Base Revenue	ALTHA HIGH SCHOOL
MAR	PA	MPD51	105303	17220M E	43.18	12	43	200601 General Service Demand	Large Commercial Base Revenue	TOWN OF ALTHA
MAR	PA	MPD51	116643	14111M E	339	12	339	200602 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	116651	15930M E	89.16	12	89	200605 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	116727	15825M E	36.63	12	37	200602 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	116739	15619M E	39.16	12	39	200612 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	116741	19380M E	87.95	12	88	200603 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	116753	10061M E	68	12	68	200609 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	116767	13557M E	60	12	60	200607 General Service Demand	Large Commercial Base Revenue	JACKSON CO PUBLIC
MAR	PA	MPD51	116770	14289M E	69	12	69	200605 General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	120688	18229M E	56.11	12	56	200602 General Service Demand	Large Commercial Base Revenue	JACKSON CO AGRI CENTER
MAR	PA	MPD51	121779	19361M E	223	12	223	200607 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY MAXIMUM RISK
MAR	PA	MPD51	122260	18803M E	46.61	12	47	200608 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY RECYCLING
MAR	PA	MPD51	125211	18642M E	63.44	12	63	200612 General Service Demand	Large Commercial Base Revenue	CITY OF BRISTOL
MAR	PA	MPD51	125915	18386M E	37.78	12	38	200607 General Service Demand	Large Commercial Base Revenue	JACKSON CO BOARD OF COUNTY, CO
MAR	PA	MPD51	127427	18986M E	112.34	12	112	200612 General Service Demand	Large Commercial Base Revenue	M22530, U OF F - IFAS
MAR	PA	MPD51	128011	18861M E	55.95	12	56	200605 General Service Demand	Large Commercial Base Revenue	DEPT OF TRANSPORTATION
MAR	PA	MPD51	128999	18984M E	47.11	12	47	200611 General Service Demand	Large Commercial Base Revenue	M22530, U OF F - IFAS
MAR	PA	MPD51	131420	18753M E	56	12	56	200605 General Service Demand	Large Commercial Base Revenue	CITY OF COTTONDALE
MAR	PA	MPD51	131907	18989M E	29.12	12	29	200606 General Service Demand	Large Commercial Base Revenue	STATE OF FLORIDA DEP
MAR	PA	MPD51	132366	22539M E	62.07	12	62	200601 General Service Demand	Large Commercial Base Revenue	CITY OF COTTONDALE
MAR	PA	MPD51	133685	19257M E	20	3	5	200602 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	133685	23437M E	46.8	9	35	200612 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	134151	19270M E	73	12	73	200603 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	135669	18994M E	38	12	38	200603 General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY CHAMBER
MAR	PA	MPD51	155046	19858M E	71	10	59	200607 General Service Demand	Large Commercial Base Revenue	M22530, U OF F - IFAS
MAR	PA	MPD51	155690	19325M E	54	10	45	200605 General Service Demand	Large Commercial Base Revenue	M22530, U OF F - IFAS
MAR	PA	MPD51	158717	19309M E	274	12	274	200608 General Service Demand	Large Commercial Base Revenue	JACKSON CO BOARD OF COUNTY, CO

MAR	PA	MPD51	169618	19859M E	49	12	49	200601	General Service Demand	Large Commercial Base Revenue	DEPT OF TRANSPORTATION
MAR	PA	MPD51	169712	19308M E	117	12	117	200612	General Service Demand	Large Commercial Base Revenue	CHIPOLA COLLEGE
MAR	PA	MPD51	170024	19835M E	449	12	449	200602	General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	170064	19273M E	34	7	20	200604	General Service Demand	Large Commercial Base Revenue	M22530, U OF F - IFAS
MAR	PA	MPD51	170728	19314M E	51	12	51	200610	General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	172588	18599M E	54	12	54	200601	General Service Demand	Large Commercial Base Revenue	DEPT OF TRANSPORTATION
MAR	PA	MPD51	175789	19322M E	72	12	72	200601	General Service Demand	Large Commercial Base Revenue	LIBERTY CO BOARD OF COUNTY
MAR	PA	MPD51	190545	19351M E	12	7	7	200609	General Service Demand	Large Commercial Base Revenue	STATE OF FLORIDA DEP-BPSS
MAR	PA	MPD51	200070	19263M E	77	12	77	200604	General Service Demand	Large Commercial Base Revenue	TOWN OF ALTHA
MAR	PA	MPD51	201425	21530M E	32	9	24	200609	General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	203366	21538M E	34.02	12	34	200607	General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	225049	23410M E	26	12	26	200601	General Service Demand	Large Commercial Base Revenue	TOWN OF ALFORD
MAR	PA	MPD51	228768	23434M E	220	12	220	200602	General Service Demand	Large Commercial Base Revenue	CITY OF MARIANNA
MAR	PA	MPD51	230716	23460M E	100	12	100	200605	General Service Demand	Large Commercial Base Revenue	JACKSON COUNTY SCHOOL
MAR	PA	MPD51	244882	23412M E	64	6	32	200607	General Service Demand	Large Commercial Base Revenue	STATE OF FLORIDA DEP-BPSS
MAR	PA	MPD51	253120	23423M E	10	1	1	200612	General Service Demand	Large Commercial Base Revenue	STATE OF FLORIDA DEP-BPSS

Clara Leider

From: Cutshaw Mark
Sent: Tuesday, August 07, 2007 5:43 PM
To: Dan Hansen
Cc: Cox Doreen; Martin Cheryl; Myers Don
Subject: Standby Rate Information
Attachments: Standby Rate ELHIGH_30pt.xls; Industrial Billing Consumption.xls

Dan,
Attached the GSD and GSLD spreadsheet that I think you can use for the Standby rate calculation. You may have to sort the data to get all the GSLD accounts together. I have also included the historical information on the GSLD1 customers in the Industrial Billing Consumption file. You can use the tabs for "Jefferson-Smurfit 2006" and "Rayonier 2006" to get the Maximum Demands for these.

Let me know if you have questions or if you need more information. Thanks.

Mark Cutshaw, General Manager
Florida Public Utilities Company
911 South 8th Street
Fernandina Beach, Florida 32034
(904)277-1957 office
(904)753-1272 cell

JEFFERSON-SMURFIT 2007 ACTUAL FUEL COST

	CP Demand	Rate	Cost	KWH	Rate	Cost	Total	cent/KWH
January-07	6,276	$6.18	$38,785.68	4,400,000	$0.02009	$88,396.00	$127,181.68	$0.0289
February-07	7,488	$6.18	$46,275.84	7,400,000	$0.02009	$148,666.00	$194,941.84	$0.0263
March-07	16,268	$6.18	$100,536.24	4,090,000	$0.02010	$82,209.00	$182,745.24	$0.0447
April-07	18,509	$6.18	$114,385.62	5,050,000	$0.02010	$101,505.00	$215,890.62	$0.0428
May-07	23	$6.18	$142.14	5,350,000	$0.02009	$107,481.50	$107,623.64	$0.0201
June-07	33	$6.18	$203.94	3,880,000	$0.02010	$77,988.00	$78,191.94	$0.0202
July-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
August-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
September-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
October-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
November-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
December-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
TOTAL	**48,597**		**$300,329.46**	**30,170,000**		**$606,245.50**	**$906,574.96**	**$0.0300**

JEFFERSON-SMURFIT TOTAL 2006 ACTUAL COST (LESS TAXES)

	CP Demand	Max. Demand	KWH	Total	cent/KWH	**kvar**
January-06	6,276	15,700	4,400,000	$116,924.84	$0.0266	**0**
February-06	7,488	34,500	7,400,000	$196,696.32	$0.0266	**3,867**
March-06	16,268	26,400	4,090,000	$487,043.18	$0.1191	**4,870**
April-06	18,509	25,200	5,050,000	$155,824.50	$0.0309	**0**
May-06	23	21,900	5,350,000	$232,137.52	$0.0434	**23**
June-06	33	21,000	3,880,000	$242,405.66	$0.0625	**63**
July-06	0		0	$97,915.32	#DIV/0!	
August-06	0		0	$123,256.76	#DIV/0!	
September-06	0		0	$165,475.04	#DIV/0!	
October-06	0		0	$193,425.32	#DIV/0!	
November-06	0		0	$270,733.16	#DIV/0!	
December-06	0		0	$117,784.28	#DIV/0!	
TOTAL	**48,597**	**144,700**	**30,170,000**	**$2,399,621.90**	**$0.0795**	

JEFFERSON-SMURFIT 2006 ESTIMATED FUEL COST

	CP Demand	Rate	Cost	KWH	Rate	Cost	Total	cent/KWH
January-08	38	$6.72	$255.36	3,520,000	$0.06158	$216,761.60	$217,016.96	$0.0617
February-08	17,464	$6.72	$117,358.08	2,960,000	$0.06158	$182,276.80	$299,634.88	$0.1012
March-08	30,371	$6.72	$204,093.12	12,510,000	$0.06158	$770,365.80	$974,458.92	$0.0779
April-08	7,073	$6.72	$47,530.56	4,050,000	$0.06158	$249,399.00	$296,929.56	$0.0733
May-08	13,724	$6.72	$92,225.28	5,440,000	$0.06158	$334,995.20	$427,220.48	$0.0785
June-08	11,727	$6.72	$78,805.44	6,370,000	$0.06158	$392,264.60	$471,070.04	$0.0740
July-08	2	$6.72	$13.44	3,420,000	$0.06158	$210,603.60	$210,617.04	$0.0616
August-08	2	$6.72	$13.44	4,580,000	$0.06158	$282,036.40	$282,049.84	$0.0616
September-08	0	$6.72	$0.00	6,540,000	$0.06158	$402,733.20	$402,733.20	$0.0616
October-08	3,834	$6.72	$25,764.48	6,930,000	$0.06158	$426,749.40	$452,513.88	$0.0653
November-08	17,082	$6.72	$114,791.04	6,660,000	$0.06158	$410,122.80	$524,913.84	$0.0788
December-08	1,766	$6.72	$11,867.52	4,210,000	$0.06158	$259,251.80	$271,119.32	$0.0644
TOTAL	**103,083**		**$692,717.76**	**67,190,000**		**$4,137,560.20**	**$4,830,277.96**	**$0.0719**

JEFFERSON-SMURFIT TOTAL 2006 ACTUAL COST (LESS TAXES)

	CP Demand	Max. Demand	KWH	Total	cent/KWH
January-05	38	37,800	3,520,000	$206,760.12	$0.0587
February-05	17,464	24,200	2,960,000	$301,389.36	$0.1018
March-05	30,371	36,200	12,510,000	$1,278,756.86	$0.1022
April-05	7,073	24,600	4,050,000	$236,863.44	$0.0585
May-05	13,724	30,800	5,440,000	$551,734.36	$0.1014
June-05	11,727	33,800	6,370,000	$635,283.76	$0.0997
July-05	2	23,700	3,420,000	$308,532.36	$0.0902
August-05	2	25,100	4,580,000	$405,306.60	$0.0885
September-05	0	25,400	6,540,000	$568,208.24	$0.0869
October-05	3,834	23,300	6,930,000	$645,939.20	$0.0932
November-05	17,082	24,200	6,660,000	$795,647.00	$0.1195
December-05	1,766	17,300	4,210,000	$388,903.60	$0.0924
TOTAL	**103,083**	**326,400**	**67,190,000**	**$6,323,324.90**	**$0.0941**

JEFFERSON-SMURFIT 2006 ESTIMATED FUEL COST

	CP Demand	Rate	Cost	KWH	Rate	Cost	Total	cent/KWH
January-08	38	$6.72	$255.36	3,520,000	$0.06158	$216,761.60	$217,016.96	$0.0617
February-08	17,464	$6.72	$117,358.08	2,960,000	$0.06158	$182,276.80	$299,634.88	$0.1012
March-08	30,371	$6.72	$204,093.12	12,510,000	$0.06158	$770,365.80	$974,458.92	$0.0779
April-08	7,073	$6.72	$47,530.56	4,050,000	$0.06158	$249,399.00	$296,929.56	$0.0733
May-08	13,724	$6.72	$92,225.28	5,440,000	$0.06158	$334,995.20	$427,220.48	$0.0785
June-08	11,727	$6.72	$78,805.44	6,370,000	$0.06158	$392,264.60	$471,070.04	$0.0740
July-08	2	$6.72	$13.44	3,420,000	$0.06158	$210,603.60	$210,617.04	$0.0616
August-08	2	$6.72	$13.44	4,580,000	$0.06158	$282,036.40	$282,049.84	$0.0616
September-08	0	$6.72	$0.00	6,540,000	$0.06158	$402,733.20	$402,733.20	$0.0616
October-08	3,834	$6.72	$25,764.48	6,930,000	$0.06158	$426,749.40	$452,513.88	$0.0653
November-08	17,082	$6.72	$114,791.04	6,660,000	$0.06158	$410,122.80	$524,913.84	$0.0788
December-08	1,766	$6.72	$11,867.52	4,210,000	$0.06158	$259,251.80	$271,119.32	$0.0644
TOTAL	**103,083**		**$692,717.76**	**67,190,000**		**$4,137,560.20**	**$4,830,277.96**	**$0.0719**

JEFFERSON-SMURFIT TOTAL 2006 ACTUAL COST (LESS TAXES)

	CP Demand	Max. Demand	KWH	Total	cent/KWH
January-05	38	37,800	3,520,000	$219,286.66	$0.0623
February-05	17,464	24,200	2,960,000	$42,623.18	$0.0144
March-05	30,371	36,200	12,510,000	$1,187,910.38	$0.0950
April-05	7,073	24,600	4,050,000	$327,639.36	$0.0809
May-05	13,724	30,800	5,440,000	$462,897.80	$0.0851
June-05	11,727	33,800	6,370,000	$540,416.98	$0.0848
July-05	2	23,700	3,420,000	$139,775.64	$0.0409
August-05	2	25,100	4,580,000	$250,134.60	$0.0546
September-05	0	25,400	6,540,000	$438,563.24	$0.0671
October-05	3,834	23,300	6,930,000	$522,302.72	$0.0754
November-05	17,082	24,200	6,660,000	$714,393.56	$0.1073
December-05	1,766	17,300	4,210,000	$300,414.16	$0.0714
TOTAL	**103,083**	**326,400**	**67,190,000**	**$5,146,358.28**	**$0.0766**

RAYONIER 2005 ACTUAL FUEL COST

	CP Demand	Rate	Cost	KWH	Rate	Cost	Total	cent/KWH
January-05	3,320	$6.18	$20,517.60	6,040,000	$0.02009	$121,343.60	$141,861.20	$0.0235
February-05	7,160	$6.18	$44,248.80	5,390,000	$0.02009	$108,285.10	$152,533.90	$0.0283
March-05	7,409	$6.18	$45,787.62	5,180,000	$0.02010	$104,118.00	$149,905.62	$0.0289
April-05	7,596	$6.18	$46,943.28	5,060,000	$0.02010	$101,706.00	$148,649.28	$0.0294
May-05	10,007	$6.18	$61,843.26	5,560,000	$0.02009	$111,700.40	$173,543.66	$0.0312
June-05	11,399	$6.18	$70,445.82	6,180,000	$0.02010	$124,218.00	$194,663.82	$0.0315
July-05	10,886	$6.18	$67,275.48	5,810,000	$0.02010	$116,781.00	$184,056.48	$0.0317
August-05	13,426	$6.18	$82,972.68	6,890,000	$0.02010	$138,489.00	$221,461.68	$0.0321
September-05	11,374	$6.18	$70,291.32	5,580,000	$0.02010	$112,158.00	$182,449.32	$0.0327
October-05	11,987	$6.18	$74,079.66	5,250,000	$0.02010	$105,525.00	$179,604.66	$0.0342
November-05	6,166	$6.18	$38,105.88	5,800,000	$0.02010	$116,580.00	$154,685.88	$0.0267
December-05	5,922	$6.18	$36,597.96	4,860,000	$0.02010	$97,686.00	$134,283.96	$0.0276
TOTAL	**106,652**		**$659,109.36**	**67,600,000**		**$1,358,590.10**	**$2,017,699.46**	**$0.0298**

RAYONIER TOTAL 2005 ACTUAL COST (LESS TAXES)

	CP Demand	Max. Demand	KWH	Total	cent/KWH
January-05	3,320	12,200	6,040,000	$159,430.00	$0.0264
February-05	7,160	12,000	5,390,000	$169,484.50	$0.0314
March-05	7,409	11,900	5,180,000	$166,630.82	$0.0322
April-05	7,596	12,500	5,060,000	$165,981.68	$0.0328
May-05	10,007	12,300	5,560,000	$190,922.06	$0.0343
June-05	11,399	12,400	6,180,000	$212,489.02	$0.0344
July-05	10,886	13,000	5,810,000	$202,353.88	$0.0348
August-05	13,426	13,400	6,890,000	$240,790.28	$0.0349
September-05	11,374	14,000	5,580,000	$201,742.52	$0.0362
October-05	11,987	13,700	5,250,000	$198,383.66	$0.0378
November-05	6,166	14,200	5,800,000	$174,321.88	$0.0301
December-05	5,922	12,700	4,860,000	$151,732.36	$0.0312
TOTAL	**106,652**	**154,300**	**67,600,000**	**$2,234,262.66**	**$0.0331**

RAYONIER 2008 ESTIMATED FUEL COST

	CP Demand	Rate	Cost	KWH	Rate	Cost	Total	cent/KWH
January-08	3,320	$6.72	$22,310.40	6,040,000	$0.06158	$371,943.20	$394,253.60	$0.0653
February-08	7,160	$6.72	$48,115.20	5,390,000	$0.06158	$331,916.20	$380,031.40	$0.0705
March-08	7,409	$6.72	$49,788.48	5,180,000	$0.06158	$318,984.40	$368,772.88	$0.0712
April-08	7,596	$6.72	$51,045.12	5,060,000	$0.06158	$311,594.80	$362,639.92	$0.0717
May-08	10,007	$6.72	$67,247.04	5,560,000	$0.06158	$342,384.80	$409,631.84	$0.0737
June-08	11,399	$6.72	$76,601.28	6,180,000	$0.06158	$380,564.40	$457,165.68	$0.0740
July-08	10,886	$6.72	$73,153.92	5,810,000	$0.06158	$357,779.80	$430,933.72	$0.0742
August-08	13,426	$6.72	$90,222.72	6,890,000	$0.06158	$424,286.20	$514,508.92	$0.0747
September-08	11,374	$6.72	$76,433.28	5,580,000	$0.06158	$343,616.40	$420,049.68	$0.0753
October-08	11,987	$6.72	$80,552.64	5,250,000	$0.06158	$323,295.00	$403,847.64	$0.0769
November-08	6,166	$6.72	$41,435.52	5,800,000	$0.06158	$357,164.00	$398,599.52	$0.0687
December-08	5,922	$6.72	$39,795.84	4,860,000	$0.06158	$299,278.80	$339,074.64	$0.0698
TOTAL	**106,652**		**$716,701.44**	**67,600,000**		**$4,162,808.00**	**$4,879,509.44**	**$0.0722**

RAYONIER TOTAL 2008 ACTUAL COST (LESS TAXES)

	CP Demand	Max. Demand	KWH	Total	cent/KWH
January-05	3,320	12,200	6,040,000	$411,822.40	$0.0682
February-05	7,160	12,000	5,390,000	$396,982.00	$0.0737
March-05	7,409	11,900	5,180,000	$385,498.08	$0.0744
April-05	7,596	12,500	5,060,000	$379,972.32	$0.0751
May-05	10,007	12,300	5,560,000	$427,010.24	$0.0768
June-05	11,399	12,400	6,180,000	$474,990.88	$0.0769
July-05	10,886	13,000	5,810,000	$449,231.12	$0.0773
August-05	13,426	13,400	6,890,000	$533,837.52	$0.0775
September-05	11,374	14,000	5,580,000	$439,342.88	$0.0787
October-05	11,987	13,700	5,250,000	$422,626.64	$0.0805
November-05	6,166	14,200	5,800,000	$418,235.52	$0.0721
December-05	5,922	12,700	4,860,000	$356,523.04	$0.0734
TOTAL	**106,652**	**154,300**	**67,600,000**	**$5,096,072.64**	**$0.0754**

RAYONIER 2006 ACTUAL FUEL COST

	CP Demand	Rate	Cost	KWH	Rate	Cost	Total	cent/KWH
January-06	10,889	$6.18	$67,294.02	6,120,000	$0.02009	$122,950.80	$190,244.82	$0.0311
February-06	10,710	$6.18	$66,187.80	5,790,000	$0.02009	$116,321.10	$182,508.90	$0.0315
March-06	7,333	$6.18	$45,317.94	6,150,000	$0.02010	$123,615.00	$168,932.94	$0.0275
April-06	14,277	$6.18	$88,231.86	6,330,000	$0.02010	$127,233.00	$215,464.86	$0.0340
May-06	10,811	$6.18	$66,811.98	6,330,000	$0.02009	$127,169.70	$193,981.68	$0.0306
June-06	8,627	$6.18	$53,314.86	5,970,000	$0.02010	$119,997.00	$173,311.86	$0.0290
July-06	8,772	$6.18	$54,210.96	6,560,000	$0.02010	$131,856.00	$186,066.96	$0.0284
August-06	9,514	$6.18	$58,796.52	6,130,000	$0.02010	$123,213.00	$182,009.52	$0.0297
September-06	8,952	$6.18	$55,323.36	5,410,000	$0.02010	$108,741.00	$164,064.36	$0.0303
October-06	7,778	$6.18	$48,068.04	5,560,000	$0.02010	$111,756.00	$159,824.04	$0.0287
November-06	13,395	$6.18	$82,781.10	5,580,000	$0.02010	$112,158.00	$194,939.10	$0.0349
December-06	10,674	$6.18	$65,965.32	7,000,000	$0.02010	$140,700.00	$206,665.32	$0.0295
TOTAL	**121,732**		**$752,303.76**	**72,930,000**		**$1,465,710.60**	**$2,218,014.36**	**$0.0304**

RAYONIER TOTAL 2006 ACTUAL COST (LESS TAXES)

	CP Demand	Max. Demand	KWH	Total	cent/KWH
January-06	10,889	14,600	6,120,000	$159,430.00	$0.0261
February-06	10,710	13,900	5,790,000	$169,484.50	$0.0293
March-06	7,333	14,700	6,150,000	$166,630.82	$0.0271
April-06	14,277	14,900	6,330,000	$165,981.68	$0.0262
May-06	10,811	15,000	6,330,000	$190,922.06	$0.0302
June-06	8,627	11,200	5,970,000	$212,489.02	$0.0356
July-06	8,772	12,900	6,560,000	$202,353.88	$0.0308
August-06	9,514	12,300	6,130,000	$240,790.28	$0.0393
September-06	8,952	10,200	5,410,000	$201,742.52	$0.0373
October-06	7,778	9,100	5,560,000	$198,383.66	$0.0357
November-06	13,395	13,900	5,580,000	$174,321.88	$0.0312
December-06	10,674	13,700	7,000,000	$151,732.36	$0.0217
TOTAL	**121,732**	**156,400**	**72,930,000**	**$2,234,262.66**	**$0.0306**

RAYONIER 2008 ESTIMATED FUEL COST

	CP Demand	Rate	Cost	KWH	Rate	Cost	Total	cent/KWH
January-08	3,320	$6.72	$22,310.40	6,040,000	$0.06158	$371,943.20	$394,253.60	$0.0653
February-08	7,160	$6.72	$48,115.20	5,390,000	$0.06158	$331,916.20	$380,031.40	$0.0705
March-08	7,409	$6.72	$49,788.48	5,180,000	$0.06158	$318,984.40	$368,772.88	$0.0712
April-08	7,596	$6.72	$51,045.12	5,060,000	$0.06158	$311,594.80	$362,639.92	$0.0717
May-08	10,007	$6.72	$67,247.04	5,560,000	$0.06158	$342,384.80	$409,631.84	$0.0737
June-08	11,399	$6.72	$76,601.28	6,180,000	$0.06158	$380,564.40	$457,165.68	$0.0740
July-08	10,886	$6.72	$73,153.92	5,810,000	$0.06158	$357,779.80	$430,933.72	$0.0742
August-08	13,426	$6.72	$90,222.72	6,890,000	$0.06158	$424,286.20	$514,508.92	$0.0747
September-08	11,374	$6.72	$76,433.28	5,580,000	$0.06158	$343,616.40	$420,049.68	$0.0753
October-08	11,987	$6.72	$80,552.64	5,250,000	$0.06158	$323,295.00	$403,847.64	$0.0769
November-08	6,166	$6.72	$41,435.52	5,800,000	$0.06158	$357,164.00	$398,599.52	$0.0687
December-08	5,922	$6.72	$39,795.84	4,860,000	$0.06158	$299,278.80	$339,074.64	$0.0698
TOTAL	**106,652**		**$716,701.44**	**67,600,000**		**$4,162,808.00**	**$4,879,509.44**	**$0.0722**

RAYONIER TOTAL 2008 ACTUAL COST (LESS TAXES)

	CP Demand	Max. Demand	KWH	Total	cent/KWH
January-05	3,320	12,200	6,040,000	$363,438.78	$0.0602
February-05	7,160	12,000	5,390,000	$367,007.00	$0.0681
March-05	7,409	11,900	5,180,000	$366,470.76	$0.0707
April-05	7,596	12,500	5,060,000	$313,156.74	$0.0619
May-05	10,007	12,300	5,560,000	$406,572.22	$0.0731
June-05	11,399	12,400	6,180,000	$496,342.84	$0.0803
July-05	10,886	13,000	5,810,000	$447,220.64	$0.0770
August-05	13,426	13,400	6,890,000	$573,289.68	$0.0832
September-05	11,374	14,000	5,580,000	$457,727.84	$0.0820
October-05	11,987	13,700	5,250,000	$442,407.26	$0.0843
November-05	6,166	14,200	5,800,000	$377,982.30	$0.0652
December-05	5,922	12,700	4,860,000	$284,141.68	$0.0585
TOTAL	**106,652**	**154,300**	**67,600,000**	**$4,895,757.74**	**$0.0724**

RAYONIER 2007 ACTUAL FUEL COST

	CP Demand	Rate	Cost	KWH	Rate	Cost	Total	cent/KWH
January-07	9,649	$6.18	$59,630.82	7,430,000	$0.02009	$149,268.70	$208,899.52	$0.0281
February-07	7,025	$6.18	$43,414.50	5,470,000	$0.02009	$109,892.30	$153,306.80	$0.0280
March-07	7,538	$6.18	$46,584.84	4,440,000	$0.02010	$89,244.00	$135,828.84	$0.0306
April-07	11,116	$6.18	$68,696.88	6,420,000	$0.02010	$129,042.00	$197,738.88	$0.0308
May-07	12,978	$6.18	$80,204.04	5,650,000	$0.02009	$113,508.50	$193,712.54	$0.0343
June-07	8,873	$6.18	$54,835.14	4,500,000	$0.02010	$90,450.00	$145,285.14	$0.0323
July-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
August-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
September-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
October-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
November-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
December-07		$6.18	$0.00		$0.02010	$0.00	$0.00	#DIV/0!
TOTAL	**57,179**		**$353,366.22**	**33,910,000**		**$681,405.50**	**$1,034,771.72**	**$0.0305**

RAYONIER TOTAL 2007 ACTUAL COST (LESS TAXES)

	CP Demand	Max. Demand	KWH	Total	cent/KWH		**kvar**
January-07	9,649	13,700	7,430,000	$159,430.00	$0.0215		**0**
February-07	7,025	14,200	5,470,000	$169,484.50	$0.0310		**0**
March-07	7,538	13,400	4,440,000	$166,630.82	$0.0375		**0**
April-07	11,116	14,100	6,420,000	$165,981.68	$0.0259		**0**
May-07	12,978	13,600	5,650,000	$190,922.06	$0.0338		**0**
June-07	8,873	13,600	4,500,000	$212,489.02	$0.0472		**0**
July-07	0		0	$202,353.88	#DIV/0!		
August-07	0		0	$240,790.28	#DIV/0!		
September-07	0		0	$201,742.52	#DIV/0!		
October-07	0		0	$198,383.66	#DIV/0!		
November-07	0		0	$174,321.88	#DIV/0!		
December-07	0		0	$151,732.36	#DIV/0!		
TOTAL	**57,179**	**82,600**	**33,910,000**	**$2,234,262.66**	**$0.0659**		

RAYONIER 2008 ESTIMATED FUEL COST

	CP Demand	Rate	Cost	KWH	Rate	Cost	Total	cent/KWH
January-08	3,320	$6.72	$22,310.40	6,040,000	$0.06158	$371,943.20	$394,253.60	$0.0653
February-08	7,160	$6.72	$48,115.20	5,390,000	$0.06158	$331,916.20	$380,031.40	$0.0705
March-08	7,409	$6.72	$49,788.48	5,180,000	$0.06158	$318,984.40	$368,772.88	$0.0712
April-08	7,596	$6.72	$51,045.12	5,060,000	$0.06158	$311,594.80	$362,639.92	$0.0717
May-08	10,007	$6.72	$67,247.04	5,560,000	$0.06158	$342,384.80	$409,631.84	$0.0737
June-08	11,399	$6.72	$76,601.28	6,180,000	$0.06158	$380,564.40	$457,165.68	$0.0740
July-08	10,886	$6.72	$73,153.92	5,810,000	$0.06158	$357,779.80	$430,933.72	$0.0742
August-08	13,426	$6.72	$90,222.72	6,890,000	$0.06158	$424,286.20	$514,508.92	$0.0747
September-08	11,374	$6.72	$76,433.28	5,580,000	$0.06158	$343,616.40	$420,049.68	$0.0753
October-08	11,987	$6.72	$80,552.64	5,250,000	$0.06158	$323,295.00	$403,847.64	$0.0769
November-08	6,166	$6.72	$41,435.52	5,800,000	$0.06158	$357,164.00	$398,599.52	$0.0687
December-08	5,922	$6.72	$39,795.84	4,860,000	$0.06158	$299,278.80	$339,074.64	$0.0698
TOTAL	**106,652**		**$716,701.44**	**67,600,000**		**$4,162,808.00**	**$4,879,509.44**	**$0.0722**

RAYONIER TOTAL 2008 ACTUAL COST (LESS TAXES)

	CP Demand	Max. Demand	KWH	Total	cent/KWH
January-05	3,320	12,200	6,040,000	$344,784.08	$0.0571
February-05	7,160	12,000	5,390,000	$396,209.10	$0.0735
March-05	7,409	11,900	5,180,000	$399,574.86	$0.0771
April-05	7,596	12,500	5,060,000	$330,882.72	$0.0654
May-05	10,007	12,300	5,560,000	$406,841.36	$0.0732
June-05	11,399	12,400	6,180,000	$524,369.56	$0.0848
July-05	10,886	13,000	5,810,000	$633,287.60	$0.1090
August-05	13,426	13,400	6,890,000	$755,299.20	$0.1096
September-05	11,374	14,000	5,580,000	$621,792.20	$0.1114
October-05	11,987	13,700	5,250,000	$602,231.30	$0.1147
November-05	6,166	14,200	5,800,000	$572,921.40	$0.0988
December-05	5,922	12,700	4,860,000	$490,807.00	$0.1010
TOTAL	**106,652**	**154,300**	**67,600,000**	**$6,079,000.38**	**$0.0899**

JEA 2005 ACTUAL COST

	Demand	KWH	Total	cent/KWH
January-05	85,658	38,662,814	$1,268,097.87	$0.0328
February-05	72,710	33,573,870	$1,091,175.47	$0.0325
March-05	97,037	44,165,990	$1,443,683.80	$0.0327
April-05	53,850	31,057,443	$928,945.14	$0.0299
May-05	86,374	39,328,586	$1,285,376.43	$0.0327
June-05	96,096	47,166,402	$1,496,545.84	$0.0317
July-05	87,629	46,443,655	$1,431,650.27	$0.0308
August-05	86,822	54,145,245	$1,576,989.28	$0.0291
September-05	76,698	47,029,236	$1,377,483.10	$0.0293
October-05	73,875	41,188,279	$1,246,646.44	$0.0303
November-05	74,368	35,714,526	$1,142,866.25	$0.0320
December-05	74,323	36,894,031	$1,165,596.60	$0.0316
TOTAL	**965,440**	**495,370,077**	**$15,455,056.49**	**$0.0312**

FUTURE 2008 ESTIMATED COST

	CP Demand	Rate	KWH	Rate	Total	cent/KWH
January-08	85,658	$6.72	38,662,814	$0.06158	$2,956,477.85	$0.0765
February-08	72,710	$6.72	33,573,870	$0.06158	$2,556,090.11	$0.0761
March-08	97,037	$6.72	44,165,990	$0.06158	$3,371,830.30	$0.0763
April-08	53,850	$6.72	31,057,443	$0.06158	$2,274,389.34	$0.0732
May-08	86,374	$6.72	39,328,586	$0.06158	$3,002,287.61	$0.0763
June-08	96,096	$6.72	47,166,402	$0.06158	$3,550,272.16	$0.0753
July-08	87,629	$6.72	46,443,655	$0.06158	$3,448,867.15	$0.0743
August-08	86,822	$6.72	54,145,245	$0.06158	$3,917,708.03	$0.0724
September-08	76,698	$6.72	47,029,236	$0.06158	$3,411,470.91	$0.0725
October-08	73,875	$6.72	41,188,279	$0.06158	$3,032,814.22	$0.0736
November-08	74,368	$6.72	35,714,526	$0.06158	$2,699,053.47	$0.0756
December-08	74,323	$6.72	36,894,031	$0.06158	$2,771,384.99	$0.0751
TOTAL	**965,440**	**81**	**495,370,077**		**$36,992,646.14**	**$0.0747**

JEA 2006 ACTUAL COST				
	Demand	KWH	Total	cent/KWH
January-06	77,549	39,217,068		$0.0000
February-06	123,603	45,873,328		$0.0000
March-06	75,622	39,637,662		$0.0000
April-06	70,157	36,746,326		$0.0000
May-06	82,611	46,801,092		$0.0000
June-06	83,731	47,892,666		$0.0000
July-06	87,763	54,123,921		$0.0000
August-06	88,301	53,611,577		$0.0000
September-06	77,146	44,433,457		$0.0000
October-06	66,842	39,826,068		$0.0000
November-06	71,098	33,679,228		$0.0000
December-06	72,352	35,119,470		$0.0000
TOTAL	**976,775**	**516,961,863**	**$0.00**	**$0.0000**

FUTURE 2008 ESTIMATED COST						
	CP Demand	Rate	KWH	Rate	Total	cent/KWH
January-08	85,658	$6.72	38,662,814	$0.06158	$2,956,477.85	$0.0765
February-08	72,710	$6.72	33,573,870	$0.06158	$2,556,090.11	$0.0761
March-08	97,037	$6.72	44,165,990	$0.06158	$3,371,830.30	$0.0763
April-08	53,850	$6.72	31,057,443	$0.06158	$2,274,389.34	$0.0732
May-08	86,374	$6.72	39,328,586	$0.06158	$3,002,287.61	$0.0763
June-08	96,096	$6.72	47,166,402	$0.06158	$3,550,272.16	$0.0753
July-08	87,629	$6.72	46,443,655	$0.06158	$3,448,867.15	$0.0743
August-08	86,822	$6.72	54,145,245	$0.06158	$3,917,708.03	$0.0724
September-08	76,698	$6.72	47,029,236	$0.06158	$3,411,470.91	$0.0725
October-08	73,875	$6.72	41,188,279	$0.06158	$3,032,814.22	$0.0736
November-08	74,368	$6.72	35,714,526	$0.06158	$2,699,053.47	$0.0756
December-08	74,323	$6.72	36,894,031	$0.06158	$2,771,384.99	$0.0751
TOTAL	**965,440**	**81**	**495,370,077**		**$36,992,646.14**	**$0.0747**

JEA 2007 ACTUAL COST

	Demand	KWH	Total	cent/KWH
January-07	86,643	40,473,652		$0.0000
February-07	82,835	38,734,863		$0.0000
March-07	81,312	30,555,022		$0.0000
April-07	77,594	36,515,382		$0.0000
May-07	70,202	39,487,862		$0.0000
June-07	76,475	41,524,750		$0.0000
July-07				#DIV/0!
August-07				#DIV/0!
September-07				#DIV/0!
October-07				#DIV/0!
November-07				#DIV/0!
December-07				#DIV/0!
TOTAL	**475,061**	**227,291,531**	**$0.00**	**$0.0000**

FUTURE 2008 ESTIMATED COST

	CP Demand	Rate	KWH	Rate	Total	cent/KWH
January-08	85,658	$6.72	38,662,814	$0.06158	$2,956,477.85	$0.0765
February-08	72,710	$6.72	33,573,870	$0.06158	$2,556,090.11	$0.0761
March-08	97,037	$6.72	44,165,990	$0.06158	$3,371,830.30	$0.0763
April-08	53,850	$6.72	31,057,443	$0.06158	$2,274,389.34	$0.0732
May-08	86,374	$6.72	39,328,586	$0.06158	$3,002,287.61	$0.0763
June-08	96,096	$6.72	47,166,402	$0.06158	$3,550,272.16	$0.0753
July-08	87,629	$6.72	46,443,655	$0.06158	$3,448,867.15	$0.0743
August-08	86,822	$6.72	54,145,245	$0.06158	$3,917,708.03	$0.0724
September-08	76,698	$6.72	47,029,236	$0.06158	$3,411,470.91	$0.0725
October-08	73,875	$6.72	41,188,279	$0.06158	$3,032,814.22	$0.0736
November-08	74,368	$6.72	35,714,526	$0.06158	$2,699,053.47	$0.0756
December-08	74,323	$6.72	36,894,031	$0.06158	$2,771,384.99	$0.0751
TOTAL	**965,440**	**81**	**495,370,077**		**$36,992,646.14**	**$0.0747**

JEA 2005 ACTUAL COST

	Demand	KWH	Total	cent/KWH
January-05	85,658	38,662,814	$1,268,097.87	$0.0328
February-05	72,710	33,573,870	$1,091,175.47	$0.0325
March-05	97,037	44,165,990	$1,443,683.80	$0.0327
April-05	53,850	31,057,443	$928,945.14	$0.0299
May-05	86,374	39,328,586	$1,285,376.43	$0.0327
June-05	96,096	47,166,402	$1,496,545.84	$0.0317
July-05	87,629	46,443,655	$1,431,650.27	$0.0308
August-05	86,822	54,145,245	$1,576,989.28	$0.0291
September-05	76,698	47,029,236	$1,377,483.10	$0.0293
October-05	73,875	41,188,279	$1,246,646.44	$0.0303
November-05	74,368	35,714,526	$1,142,866.25	$0.0320
December-05	74,323	36,894,031	$1,165,596.60	$0.0316
TOTAL	**965,440**	**495,370,077**	**$15,455,056.49**	**$0.0312**

FUTURE 2008 ESTIMATED COST

	CP Demand	Rate	KWH	Rate	Total	cent/KWH
January-08	85,658	$6.72	38,662,814	$0.06158	$2,956,477.85	$0.0765
February-08	72,710	$6.72	33,573,870	$0.06158	$2,556,090.11	$0.0761
March-08	97,037	$6.72	44,165,990	$0.06158	$3,371,830.30	$0.0763
April-08	53,850	$6.72	31,057,443	$0.06158	$2,274,389.34	$0.0732
May-08	86,374	$6.72	39,328,586	$0.06158	$3,002,287.61	$0.0763
June-08	96,096	$6.72	47,166,402	$0.06158	$3,550,272.16	$0.0753
July-08	87,629	$6.72	46,443,655	$0.06158	$3,448,867.15	$0.0743
August-08	86,822	$6.72	54,145,245	$0.06158	$3,917,708.03	$0.0724
September-08	76,698	$6.72	47,029,236	$0.06158	$3,411,470.91	$0.0725
October-08	73,875	$6.72	41,188,279	$0.06158	$3,032,814.22	$0.0736
November-08	74,368	$6.72	35,714,526	$0.06158	$2,699,053.47	$0.0756
December-08	74,323	$6.72	36,894,031	$0.06158	$2,771,384.99	$0.0751
TOTAL	**965,440**	**81**	**495,370,077**		**$36,992,646.14**	**$0.0747**

JEA 2005 ACTUAL COST				
	Demand	KWH	Total	cent/KWH
January-05	85,658	38,662,814	$1,268,097.87	$0.0328
February-05	72,710	33,573,870	$1,091,175.47	$0.0325
March-05	97,037	44,165,990	$1,443,683.80	$0.0327
April-05	53,850	31,057,443	$928,945.14	$0.0299
May-05	86,374	39,328,586	$1,285,376.43	$0.0327
June-05	96,096	47,166,402	$1,496,545.84	$0.0317
July-05	87,629	46,443,655	$1,431,650.27	$0.0308
August-05	86,822	54,145,245	$1,576,989.28	$0.0291
September-05	76,698	47,029,236	$1,377,483.10	$0.0293
October-05	73,875	41,188,279	$1,246,646.44	$0.0303
November-05	74,368	35,714,526	$1,142,866.25	$0.0320
December-05	74,323	36,894,031	$1,165,596.60	$0.0316
TOTAL	**965,440**	**495,370,077**	**$15,455,056.49**	**$0.0312**

FUTURE 2008 ESTIMATED COST						
	CP Demand	Rate	KWH	Rate	Total	cent/KWH
January-08	100,000	$13.02	38,662,814	$0.06036	$3,635,687.45	$0.0940
February-08	100,000	$13.02	33,573,870	$0.06036	$3,328,518.79	$0.0991
March-08	100,000	$13.02	44,165,990	$0.06036	$3,967,859.16	$0.0898
April-08	100,000	$13.02	31,057,443	$0.06036	$3,176,627.26	$0.1023
May-08	100,000	$13.02	39,328,586	$0.06036	$3,675,873.45	$0.0935
June-08	100,000	$13.02	47,166,402	$0.06036	$4,148,964.02	$0.0880
July-08	100,000	$13.02	46,443,655	$0.06036	$4,105,339.02	$0.0884
August-08	100,000	$13.02	54,145,245	$0.06036	$4,570,206.99	$0.0844
September-08	100,000	$13.02	47,029,236	$0.06036	$4,140,684.68	$0.0880
October-08	100,000	$13.02	41,188,279	$0.06036	$3,788,124.52	$0.0920
November-08	100,000	$13.02	35,714,526	$0.06036	$3,457,728.79	$0.0968
December-08	100,000	$13.02	36,894,031	$0.06036	$3,528,923.71	$0.0957
TOTAL	**1,200,000**	**156**	**495,370,077**		**$45,524,537.85**	**$0.0919**

JEA 2005 ACTUAL COST				
	Demand	KWH	Total	cent/KWH
January-05	85,658	38,662,814	$1,268,097.87	$0.0328
February-05	72,710	33,573,870	$1,091,175.47	$0.0325
March-05	97,037	44,165,990	$1,443,683.80	$0.0327
April-05	53,850	31,057,443	$928,945.14	$0.0299
May-05	86,374	39,328,586	$1,285,376.43	$0.0327
June-05	96,096	47,166,402	$1,496,545.84	$0.0317
July-05	87,629	46,443,655	$1,431,650.27	$0.0308
August-05	86,822	54,145,245	$1,576,989.28	$0.0291
September-05	76,698	47,029,236	$1,377,483.10	$0.0293
October-05	73,875	41,188,279	$1,246,646.44	$0.0303
November-05	74,368	35,714,526	$1,142,866.25	$0.0320
December-05	74,323	36,894,031	$1,165,596.60	$0.0316
TOTAL	**965,440**	**495,370,077**	**$15,455,056.49**	**$0.0312**

FUTURE 2008 ESTIMATED COST						
	CP Demand	Rate	KWH	Rate	Total	cent/KWH
January-08	100,000	$11.16	38,662,814	$0.06036	$3,449,687.45	$0.0892
February-08	100,000	$11.16	33,573,870	$0.06036	$3,142,518.79	$0.0936
March-08	100,000	$11.16	44,165,990	$0.06036	$3,781,859.16	$0.0856
April-08	100,000	$11.16	31,057,443	$0.06036	$2,990,627.26	$0.0963
May-08	100,000	$11.16	39,328,586	$0.06036	$3,489,873.45	$0.0887
June-08	100,000	$11.16	47,166,402	$0.06036	$3,962,964.02	$0.0840
July-08	100,000	$11.16	46,443,655	$0.06036	$3,919,339.02	$0.0844
August-08	100,000	$11.16	54,145,245	$0.06036	$4,384,206.99	$0.0810
September-08	100,000	$11.16	47,029,236	$0.06036	$3,954,684.68	$0.0841
October-08	100,000	$11.16	41,188,279	$0.06036	$3,602,124.52	$0.0875
November-08	100,000	$11.16	35,714,526	$0.06036	$3,271,728.79	$0.0916
December-08	100,000	$11.16	36,894,031	$0.06036	$3,342,923.71	$0.0906
TOTAL	**1,200,000**	**134**	**495,370,077**		**$43,292,537.85**	**$0.0874**

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Name	Size	Type	Date Modified	Location
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Untitled (45).msg	303 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled (85).msg	230 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled.msg	198 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 03:17 PM

Clara Leider

From: Kitner Don
Sent: Saturday, June 30, 2007 11:25 AM
To: Seagrave Marc
Cc: Cox Doreen
Subject: Sugar Mill Gardens
Attachments: Sugar Mill Gardens Services.xls; 061507 RNGS Sugar Mill Gardens Water Heater Range.xls; 062007 Sugar Mill Gardens NPV REGULATED 15 YEAR.xls; 062507 Sugar Mill Gardens Summary.doc; AGREEMENT_Sugar Mill Gardens Jun2007.doc; Articles of Incorporation.pdf; Sugar Mill Gardens Main 1.25in PE.xls; Sugar Mill Gardens Main 2in PE.xls

Marc,
The attached project is the second project brought to us by TECO Partners (Fisherman's Cove the first). The developer/builder purchased this completed subdivision of around 100 lots but 23 were already built. All infrastructure is complete, with the exception of gas. The builder wants to begin construction now and needs to know the status of the gas. Please process ASAP.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL
77 Minimum Services — Prep. by: Scribben — Date: 04/09/08 — Sheet No.
3/4" CTS. PE Serv. to Serve: — C:\Documents and Settings\CLEIDER\Local Setting:
Sugar Mill Gardens
Sugar Mill Drive, New Smyrna Beach

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	4,620	LF.	$0.25		1155.00				$1,155.00
3/4" PE Tap Tee	77	EA.	$7.00		539.00				$539.00
3/4" Tap Tee (Stl.)	0	EA.	$39.60		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$10.00		0.00				$0.00
3/4" Riser Assy.	77	EA.	$16.50		1270.50				$1,270.50
3/4" Meter Stop & Plug	77	EA.	$11.50		885.50				$885.50
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$1.50		0.00				$0.00
Tracer Wire & Warning Tape	4,620	FT.	$0.10		462.00				$462.00
Misc. Fitting	1	Lot	$250.00		250.00				$250.00
Frt. & Handling	$4,562.00		37.00%		1687.94				$1,687.94
Sub - Total				0.00	6249.94	0.00	0.00	0.00	$6,249.94
Install Service:									
3/4" PE Pipe	0	LF.	$2.05				0.00		$0.00
Directional Bore	0	LF.	$10.50				0.00		$0.00
3/4" PE Bore	0	FT.	$6.80				0.00		$0.00
3/4" PE Tap Tee	0	EA.	$9.00				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$11.00				0.00		$0.00
3/4" Trans Fitting	0	EA.	$8.25				0.00		$0.00
3/4" Riser Assy.	0	EA.	$5.75				0.00		$0.00
3/4" PE Fittings	0	EA.	$5.40				0.00		$0.00
Under 75' Minimum	77	LF.	$225.00				17325.00		$17,325.00
Scattered Service Charge	0	EA.	$15.00				0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$19.40				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$21.25				0.00		$0.00
Restore Sod	0	SF.	$0.90				0.00		$0.00
Hand Ditch	0	FT.	$1.70				0.00		$0.00
FPUC Crew	0	Day	$520.00	0.00		0.00			$0.00
Eng. & Inspection	1	Lot	$3,850.00	3272.50		577.50			$3,850.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				3272.50	0.00	577.50	17325.00	0.00	$21,175.00
Meter Set & Reg.	77	Lot	$11,216.59	3187.80	3073.84				$6,261.64
AC-250 Meter Set			-----------------						
EST. SERVICE COST					9323.78	577.50	17325.00	0.00	$21,175.00
Meter & Regulator Cost				$4,954.95					$4,954.95
TOTAL EST. SERVICE COST									
TOTAL EST. PROJECT COST									$38,641.53
(PROPOSED IR AMOUNT EARNINGS BASIS)				----------	-----------	-------	-------	------	=========

Clara Leider

From: Kitner Don
Sent: Saturday, June 30, 2007 11:25 AM
To: Seagrave Marc
Cc: Cox Doreen
Subject: Sugar Mill Gardens
Attachments: Sugar Mill Gardens Services.xls; 061507 RNGS Sugar Mill Gardens Water Heater Range.xls; 062007 Sugar Mill Gardens NPV REGULATED 15 YEAR.xls; 062507 Sugar Mill Gardens Summary.doc; AGREEMENT_Sugar Mill Gardens Jun2007.doc; Articles of Incorporation.pdf; Sugar Mill Gardens Main 1.25in PE.xls; Sugar Mill Gardens Main 2in PE.xls

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Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

Competition
Amerigas
Coast Gas
Columbia
Discount
Ferrellgas
Gilbert
Heritage
Hogan Gas
Propane USA
Rosado Propane
Seigel Gas
Suburban
Sungas
TECO Propane
Thermotane
Treasure Coast Gas

0

Marketing Employee's Name	Employee #	Office#	Division
Alicia Gladue	2429	(386) 668-9233	Central
Amanda Jaikaran	2885	(561) 838-1753	South
Barbara Ziegler	2562	(386) 668-9316	Central
Bill McGoldrick	1599	(561) 838-1717	South
Dale Butcher	1505	(561) 838-1758	South
Denise Dunham	2834	(352) 447-2790	West
Garth Hadley	2939	(561) 838-1751	South
Gia Araya	2046	(561) 838-1716	South
Hope Baird	2697	(352) 447-2790	West
Jarrett Smith	2843	(561) 838-1795	South
Jim McKenna	2427	(386) 668-9227	Central
Julie McMahon	2771	(561) 838-1756	South
Karen Ray	2577	(904) 432-2003	Northeast
Kim Leisure	2694	(561) 312-3516	South
Lynn Reck	2690	(386) 668-9522	Central
Manager	0000		
Managers-CF	0003		Central
TECO-Bob Godek	TPC1		Central
TECO-Dennis Mashir	TPC		Central
TECO-JJ Morris	TPC2		Central
Mauro Ruini	3044	(561) 838-1719	South
Sandra Rattler	0291	(561) 838-1710	South
Wade Hughes	2826	(352) 447-2790	West
Winston Humphrey	2434	(561) 838-1715	South

RNGS FORM INSTRUCTIONS

All cells that are shaded yellow are available for input

Project, Rep and Tracking Information

1 Enter the name of the project in this section

2 Select your name from the drop down menu next to "Marketing Rep" *

*If your name is not in the drop down list (or incorrect info), have the form administrator add it to the "Rep Info" tab

3 Enter the name of the developer, project location (cross streets) and the city that the project is in.
You can obtain the "Development Code" from the Marketing Analyst

Job Information Sections

4

Gas Type:	- Select Natural or Propane
Metered or Bulk	- For all Natural Gas Accounts select metered, if LP select either metered or bulk
Request for:	- This drop down box is to be used to identify the type of request (New Service, Main Extension, Add Load, Relocation, Abandonment, Reactivation)
Request for:	- Same as above, used when more than one of the above selections is applicable

5

Converted from:	- Enter the fuel type, price and Company if the account is a Competitive Take-over
Gas Pressure:	- Select the correct gas pressure
Turn-On Charge	- Enter the dollar amount of the turn-on charge that will be charged to activate the account
Pressure Factor:	- Enter the pressure factor

Customer Contact Information

6 Builder Contact Information Section: Enter contact Name, Phone numbers, Fax number and email when applicable.

Customer Information

7 This section lists the details about the customers involved in the project. Enter the number of customers, rate and monthley charge for each class of customer

Construction Information

8 Enter the cost of the main, and the total cost of each type of customer's services (all the services combined)
The cost per customer will be generated below.

Residential Applaince Information

9 Enter the quantity of each type of appliance. For example, if there are 10 homes and each will have a range, dryer and a 50 gallon W/H, the enter "10" next to each of those appliances. There is a free format line available if an unsual type appliance will be installed.

Commecial Applaince Information (GS and Large Volume)

10
11 Enter the quantity, type of equipment, Btu rating, and the number of hours per year that the appliance will be used. The therms will calculate based on the Btu and the number of hours that the appliance will run.

RNGS FORM INSTRUCTIONS

All cells that are shaded yellow are available for input

FLORIDA PUBLIC UTILITIES COMPANY
NEW DEVELOPMENT - PROJECT INFO
REQUEST FOR NEW GAS SERVICE

Project Name ____ 1

Marketing Rep ____
Mktg Rep ID # ____
Rep's Phone ____ 2
Division ____

Builder/Developer ____ 3
Project Location ____
City ____

Development Code ____

Job Information 4 5

Gas Type ____ Converted from ____
Metered or Bulk ____ Gas Pressure ____
Request for ____ Turn-On Charge ____
Request for ____ Pressure Factor ____

Builder Contact Information 6

Builder Contact ____
Office ____
Cell ____
Fax ____
Email ____

Project Summary

Customer Information 7

	Residential	Commercial (GS)	Commercial (LVS)
Number of Customers			
Rate			
Tank Charge			

Total Customers
0.0

Construction Information 8

Estimated Cost of Main ____

	Residential	Commercial (GS)	Commercial (LVS)
Estimated cost of services			

	Residential	Commercial (GS)	Commercial (LVS)
Avg Gallons per Customer	0.0	0.0	0.0
Cost of Service per Customer	$0.00	$0.00	$0.00
Annual Rev - Tank Charge	$0.00	$0.00	$0.00
Annual Rev - Non-Fuel Charge	$0.00	$0.00	$0.00

	Residential	Commercial (GS)	Commercial (LVS)
4 yr Est Rev - Tank Charge	$0.00	$0.00	$0.00
4 yr Est. Rev - Non-Fuel Charge	$0.00	$0.00	$0.00
Total 4 Year Revenue	$0.00	$0.00	$0.00

	Residential	Commercial (GS)	Commercial (LVS)	Combined
Total BTUHs				0
Total Gallons	0	0	0	0
Total Connected Load				0

Approved By: ____

FLORIDA PUBLIC UTILITIES COMPANY
NEW DEVELOPMENT - PROJECT INFO
REQUEST FOR NEW GAS SERVICE

Project Name ____

Marketing Rep ____
Mktg Rep ID # ____
Rep's Phone ____
Division ____

Builder/Developer ____
Project Location ____

Residential

9

Units	Equipment	BTUH	Hours/Year	Therms/Year	Therms	DN	MOC	Load
	30 gal Water Heater	40,000	274	110	0			0
	40 gal Water Heater	40,000	326	130	0			0
	50 gal Water Heater	50,000	300	150	0			0
	75 gal Water Heater	75,000	253	190	0			0
	Tankless - Small	150,000	67	100	0			0
	Tankless - Large	200,000	85	170	0			0
	Range	68,000	52	35	0			0
	Cooktop	68,001	30	20	0			0
	Wall Oven	68,002	22	15	0			0
	Dryer	30,000	166	50	0			0
	Grill	60,000	34	20	0			0
	Gas Light - Residential	10,000	0	0	0			0
	Fireplace/Space Heater	50,000	80	40	0			0
	Pool/Spa heater	400,000	63	250	0			0
	Furnace 60,000 - 90,000 BTU	60,000	184	110	0			0
	Furnace 90,001 - 120000 BTU	90,000	144	130	0			0
	Furnace >120000 BTU	120,000	125	150	0			0
	Generator	300,000	0	0	0			0
				0	0			0
	Total BTUHs:			Total Therms			Total Connected Load	

Commercial (GS)

10

Units	Equipment	BTUH	Hours/Year	Therms/Year	Therms	DN	MOC	Load
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
	Total BTUHs:			Total Therms			Total Connected Load	

Commercial (LVS)

11

Units	Equipment	BTUH	Hours/Year	Therms/Year	Therms	DN	MOC	Load
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
	Total BTUHs:			Total Therms			Total Connected Load	

Approved By: ____

FLORIDA PUBLIC UTILITIES

FLORIDA PUBLIC UTILITIES COMPANY
NEW DEVELOPMENT - PROJECT INFO
REQUEST FOR NEW GAS SERVICE

Project Name Sugar Mill Gardens

Marketing Rep: TECO - Trudy Clark
Mktg Rep ID #: 0003
Rep's Phone: 0
Division: Central

Builder/Developer: Land Planners & Associates, Inc.
Project Location:
City: NSB

Development Code:

Job Information

Gas Type:	Natural Gas	Converted from:	
Metered or Bulk	Metered	Gas Pressure:	12"
Request for:	New Service	Turn-On Charge	$42.00
Request for:	New Service	Pressure Factor:	

Builder Contact Information

Builder Contact	Adam Price
Office	(321) 269-4977
Cell	
Fax	(321) 269-5328
Email	adamp@lpacustombuilder.com

Project Summary

Customer Information

	Residential	*Commercial (GS)*	*Commercial (LVS)*
Number of Customers	72.0		
Rate	0.48340		
Customer Charge	$8.00		

Total Customers
72.0

Construction Information

Estimated Cost of Main: $35,056.97

	Residential	*Commercial (GS)*	*Commercial (LVS)*
Estimated cost of services	$38,641.53		

	Residential	*Commercial (GS)*	*Commercial (LVS)*
Avg Therms per Customer	205.0	0.0	0.0
Cost of Service per Customer	$536.69	$0.00	$0.00
Annual Rev - Cust. Charge	$6,912.00	$0.00	$0.00
Annual Rev - Non-Fuel Charge	$7,134.98	$0.00	$0.00

	Residential	*Commercial (GS)*	*Commercial (LVS)*
4 yr Est Rev - Cust. Charge	$27,648.00	$0.00	$0.00
4 yr Est. Rev - Non-Fuel Charge	$28,539.94	$0.00	$0.00
Total 4 Year Revenue	$56,187.94	$0.00	$0.00

	Residential	*Commercial (GS)*	*Commercial (LVS)*	*Combined*
Total BTUHs	19,296,000			19,296,000
Total Therms	14,760	0	0	14,760
Total Connected Load	7,567			7,567

Approved By: ____________________

FLORIDA PUBLIC UTILITIES

FLORIDA PUBLIC UTILITIES COMPANY
NEW DEVELOPMENT - PROJECT INFO
REQUEST FOR NEW GAS SERVICE

Project Name Sugar Mill Gardens

Marketing Rep: TECO - Trudy Clark
Mktg Rep ID #: 0003
Rep's Phone: 0
Division Central

Builder/Developer Land Planners & Associates, Inc.
Project Location

Residential

Units	Equipment	BTUH	Hours/Year	Therms/Year	Therms	ON	MOD	SCFH
	30 gal Water Heater	40,000	274	110	0			0
	40 gal Water Heater	40,000	326	130	0			0
	50 gal Water Heater	50,000	300	150	0			0
	75 gal Water Heater	75,000	253	190	0			0
	Tankless - Small	150,000	67	100	0			0
72.0	Tankless - Large	200,000	85	170	12,240			5,647
72.0	Range	68,000	52	35	2,520			1,920
	Cooktop	68,001	30	20	0			0
	Wall Oven	68,002	22	15	0			0
	Dryer	30,000	166	50	0			0
	Grill	60,000	34	20	0			0
	Gas Light - Residential	10,000	0	0	0			0
	Fireplace/Space Heater	50,000	80	40	0			0
	Pool/Spa heater	400,000	63	250	0			0
	Furnace 60,000 - 90,000 BTU	60,000	184	110	0			0
	Furnace 90,001 - 120000 BTU	90,000	144	130	0			0
	Furnace >120000 BTU	120,000	125	150	0			0
	Generator	300,000	0	0	0			0
				0	0			0
	Total BTUHs:	19,296,000		Total Therms	14,760	Total Connected Load		7,567

Commercial (GS)

Units	Equipment	BTUH	Hours/Year	Therms/Year	Therms	ON	MOD	SCFH
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
	Total BTUHs:			Total Therms		Total Connected Load		

Commercial (LVS)

Units	Equipment	BTUH	Hours/Year	Therms/Year	Therms	ON	MOD	SCFH
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
				0	0			0
	Total BTUHs:			Total Therms		Total Connected Load		

Approved By: ______________________

Sketch of Proposed Installation

N

INDICATE NORTH ARROW

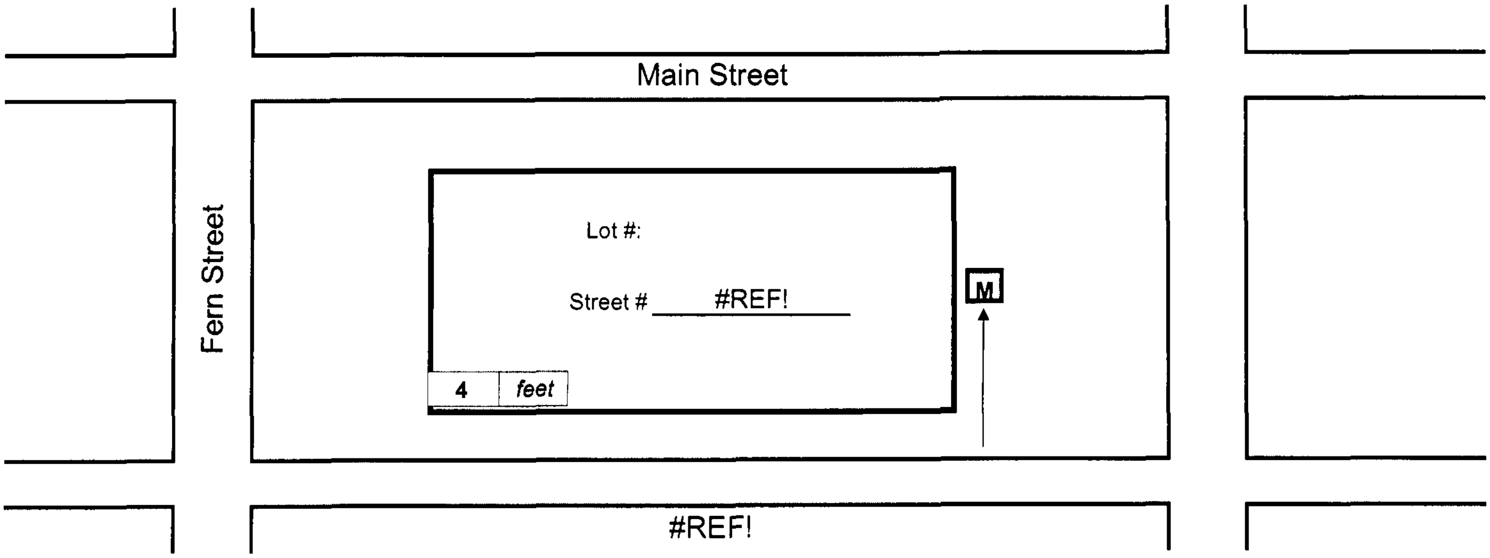
LOCATE ON SKETCH

1. Frontage Street Name
2. Structure Address Number
3. Gas Meter Location M

Other Factors

SET METER 40 Feet Off CORNER

★ Run Service to House Fuel Line Stub-Out



Information to be supplied by Distribution Department

Meter Required:		Meter By-Pass required:	
Make:		Full	
Size & Type		Meter Only	
Capacity		Perm	
		Temp	
Meter In-Stock?:			
To be Ordered:			
Date Ordered:			
PO #:			

Regulator Required:		Overpressure Protection: IRV		Metering Pressure	
Make:		Monitor Regulator		W.C.	
Size & Type		Relief Valve		PSI Compensating Index	
Capacity		Make:		Factor	
		Size & Type			
Regulator In-Stock:		Capacity		**Meter Information**	
To be Ordered:				Meter # :	
Date Ordered:		Regulator In-Stock:		Meter # issued by:	
PO #:		To be Ordered:		Meter # issued date:	
		Date Ordered:		Meter Set Date:	
		PO #:		Recorded By:	
				Recorded on (date):	

Estimated Cost of Meter Set Instal ______ Total Hours: ______

REMARKS: ______

Completed b ______ Date: 6754 Approved ______

Clara Leider

From: Kitner Don
Sent: Saturday, June 30, 2007 11:25 AM
To: Seagrave Marc
Cc: Cox Doreen
Subject: Sugar Mill Gardens
Attachments: Sugar Mill Gardens Services.xls; 061507 RNGS Sugar Mill Gardens Water Heater Range.xls; 062007 Sugar Mill Gardens NPV REGULATED 15 YEAR.xls; 062507 Sugar Mill Gardens Summary.doc; AGREEMENT_Sugar Mill Gardens Jun2007.doc; Articles of Incorporation.pdf; Sugar Mill Gardens Main 1.25in PE.xls; Sugar Mill Gardens Main 2in PE.xls

Marc,
The attached project is the second project brought to us by TECO Partners (Fisherman's Cove the first). The developer/builder purchased this completed subdivision of around 100 lots but 23 were already built. All infrastructure is complete, with the exception of gas. The builder wants to begin construction now and needs to know the status of the gas. Please process ASAP.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

Instructions for using the AEP & Net Present Value (NPV) Templates

Revised 5/18/2005

OBJECTIVE

The AEP & Net Present Value (NPV) Templates are to be used as an analytical tool for evaluating potential revenue generating investments and to determine the AEP surcharge rate for the recovery of the Excess Construction Costs.

INPUT

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1	**Project Name**	Short description of investment.
2	**Beginning in Year**	Projected year that the project will commence.
3	**Piping Allowance**	Estimated Piping Allowance per class of customer if not capitalized (see note 24).
4	**Occupancy Rate**	Anticipated occupancy level.
5	**Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
6	**Mains**	Cost of installing main per year.
7	**New Residential Customers**	Estimated residential customer added each month for each year.
8	**Therms per Customer each Month**	Average monthly therms per residential customer.
9	**New General Service Customers**	Estimated General Service customers added each month for each year.
10	**Therms per Customer each Month**	Average monthly therms per General Service customer.
11	**New Large Volume Customers**	Estimated Large Volume customer added each month for each year.
12	**Therms per Customer each Month**	Average monthly therms per Large Volume customer.
13	**Gas Lighting Service**	Estimated other customer added each month for each year.
14	**Therms per Customer each Month**	Average monthly therms per other customer.
15	**Customer Charge**	Estimated Customer Charge for Other Customers added.
16	**Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
17	**Other Expenses**	Other expenses estimated to be incurred from the project for each year eg Sales Rep Commissions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
18	**AEP Worksheet**	Enter AEP surcharge rate that provides cost recovery within 8-10 years.

GENERAL INFORMATION

19 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

20 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee, including piping allowance (capitalized) will be depreciated at the same rate as the other capital expenditure items. The actual contract, however, should be worded such that it allows us to depreciate the piping allowance over the life of the contract.

Instructions for using the AEP & Net Present Value (NPV) Templates

NPV MODEL ASSUMPTIONS

25 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.
26 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.
27 Required Return - WACC as per Year End Survellance Report using Cost of Equity Rate as per last Rate Case.
28 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.
29 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.
30 Interest Rate - Weighted Average Cost of Debt.
31 Depreciation Book % - Book Depreciation Rate.
32 Income Tax % - Income Tax Rate.

PROCESS

33 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**
34 Submit NPV (& AEP) worksheets for approval as per steps below.
35 Prepare IR after approval has been granted.
36 Submit approved IR , AEP worksheet and NPV to General Accounting.
37 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director
↓
Director - Propane Operations — If Propane Project
Barry Kennedy
↓
Marketing Director
Marc Seagrave
↓
Accounting
George Bachman / Doreen Cox
↓
Senior VP & COO
Chuck Stein
↓
President & CEO
Jack English
↓
Director

INPUT SHEET

Project Name **Sugar Mill Gardens**
Beginning in Year **2007**

Prepared By: CF Manager
Date: **4/9/2008**
I.R. #: ____
AEP #: ____

	Residential	Commercial	R Industrial	Gas Lights
Piping Allowance	**$ 150**			

Occupancy Rate : 100%

Construction:

SERVICES-cost per customer:

Residential	General Serv	Large Volume	Gas Lights
$ 502			

Year:	1st	2nd	3rd	4th	Total Main $
MAINS:	**35,057**				35,057

Enter Customers ADDED each Month by Tariff Rate Schedule below:

Total Service $	Total Const.
36,132	$ 71,189

RESIDENTIAL CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1			1	1	1	1	1	1	1	2	2	2	13	13	1042.0833	1042.083333	503.74	488
2	2	2	2	2	2	1	1	1	1	1	1	1	17	30	2186.6667	4851.666667	2345.30	2,272
3	1	1	1	1	1	1	1	1	1	1	1	1	12	42	1332.5	7482.5	3617.04	3,504
4	1	1	1	1	1	1	1	1	1	1	1	1	12	54	1332.5	9942.5	4806.20	4,656
5	1	1	1	1	1	1	1	1	1	1	1	1	12	66	1332.5	12402.5	5995.37	5,808
6	1	1	1	1	1	1							6	72	973.75	14503.75	7011.11	6,792
7													0	72	0	14760	7134.98	6,912
8													0	72	0	14760	7134.98	6,912
9													0	72	0	14760	7134.98	6,912
10													0	72	0	14760	7134.98	6,912

Therms per Customer each month: 17.08 << Enter average therms used per customer in a month

Base Rate per Therm Residential : 0.48340 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $8.00 << Per Tariff

GENERAL SERVICE CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Customer each month: << Enter average therms used per customer in a month

Base Rate per Therm General Serv $ 0.32107 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $15.00 << Per Tariff

LARGE VOLUME CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-

Year																		
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Large Volume $ 0.23809 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $45.00 << Per Tariff

GAS LIGHTING SERVICE

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Light each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Gas Lights $ 0.17689 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge ______ **<< Per Tariff - applicable for customers with only Gas Lights**

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Income															
Other Expenses	2,526														

Area Expansion Program

Project Name: **Sugar Mill Gardens**
I.R. #: 0
AEP #: 0
Prepared By: CF Manager

Procedure No. MKT 1.1
Effective Date: 8/28/2006
Revision # 12.4

Construction and Revenue Summary:

Estimated Construction Cost (CC):	$ 62,156	Four year Construction Costs
Four Years Revenue (MACC)*:	37,849	Four years revenue
Net Excess Construction Cost (ECC):	$ 24,307	

Calculation of AEP Surcharge:

AEPS= (ECC+(ROR*T1*.5*ECC))/T2*TH)

ECC	24,307	As computed on Wkst
ROR	7.950%	Company's Authorized Rate
T1	10	Years for collection
T2	1	(1 if total therms used forT1)
TH	109,265	Total 10 year therms
AEPS	$ 0.311	Original calculation

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Manual Input: Override Computed AEPS $ 0.350
and Rate breakdown

Summary of projected Therms:

Year	Total Annual Residential Usage	Total Annual General Serv Usage	Total Annual Large Volume Usage	Total Annual Gas Light Usage	Total Therm Load Added
1	1042	0	0	0	1042
2	4852	0	0	0	4852
3	7483	0	0	0	7483
4	9943	0	0	0	9943
5	12403	0	0	0	12403
6	14504	0	0	0	14504
7	14760	0	0	0	14760
8	14760	0	0	0	14760
9	14760	0	0	0	14760
10	14760	0	0	0	14760
Total	109,265	-	-	-	109,265

** Rate Breakdown:		AEPS / therm	Ratio : This % of therms per class are counted in 10 year therm total
RS	Residential	0.350	100.0000%
GS	General Service	0.232	66.4191%
LVS	Large Volume Service	0.172	49 2532%
Gas Lights		0.128	36.5929%

Projected Cash Flow of:
Revenue

Year	Residential Non-fuel Revenue	Residential Customer Charge	General Serv. Non-fuel Revenue	General Serv. Customer Charge	Large Volume Non-fuel Revenue	Large Volume Customer Charge	Lights Non-fuel Revenue	Lights Customer Charge	Total Base Revenue	AEP collection: Excess Construction Cost	AEPS Surcharge	Balance before Interest	Interest charge (cost of money)	Total Cost To be recovered
1	504	488	-	-	-	-	-	-	$ 992	$ 24,307	$ 365	$ 23,943	$ 952	$ 24,894
2	2,345	2,272	-	-	-	-	-	-	4,617	-	1,698	23,196	1,912	25,108
3	3,617	3,504	-	-	-	-	-	-	7,121	-	2,619	22,489	1,892	24,381
4	4,806	4,656	-	-	-	-	-	-	9,462	-	3,480	20,901	1,800	22,701
5	5,995	5,808	-	-	-	-	-	-	11,803	-	4,341	18,360	1,632	19,992
6	7,011	6,792	-	-	-	-	-	-	13,803	-	5,076	14,916	1,388	16,304
7	7,135	6,912	-	-	-	-	-	-	14,047	-	5,166	11,138	1,091	12,229
8	7,135	6,912	-	-	-	-	-	-	14,047	-	5,166	7,063	767	7,829
9	7,135	6,912	-	-	-	-	-	-	14,047	-	5,166	2,663	417	3,080
10	7,135	6,912	-	-	-	-	-	-	14,047	-	5,166	(2,086)	40	(2,046)
Total	$ 52,819	$ 51,168	$ -	$ -	$ -	$ -	$ -	$ -	$ 103,987	$ 24,307	$ 38,243		$ 11,889	

Cash Flow Investment Analysis

Date: 4/9/2008 | Revision # 12.5
Procedure No. ACT-5.11
Effective Date: 4/10/2007

REGULATED / NON-REGULATED
R

Project Title: **Sugar Mill Gardens**
Beginning in Year: 2007

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Input Area:

Overall Result: **Project meets or exceeds minimum 15 year required return!**

	Residential	Commercial	Industrial	Gas Lights
Annual Therms per Customer / Light	205	-	-	-
Piping Allowance	$ 150	$ -	$ -	$ -
Cost of SERVICE per Customer	$ 502	$ -	$ -	$ -
Customer Charge (mth)	$8.00	$15.00	$45.00	$0.00
Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$0.17689

Occupancy Rate : 100%

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New Residential Customers	13	17	12	12	12	6	-	-	-	-					
New Commercial Customers	-	-	-	-	-	-	-	-	-	-					
New Industrial Customers	-	-	-	-	-	-	-	-	-	-					
New Gas Lights	-	-	-	-	-	-	-	-	-	-					
Total Customers added for year	13	17	12	12	12	6	0	0	0	0	0	0	0	0	0
Cumulative Customers	13	30	42	54	66	72	72	72	72	72	72	72	72	72	72
Total Gas Lights added for year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Gas Lights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	2525.6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures on Services	6,524	8,531	6,022	6,022	6,022	3,011	-	-	-	-					
Capital Expenditures (Exc. Services)	35,057	-	-	-	-	-	-	-	-	-					
Upfront Capital Exp (Contributions)[1]	(24,307)														
Total Capital Expenditures by Year (List AEP ECC as contribution (credit))	$ 17,273	$ 8,531	$ 6,022	$ 6,022	$ 6,022	$ 3,011	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Output Area: Cash Flow by Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Base Revenue	$992	$4,617	$7,121	$9,462	$11,803	$13,803	$14,047	$14,047	$14,047	$14,047	$14,047	$14,047	$14,047	$14,047	$14,047
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$992	$4,617	$7,121	$9,462	$11,803	$13,803	$14,047	$14,047	$14,047	$14,047	$14,047	$14,047	$14,047	$14,047	$14,047
O&M Expense (Incl TOTI)	307	1,431	2,208	2,933	3,659	4,279	4,355	4,355	4,355	4,355	4,355	4,355	4,355	4,355	4,355
Other Expenses	2,526	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortized Piping Cost	279	643	900	1,157	1,414	1,543	1,543	1,264	900	643	386	129	0	0	0
Depreciation, Book	1,152	1,720	2,122	2,523	2,925	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125
	4,263	3,795	5,229	6,614	7,998	8,947	9,023	8,744	8,380	8,123	7,866	7,609	7,480	7,480	7,480
Operating Income before Income Tax	(3,271)	823	1,892	2,849	3,805	4,856	5,024	5,303	5,667	5,924	6,181	6,438	6,567	6,567	6,567
Adjust to cash flow:															
Add: Depreciation, Book	1,152	1,720	2,122	2,523	2,925	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125
Add: Amortized Piping	279	643	900	1,157	1,414	1,543	1,543	1,264	900	643	386	129	0	0	0
Less: Actual Income Tax	(2,023)	(911)	(213)	243	729	1,596	2,157	2,336	2,489	2,586	2,601	2,605	2,605	2,605	2,605
After Tax Cash Flow (before capital investments)	182	4,097	5,127	6,286	7,416	7,928	7,535	7,356	7,204	7,106	7,091	7,087	7,088	7,087	7,088
Less: Piping Costs	1,950	2,550	1,800	1,800	1,800	900	0	0	0	0	0	0	0	0	0
Less: Capital Expenditure - Cash Outlay	17,273	8,531	6,022	6,022	6,022	3,011	-	-	-	-	-	-	-	-	-
Memo: Cumulative Capital Expenditure	17,273	25,805	31,827	37,849	43,871	46,882	46,882	46,882	46,882	46,882	46,882	46,882	46,882	46,882	46,882
Asset remaining value															77,539
Net Cash Flow (w/ 15 yr ending book value)	(19,041)	(6,985)	(2,695)	(1,536)	(406)	4,017	7,535	7,356	7,204	7,106	7,091	7,087	7,088	7,087	84,627

Net Present Value (fifteen years) $ 31,000 *Zero = Meets Required Return*

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Income before Income Tax	(3,271)	823	1,892	2,849	3,805	4,856	5,024	5,303	5,667	5,924	6,181	6,438	6,567	6,567	6,567
Less Interest Costs*	724	989	1,091	1,150	1,165	1,013	726	447	173	0	0	0	0	0	0
Net Income before Taxes	(3,995)	(166)	800	1 699	2,640	3,843	4,298	4,856	5,494	5,924	6,181	6,438	6,567	6,567	6,567
Less: Book Income Tax (37.63%)	(1,503)	(63)	301	639	993	1,446	1,617	1,827	2,067	2,229	2,325	2,422	2,470	2,470	2,470
Net Income after Book I/T	(2,492)	(104)	499	1,060	1,647	2,397	2,681	3,029	3,427	3,695	3,856	4,016	4,096	4,096	4,096
Earnings Per Share - Investment															
Corporate EPS after Investment	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Cumulative Net Cash Flow	(19,041)	(26,026)	(28,721)	(30,258)	(30,664)	(26,647)	(19,112)	(11,755)	(4,552)	2,554	9,646	16,733	23,821	30,908	115,535
Cumulative Depr. Reserve	1,152	2,872	4,994	7,517	10,442	13,567	16,693	19,818	22,943	26,069	29,194	32,320	35,445	38,571	41,696
Cumulative Piping Allowance	1,671	3,579	4,479	5,121	5,507	4,864	3,321	2,057	1,157	514	129	(0)	(0)	(0)	(0)
Book Rate of Return	-9.94%	3.34%	5.08%	6.23%	7.22%	8.93%	10.17%	11.94%	14.35%	17.33%	21.64%	27.58%	35.82%	49.29%	79.00%
Economic Value Added (EVA)	(3,050)	(938)	(543)	(202)	155	761	1,007	1,324	1,697	2,041	2,450	2,859	3,187	3,436	81,224
NPV (EVA) $	32,000														

Net Present Value of Cap. Exp.	41,620
Net Present Value of Pip. Exp.	9,227

Average Rate of Return on Investment:

15 Years (IRR) **16%**

Revenue Comparison:
Four Year Revenue $37,849

Customer Totals:	**15 Yr Total**
Added Residential Customers	72
Added Commercial Customers	-
Added Industrial Customers	-
Cumulative Customers	72
Capital Expenditure per Customer $	651

Summary of Rates used

Depreciation Book %		6.67%
Income Tax %		37.62%
Base Earnings per Share	$	0.71

Required Return	7.95%
Ratio of Debt Financing	50.00%
O&M Expense %	31.00%
Interest Rate	7.60%

CONFIDENTIAL

RATES :		RESIDENTIAL	COMMERCIAL	INDUSTRIAL	GAS LIGHTS
REGULATED	Customer Charge (mth)	$8.00	$15.00	$45.00	$ -
	Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$ 0.17689

	REGULATED	NON-REGULATED
REQUIRED RETURN	7.95%	15.00%

Clara Leider

From: Kitner Don
Sent: Saturday, June 30, 2007 11:25 AM
To: Seagrave Marc
Cc: Cox Doreen
Subject: Sugar Mill Gardens
Attachments: Sugar Mill Gardens Services.xls; 061507 RNGS Sugar Mill Gardens Water Heater Range.xls; 062007 Sugar Mill Gardens NPV REGULATED 15 YEAR.xls; 062507 Sugar Mill Gardens Summary.doc; AGREEMENT_Sugar Mill Gardens Jun2007.doc; Articles of Incorporation.pdf; Sugar Mill Gardens Main 1.25in PE.xls; Sugar Mill Gardens Main 2in PE.xls

Marc,
The attached project is the second project brought to us by TECO Partners (Fisherman's Cove the first). The developer/builder purchased this completed subdivision of around 100 lots but 23 were already built. All infrastructure is complete, with the exception of gas. The builder wants to begin construction now and needs to know the status of the gas. Please process ASAP.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

Approved By:	Dir of Mktg	____
	Fin Analyst	____
	CFO	____
	COO	____
	CEO	____
	Division G.M.	____

FLORIDA PUBLIC UTILITIES

Sugar Mill Gardens, New Smyrna Beach

- Project consists of sixty-three (77) single-family homes of which 72 will be required to be gas compliant; typical lot is 75' x 115', located in New Smyrna Beach, FL on the NW corner of Pioneer Trail and Sugar Mill Dr..
- FPU to extend natural gas main approximately 350 feet. As a result, this will become an AEP project with a thirty cent ($0.35) contribution per therm. Project estimated to be paid off after year eight.
- The developer is Land Planners & Associates, Inc. This developer purchased this project form original developer with the streets in.
- This project was brought to FPU by TECO Partners and will be the second project with this developer; the first being Fisherman's Cove in Edgewater.
- Minimum GCU for each home will be one large tankless water heater and a range.
- Piping allowance of $150.00 was included for the spa heater, fireplace and summer kitchen @ $50 each. However no revenues for these appliances are included in the analysis.
- NPV yields a 16 % Average ROR on investment.
- The gas mains will consist of approximately 350 feet of 2" PE main, 6150 feet of 1 ¼" PE main, and approximately 4620 feet of 3/4" service line.

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Subject: Sugar Mill Gardens
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Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

DEVELOPER AGREEMENT

THIS DEVELOPER AGREEMENT (this "Agreement") is made and entered into effective this ____ day of ___________, 2007 (the "Effective Date"), by and between Florida Public Utilities Company, a Florida corporation ("Company"), and Land Planners & Associates, Inc., a Florida corporation ("Developer") (Company and Developer may sometimes be collectively referred to as the "Party" or "Parties").

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Deleted: Oakwood Construction and Development, LLC

W I T N E S S E T H

WHEREAS, Developer intends to build seventy-seven (77) single-family homes in a community to be known as Sugar Mill Gardens Project, located in Volusia County, Florida (the "Project"). A legal description of the Project is attached hereto as Exhibit "A" and incorporated herein by this reference; and

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WHEREAS, Company desires to install a natural gas distribution system within the Project in order to make service available from time to time to owners, occupants and residents of the Project and Developer has agreed to permit Company to install such a system to service the Project, pursuant to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Company and Developer hereby agree as follows.

1. **Installation of Gas Distribution System**.

1.1. Installation. Company agrees to install a natural gas distribution system within the residential portions of the Project, including all necessary distribution lines, meters and ancillary facilities (collectively, the "Gas Distribution System") as Company deems reasonably necessary to provide natural gas service to owners, occupants and residents within the Project. From time to time, Company shall install additional lines, meters and ancillary facilities ("System Extensions") which Company deems reasonably necessary to extend the Gas Distribution System to other areas of the Project in order to supply gas service to non-residential portions of the Project that apply for and qualify for gas service from Company. For purposes of this Agreement, the term "Gas Distribution System" shall include any System Extensions that are added by Company.

1.2. Location. The location of the gas lines and all infrastructure and improvements relating to the Gas Distribution System shall be subject to Developer's prior written approval, which approval shall not be unreasonably withheld or delayed. Prior to commencing installation of the Gas Distribution System, Company shall provide, for Developer's review and comment, plans and specifications in accordance with which the Gas Distribution System is to be installed ("Gas

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Distribution System Plans and Specifications"). Upon completion of installation of each three thousand (3000) linear feet of the Gas Distribution System (each being a "Completed Portion"), Company shall commence restoration of those portions of the Project disturbed by Company during installation of the Completed Portion and shall continue diligently such restoration work until complete. Restoration work shall be completed so that the surface of the land shall be restored to substantially the same condition existing immediately prior to commencement of the installation of the Completed Portion.

1.3. Preparation for Installation and Easements.

1.3.1. Developer agrees to provide adequate physical and legal access (including the easements described below) to all areas of the Project where portions of the Gas Distribution System are to be installed to access, maintain and operate the Gas Distribution System. Such easements are identified in the plat referenced in 1.3.2.

1.3.2. Developer has provided Company a preliminary plat, and at a later date will provide Company a plat of all or a portion of the Project (recorded in Official Records Book ______, Page ______, Public Records of Seminole County, Florida), which depicts the location of streets, lots and easements encompassed therein (the "Plat"). If additional plats ("Additional Plats") are created for the Project, Developer shall provide Company a copy thereof within ten (10) days after recording. The Plat and all Additional Plats (whether or not provided to Company) shall be collectively referred to herein as "Project Plats". Notwithstanding any provision contained herein to the contrary and in addition to the easements referenced in Section 1.3.1 hereof, Developer hereby grants Company an easement over those portions of the Project designated on Project's Plats as a utility easement or right-of-way (public or private) (or other similar designations) for purposes of installing, operating, maintaining, repairing and replacing the Gas Distribution System.

1.3.3. Developer reserves the right to relocate any easement granted to Company if Developer deems such relocation to be necessary for the development of the Project. If Company has not installed the portion of the Gas Distribution System proposed to be installed in the relocated easement, but has commenced the design and engineering thereof prior to the date Company receives written notice from Developer of its desire to amend an easement, Developer shall be required (prior to amendment of the easement) to reimburse Company for Company's actual, out-of-pocket expenses incurred in redesigning and/or reengineering the applicable portion of the Gas Distribution System. If Developer desires to relocate any easement relating to a portion of the Gas Distribution System after the

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Developer Agreement
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system has been installed, Developer must first, (a) obtain Company prior written consent (which consent shall not be unreasonably withheld or delayed) and (b) reimburse Company for all costs incurred by Company in relocating the Gas Distribution System, including, but not limited to the cost of redesigning and/or reengineering the Gas Distribution System, and the cost of all materials and labor therefore.

1.4. Coordination of Installation. Company agrees to cooperate with Developer with respect to the construction of the Gas Distribution System so as to minimize interference with or delay to Developer's construction and development of the Project. Developer shall provide Company a copy of its anticipated construction schedule for the Project, a true and correct copy of which is attached hereto as Exhibit "B" and incorporated herein (the "Developer's Construction Schedule"). Developer acknowledges that Company will rely upon the Developer's Construction Schedule for purposes of coordinating its acquisition of materials, mobilization of equipment and labor at the worksite and installation of the Gas Distribution System. Company will install said system within 60 days following the grading of easements and written notification from Developer to proceed.

1.5. Ownership of Gas Distribution System; Maintenance. Notwithstanding any provision contained herein to the contrary, the Gas Distribution System shall remain the exclusive property of Company at all times during the term of this Agreement and following its expiration or earlier termination. Company shall have the sole obligation and responsibility for the maintenance of the Gas Distribution System. Company shall at all times maintain the Gas Distribution System in accordance with the requirements of all appropriate governmental and regulatory agencies.

1.6. Supply Date. Subject to any delay caused by Force Majeure or the actions or inactions of Developer, Company agrees that the Gas Distribution System shall be complete and operational to provide natural gas service to the first completed residential structure utilizing natural gas service, in the Project, at least ten (10) calendar days prior to the issuance of Certificate of Occupancy (CO) for the first residential structure within the Project.

2. Minimum Gas Compliant Units; Installation of Internal Piping

2.1. Minimum GCU.

2.1.1. Developer acknowledges that Company will make a substantial economic investment in order to construct the Gas Distribution System and that Company is willing to undertake such investment given Company's anticipated usage of the Gas Distribution System by current and future owners, occupants or residents in the Project. In consideration for the

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substantial investment made by Company in constructing the Gas Distribution System and the mutual covenants contained herein, Developer agrees that seventy-two (72) residential units in the Project shall have installed therein (a) a large gas Tankless Water Heater and (b) a gas Range or Cooktop and Wall Oven ("Minimum Required GCU.") In addition, Developer agrees that any model and speculative residential unit in the Project shall have installed therein the same gas appliances as the GCU, plus any two additional gas appliances for the purpose of featuring gas within the community. Each residential unit constructed in compliance with the foregoing two sentences shall be referred to herein as a "Gas Compliant Unit" or "GCU" and each of the appliances installed in a GCU shall be referred to herein as an "Appliance" and collectively as the "Appliances."

2.1.2. Developer shall, within fifteen (15) days after completion of the last GCU in the Project, pay Company an omission fee ("Omission Fee") equal to the Omission Rate (as hereinafter defined) multiplied by the integer obtained by subtracting the actual number of GCU in the Project from the Minimum Required GCU. The Omission Rate shall equal $525.00 x (1+ (Time x .04)). Time shall mean the number of years (and partial years) between the Effective Date and the date upon which the Omission Fee is paid. Nothing contained in this Section 2.1.2 shall be construed as limiting other remedies available to Company as result of the Developer's failure to comply with the Minimum Required GCU requirement set forth herein.

2.2. Installation. Developer shall provide all labor, materials, equipment and supervision to install (at no cost to Company) (a) each Appliance and (b) all internal piping, venting and other equipment (the "Internal Piping") necessary to service the gas appliances installed in each GCU. Company to connect Internal Piping to the external gas meter installed by Company at an external location (reasonably selected by Company) at each GCU.

2.3. Ownership of Internal Piping, Appliances and External Piping.

2.3.1. All piping, meters, vents and other equipment installed by Company, at Company's expense, between the main line of the Gas Distribution System and the external meter installed by Company at each GCU (including such meter) (the "External Piping") shall be the exclusive property of the Company. Company shall at all times maintain the External Piping, including the meter, in accordance with the requirements of all appropriate governmental agencies.

2.3.2. The Internal Piping and the Appliances shall be the exclusive property of the Developer and its successors and assigns. Developer or the successor

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Developer Initials: ______
Date: ______

or assign of Developer with respect to each GCU shall at all time during and following the expiration or earlier termination of this Agreement, service, maintain, repair and replace the Internal Piping and the Appliances.

3. **Payment to Developer for each GCU.**

3.1 Company shall pay Developer the applicable amount set forth in the payment schedule attached hereto as Exhibit 'C" for each Qualified GCU (as hereinafter defined) constructed in the Project (the "GCU Payment"). A GCU shall be deemed a Qualified GCU only after (a) the Company commences supplying natural gas service to the unit (i.e., the GCU is occupied by a rate paying customer) and (b) Company receives a Compliance Affidavit from Developer with respect to said unit in the form attached hereto as Exhibit "D".

3.2 GCU Payments shall be made semi-annually by Company to Developer for the term of this Agreement in the following manner:

3.2.1 For Qualified GCU that receive natural gas service from the Company for the first time ever between January 1 and June 30 of each year, payment shall be made on July 25 of such year.

3.2.2 For Qualified GCU that receive natural gas service from the Company for the first time ever between July 1 and December 31 of each year. Payment shall be made on January 25 of the next year.

4. **Successors, Assigns And Assignment**. The Developer and the Company each bind itself, its successors, assigns and legal representatives to the other party in respect to all covenants, agreements and obligations contained in this Agreement. If Developer desires to convey to other Developer or Developers any or all of the land upon which the Project is to be constructed, such conveyance may not be undertaken and shall not be effective until such Developer or Developers expressly assumes all of the obligations and responsibilities of Developer hereunder (to the reasonable satisfaction of Company). Similarly, if Developer desires to assign this Agreement or any portion hereof to a homeowner's association, as a condition of such assignment, the homeowner's association shall pass a valid and appropriate resolution expressly assuming all of the obligations and responsibilities of Developer hereunder (such resolution being to the reasonable satisfaction of Company).

5. **Force Majeure**. Neither Party shall be liable to the other for any failure to perform pursuant to the terms and conditions of this Agreement to the extent such performance was prevented by an event of Force Majeure. The term "Force Majeure" shall mean Acts of God, strikes, lockouts, or other industrial disturbance, acts of the

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public enemy, wars, riots, epidemics, industrial disturbances that affect the Parties or its customers, breakage or non-foreseeable accident to machinery or lines of pipe, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the Party whose performance is affected and which, in each of the above cases, by the exercise of due diligence such Party is unable to prevent or overcome utilizing commercially reasonable efforts; such term shall likewise include the inability of a Party to acquire, or delays on the part of such Party in acquiring at reasonable cost and by the exercise of reasonable diligence, servitudes, rights of way, grants, permits, permissions, licenses, materials or supplies which are required to enable such Party to fulfill its obligations hereunder. The Party whose performance is excused by an event of Force Majeure shall promptly notify the other Party in writing of such occurrence and its estimated duration, shall promptly remedy such Force Majeure if and to the extent reasonably possible and shall resume such performance as soon as possible; provided, however, that neither Party shall be required to settle any labor dispute against its will.

6. **Duration**.

6.1. Expiration; Automatic Extension. Subject to Subsection 6.2 hereof, this Agreement shall automatically expire twenty (20) years after execution of Agreement. The term of this Agreement shall be automatically extended for terms of one (1) year periods unless written notice is provided at least ninety (90) days but no greater than one hundred twenty (120) days prior to the expiration of the initial term of this Agreement or any extension thereto by one Party to the other Party that it will not allow the extension of the term of this Agreement.

6.2. Early Termination. Notwithstanding any provision contained herein to the Contrary, either Party may terminate this Agreement by providing the other at least fifteen (15) days prior written notice if the Minimum Required GCU has been constructed.

6.3. Survival of Easements. Notwithstanding the expiration or earlier termination of this Agreement (regardless of the cause therefore), the easements created herein and required to be granted herein shall survive, and the rights, privileges and responsibilities created therein shall not be adversely affected by, the termination or expiration of this Agreement

7. **Notices**. Any notices sent by either party to the other pursuant to this Agreement shall be sent by either U.S. mail, postage prepaid, return requested, or by receipted overnight national delivery service (e.g., Federal Express), and shall, if not sooner received, be deemed received three (3) business days after deposit in the United States Mail, or one business day after receipt by any overnight national delivery service, as aforesaid. All notices shall be addressed to each party at the following

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Project: Longwood Hills Road
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address, or such other address as either party may hereafter designate to the other party in writing:

If to Developer: Sugar Mill Gardens Residential Homeowners' Association, Inc.
201 Addison Way
Titusville, Florida 32780
Attn: Dale L. Williams
Fax No. 321.269.5328
Phone No. 321.269.4977

If to Company: Florida Public Utilities Company
401 South Dixie Highway
West Palm Beach, Florida 33401-5807
Attn: Marc Seagrave, Director of Marketing
Fax No. 561.833.8562
Phone No. 561.838.1714

with a copy to: Florida Public Utilities Company
450 S. Highway 17-92
DeBary, Florida 32713-9703
Attn: Donald Kitner, General Manager
Fax No. 386.668.2692
Phone No. 386.668.2600

8. **Governing Law: Dispute Resolution**. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without reference to the laws of any other jurisdiction. Developer and Company agree to submit any disputes arising under this agreement to non-binding mediation; provided, that applicable statutes of limitation will be tolled during the pendency of such mediation. In the event Company and Developer cannot in good faith agree on a mediator within fifteen (15) days of the request of either party for mediation, or, if the parties remain in dispute following mediation, any such dispute will be resolved by final, binding arbitration. Arbitration shall be accomplished expeditiously in Orange County, Florida, and shall be conducted by the American Arbitration Association (in accordance with its rules) which will appoint three arbitrators, one of which must be an attorney. The arbitrators shall render a written judgment accompanied by findings of fact and conclusions of law, which are subject to review by the appellate courts of the State of Florida. Judgment upon the award rendered by the arbitrator(s) may be entered in any Court having jurisdiction thereof. The parties shall share equally the

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Page 17 Developer ____ ¶

arbitrators' fees and costs until the prevailing party is determined or the parties have agreed in writing to an alternate allocation of fees and costs. In any suit or arbitration proceeding brought by either party, the prevailing party will be entitled to recover attorneys' fees, costs and expenses actually incurred by the prevailing party in such suit or arbitration proceeding or in any appeal. The parties consent that any arbitration may be consolidated with any other arbitration concerning this Agreement to which Company or Developer is a party and that a dispute shall not be submitted to such binding arbitration if there are any third parties who are not subject to such binding arbitration but who are proper parties to such dispute. This Section 8 shall survive expiration or any termination of this Agreement.

9. **Indemnity; Damages to Property; Limitation on Liability**.

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9.1. Company agrees to protect, defend, reimburse, indemnify and hold the Developer, its agents and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as Developer, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by Developer by reason of the negligent or intentional acts of the Company; provided however, that Company shall not be responsible to Developer for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of Developer, its respective agents, servants, employees, officers, tenants, residents or homeowners.

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9.2. Developer agrees to protect, defend, reimburse, indemnify and hold the Company, its agents, and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as Company, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by Company by reason of the negligent or intentional acts of Developer and its respective agents, servants, employees, officers, tenants, residents or homeowners; provided however, that Developer shall not be responsible to Company for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of Company.

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9.3. Any damage to the Project caused by Company, its agents or employees, shall be promptly repaired to the reasonable satisfaction of Developer at Company's expense. Any damage caused to Company's equipment by Developer, its agents, employees, contractors, subcontractors, tenants, residents or homeowners shall be promptly repaired by Company at Developer's expense. Developer will take all reasonable precautions to notify its agents, employees, contractors, subcontractors, tenants, residents and homeowners of the location of Company's equipment.

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9.4. Neither the Company nor Developer shall have liability to the other party or any third party for any special, indirect, incidental or consequential damages or loss of any kind, including, without limitation, loss of profits or savings, loss of use, or similar damages, whether based on strict liability, or negligence, whether resulting from installation, use or maintenance of the Gas Distribution System, breach of this Agreement or otherwise, except for direct, specific damages to the extent caused by either party's negligence or misconduct.

9.5. This Section 9 shall survive the expiration or early termination of this Agreement.

10. **Miscellaneous**. This Agreement constitutes the entire understanding and agreement between the Parties and supersedes any and all prior negotiations, understandings or agreements with respect to this subject matter. This Agreement may be amended only by written instrument signed by both of the Parties. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under Florida law, but if any provision of this Agreement or the application thereof to any Party or circumstance is prohibited by or invalid under applicable law, that provision shall be effective only to the extent of such prohibition or invalidity, without invalidating the remaining provisions of this Agreement or the application of the same. Nothing contained herein shall be construed as a joint venture, partnership or any other similar relationship between Company and Developer. The captions, headings, titles, and subtitles herein are inserted for convenience of reference only and are to be ignored in any construction of the provisions of this Agreement. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties, and their respective successors and assigns, and no assignment shall relieve either Party of such Party's obligations hereunder without written consent of the other Party. This Agreement shall be subject to all applicable laws, rules, orders, permits, and regulations of any federal, state, or local governmental authority having jurisdiction over the Parties, their facilities, or the transactions contemplated. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one in the same instrument.

11. **Recording**. This Agreement may be recorded by Company among the Public Records of the County in which the Project are located.

12. **Exclusivity**. During the term of this Agreement and for a period of ten (10) years thereafter, Developer shall not install, cause to be installed, or allow to be installed any other gas distribution system in the Project or any other system or mechanism for delivery of natural gas or propane gas to residents in the Project. Developer agrees that Company has an exclusive right to provide natural gas services to the Project and that Developer will not grant, or allow others to grant any easement or right-of-way for purposes of delivering natural gas service. Developer certifies that there is no

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existing contractual agreement with any third party for the provision of natural gas service to the Project, with the exception of this Agreement.

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Project: Longwood Hills Road
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Page 17 Developer

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

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COMPANY:

FLORIDA PUBLIC UTILITIES COMPANY,
a Florida corporation

Witnesses:

Sign: ____________________

Print: ____________________

By: ______________________________
Name: ______________________________
Title: ______________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF ____________

BEFORE ME, the undersigned authority, personally appeared ______________, as ____________________ of FLORIDA PUBLIC UTILITES COMPANY, a Florida corporation, who is either personally known to me or who provided ________________ as identification, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said corporation.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ____________________________
My Commission Expires: ________________
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Developer Agreement
Project: Longwood Hills Road¶
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DEVELOPER:

Sugar Mill Gardens Residential Homeowners' Association, Inc.
a Florida corporation

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Witnesses:

Sign: ____________________

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By: ________________________________
Name: ________________________________
Title: ________________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF ____________

BEFORE ME, the undersigned authority, personally appeared _______________, as ______________________ of ____, a ___________________________ Corporation, who is either personally known to me or who provided _________________ as identification, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said ______________________.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ____________________________
My Commission Expires: ________________
(AFFIX NOTARY SEAL)

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EXHIBIT "A"

Legal Description

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Developer Agreement
Project: Longwood Hills Road¶
, 2006
Initials: Company ¶
Page 17 Developer ¶

EXHIBIT "B"

Developer's Construction Schedule

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¶
¶

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Developer Agreement
Project: Longwood Hills Road¶
, 2006
Initials: Company ¶
Page 17 Developer ¶

EXHIBIT "C"

GCU Payment

The Company will disburse to the Developer a GCU payment based on the following schedule:

Schedule of Allowances:

*Gas Conservation Rebates	
Gas Water Heater	$350.00 ea
Gas Tankless Water Heater	$450.00 ea
Gas Furnace or Hydro Heat	$350.00 ea
Gas Range **or** Gas Cooktop & Gas Wall Oven	$100.00 ea
Gas Dryer	$100.00 ea
**Piping Allowance Schedule	
Gas Fireplace	$ 50.00 ea
Gas Spa Heater	$ 50.00 ea
Gas Grill/Summer Kitchen	$ 50.00 ea

*Allowances shall be paid only after unit is determined to be a GCU and gas is turned on.
** Will be paid based on rebate schedule only if premises meet GCU requirement per agreement.

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Gas Dryer $ 85.00 ea¶

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Deleted: 125

Deleted: Grill/Summer Kitchen

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¶
The Company will disburse to the Developer a GCU payment based on the following schedule:¶
¶
Schedule of Allowances:¶
¶
*Conservation/Piping Allowance¶
Gas Water Heater $300.00 ea¶
Gas Furnace or Hydro Heat $300.00 ea¶
Gas Cooktop/Range $ 85.00 ea¶
Gas Dryer $ 85.00 ea¶
Gas Fireplace $125.00 ea¶
Gas Grill/Summer Kitchen $ 50.00 ea¶
¶
¶
*Allowances shall be paid only after unit is determined to be a GCU and gas is turned on.¶
¶ ... [14]

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EXHIBIT "D"

Compliance Affidavit

Payment is requested for the following GCU:

Turn-on Date	Address	Gas Appliances

Total

Gas Water Heater	$
Gas Tankless Water Heater	$
Gas Furnace or Hydro Heat	$
Gas Range **or** Gas Cooktop & Gas Wall Oven	$
Gas Dryer	$
Gas Fireplace	$
Gas Grill/Summer Kitchen	$
Gas Spa Heater	$

Total GCU $ ____________

Date: ________________

Requested by: ______________________ Title: ______________________

Gas Conservation Rebates

Gas Water Heater	$350.00 ea
Gas Tankless Water Heater	$450.00 ea
Gas Furnace or Hydro Heat	$350.00 ea
Gas Range **or** Gas Cooktop & Gas Wall Oven	$100.00 ea
Gas Dryer	$100.00 ea

Piping Allowance Schedule

Gas Fireplace	$ 50.00 ea
Gas Spa Heater	$ 50.00 ea
Gas Grill/Summer Kitchen	$ 50.00 ea

FPU Initials: ________
Date: ________
Developer Initials: ________
Date: ________

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Deleted: Compliance Affidavit¶ ¶ ¶ ¶ ¶ Payment is requested for the following GCU:¶ ¶ Turn-on Date Address Gas Appliances¶ ¶ ¶ ¶ ¶ ¶ Gas Water Heater $________¶ Gas Furnace or Hydro Heat $________¶ Gas Cooktop/Range $________¶ Gas Dryer $________¶ Gas Fireplace $________¶ Gas Grill/Summer Kitchen $________¶ ¶ ¶ Total GCU $ ________¶ ¶ Date: ________¶ ¶ Requested by: Title: ... [16]

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Deleted:

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Deleted: ¶ *Gas Conservation Rebate ¶ Gas Water Heater $3(... [17]

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("Minimum Required GCU")

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in the Project shall have installed therein (a) 50 gallon (or larger) gas

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(b) gas furnace, and a combination of additional appliances resulting in a total therm value per unit of 650 therms (see "Exhibit E" for therm calculation). Additional appliances may include (a) either gas

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two (2) gas central heating or hydro heat systems, (c) gas

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cooktop and gas oven combination, (b

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(c) gas grill/summer kitchen, and (d) gas pool/spa heater.

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In addition, Developer agrees that any model and speculative residential unit in the Project shall have installed therein the same gas appliances as the GCU. Each residential unit constructed in compliance with the foregoing statements

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shall be referred to herein as a "Gas Compliant Unit" or "GCU" and each of the appliances installed in a GCU shall be referred to herein as an "Appliance" and collectively as the "Appliances".

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Developer shall, within fifteen (15) days after completion of the last GCU in the Project, pay Company an omission fee ("Omission Fee") equal to the Omission Rate (as hereinafter defined) multiplied by the integer obtained by subtracting the actual number of GCU in the Project from the Minimum Required GCU. The Omission Rate shall equal $725

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.00 x 1 + (Time x .04) for the

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Long Pond Road Project. Time shall mean the number of years (and partial years) between the Effective Date and the date upon which the Omission Fee is paid. Nothing contained in this Section 2.1.2 shall be construed as limiting other remedies available to Company as result of the Developer's failure to comply with the Minimum Required GCU requirement set forth herein.

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Page 4: [12] Deleted **1/9/2007 4:07:00 PM**

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Developer Agreement	Project: Longwood Hills Road
_________, 2006	Initials: Company______
Page 17	Developer ______

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GCU Payment

The Company will disburse to the Developer a GCU payment based on the following schedule:

Schedule of Allowances:

*Conservation/Piping Allowance

Gas Water Heater	$300.00 ea
Gas Furnace or Hydro Heat	$300.00 ea
Gas Cooktop/Range	$ 85.00 ea
Gas Dryer	$ 85.00 ea
Gas Fireplace	$125.00 ea
Gas Grill/Summer Kitchen	$ 50.00 ea

*Allowances shall be paid only after unit is determined to be a GCU and gas is turned on.

TOTAL **$1370.00**

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Developer Agreement	Project: Longwood Hills Road
_________, 2006	Initials: Company______
Page 17	Developer ______

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Compliance Affidavit

Payment is requested for the following GCU:

Turn-on Date	Address	Gas Appliances

Gas Water Heater	$_____________
Gas Furnace or Hydro Heat	$_____________
Gas Cooktop/Range	$_____________
Gas Dryer	$_____________
Gas Fireplace	$_____________
Gas Grill/Summer Kitchen	$_____________

Total GCU $ __________

Date: ________________

Requested by: ______________________ Title: __________________________

*Conservation/Piping Allowance

Gas Water Heater	$300.00 ea
Gas Furnace or Hydro Heat	$300.00 ea
Gas Cooktop/Range	$ 85.00 ea
Gas Dryer	$ 85.00 ea
Gas Fireplace	$125.00 ea
Gas Grill/Summer Kitchen	$ 50.00 ea

* Each qualified Gas Compliant Unit (GCU) piping allowance shall become payable when the unit is occupied and the gas / meter for the unit is turned on. The Company will pay qualifying GCU payment fees semi-annually.

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*Gas Conservation Rebate

Gas Water Heater	$300.00 ea
Gas Furnace or Hydro Heat	$300.00 ea
Gas Cooktop/Range	$ 85.00 ea
Gas Dryer	$ 85.00 ea

Piping Allowance Schedule

Gas Fireplace	$125.00 ea
Gas Grill/Summer Kitchen	$ 50.00 ea

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Page Break

EXHIBIT "E"

Appliance Therm Rate Schedule

	Estimated Annual Therms
Required Appliances	
Water Heater	
50 gallon	**150**
75 gallon	**190**
Rinnai – commercial & large residential	**170**
Furnace	
60,000 – 90,000 BTU	**110**
90,001 – 120000 BTU	**130**
120,001 & Greater BTU	**150**
Substitutable Appliances	
Range **OR** gas cooktop **&** gas wall oven	**35**
Dryer	**50**
Fireplace	**40**
Pool / Spa Heater	**250**
Grill	**20**
Generator	**00**

NOTE:
Additional like gas appliances per residential unit will receive 50% of the estimated therm load for calculation purposes.

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Clara Leider

From:	Kitner Don
Sent:	Saturday, June 30, 2007 11:25 AM
To:	Seagrave Marc
Cc:	Cox Doreen
Subject:	Sugar Mill Gardens
Attachments:	Sugar Mill Gardens Services.xls; 061507 RNGS Sugar Mill Gardens Water Heater Range.xls; 062007 Sugar Mill Gardens NPV REGULATED 15 YEAR.xls; 062507 Sugar Mill Gardens Summary.doc; AGREEMENT_Sugar Mill Gardens Jun2007.doc; Articles of Incorporation.pdf; Sugar Mill Gardens Main 1.25in PE.xls; Sugar Mill Gardens Main 2in PE.xls

Marc,
The attached project is the second project brought to us by TECO Partners (Fisherman's Cove the first). The developer/builder purchased this completed subdivision of around 100 lots but 23 were already built. All infrastructure is complete, with the exception of gas. The builder wants to begin construction now and needs to know the status of the gas. Please process ASAP.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

ARTICLES OF INCORPORATION

OF

SUGAR MILL GARDENS RESIDENTIAL
HOMEOWNERS' ASSOCIATION, INC.
(A Florida Not For Profit Corporation)

Filed August 29, 2006 - Secretary of State, Tallahassee, Florida

We, the undersigned, hereby associate ourselves together for the purpose of forming a non-profit corporation under the laws of the State of Florida, pursuant to Chapter 617, Florida Statutes, and hereby certify as follows:

ARTICLE I

The name of this Corporation shall be: ***SUGAR MILL GARDENS RESDIENTIAL HOMEOWNERS' ASSOCIATION, INC.*** Principal office and mailing address being 2248 State Road 44, New Smyrna Beach, Florida 32168.

ARTICLE II

The general purpose of this non-profit corporation is to be the "Homeowners' Association" (as defined in the Homeowners' Association's Act, Chapter 720, Florida Statutes), for the operation of the community subdivision known as ***SUGAR MILL GARDENS RESIDENTIAL*** to be located in New Smyrna Beach, Volusia County, Florida, and to operate and administer said community and the land comprising the community to the jurisdiction and control of the Association.

ARTICLE III

All persons who are owners of parcels within said community shall automatically be members of this corporation. Such membership shall automatically terminate when such person is no longer an owner of a parcel. Membership in the corporation shall be limited to such community parcel owners.

Subject to the foregoing, admission to and termination of membership shall be governed by the Declaration of Covenants, Conditions and Restrictions that shall be filed for said community among the Public Records of Volusia County, Florida.

ARTICLE IV

This Corporation shall have perpetual existence.

ARTICLE V

The name and residence address of the subscriber to these Articles of Incorporation is as follows:

DALE L. WILLIAMS
148 Breezeway Court
New Smyrna Beach, Florida 32169

ARTICLE VI

Section 1.The affairs of the Corporation shall be managed and governed by a Board of Directors composed of not less than three hor more than the number specified in the By-laws. The Directors, shall be elected at the annual meeting of the membership, for a term of one year, or until their successors shall be elected and shall qualify. Provisions for such election and provisions respecting the removal, disqualification and resignation of directors and for filling vacancies of the Board of Directors, shall be established by the By-laws.

Section 2. The principal officers of the corporation shall be: President, Secretary and Treasurer, and any other office as the Board of Directors may deem necessary, who shall each be elected from time to time in the manner set forth in the By-laws adopted by the Corporation.

ARTICLE VII

The names of the officers who are to serve until the election of officers, pursuant to the terms of the Declaration of Covenants, Conditions and Restrictions and By-laws, are as follows:

President	*DALE L. WILLIAMS*
Secretary	*ROBERT LEE*
Treasurer	*LAWRENCE SMITH*

ARTICLE VIII

The following shall constitute the first Board of Directors and shall serve until the first election of the Board of Directors at the first regular meeting of the membership:

DALE L. WILLIAMS

LAWRENCE SMITH

ROBERT LEE

ARTICLE IX

The By-laws of the Corporation shall initially be made and adopted by its first Board of Directors and attached to the Declaration of Covenants, Conditions & Restrictions to be filed in the Public Records of Volusia County, Florida. The By-laws may be altered, amended or rescinded at any duly called meeting of the members in the manner provided by the By-laws.

ARTICLE X

Section 1. Proposals for the alteration, amendment or rescission of these Articles of Incorporation which do not conflict with the Homeowners Association Act, the Declaration of Covenants, Conditions & Restrictions, or applicable law may be made by a majority of the Board of Directors or a majority of the voting members of the Association. Such proposals shall set forth the proposed alteration, amendment or rescission, shall be in writing, filed by the Board of Directors or a majority of voting members, and delivered to the President. The President shall thereupon call a Special Meeting of the Association not less than ten (10) days nor later than sixty (60) days from receipt of the proposed amendment, the notice for which shall be given in the manner provided in the By-laws. An affirmative vote of two-thirds (2/3) of the Board of Directors, and an affirmative vote of a majority of all voting members of the Association shall be required for the requested alteration, amendment or rescission. In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE XI

This Corporation shall have all of the powers set forth in Section 617.0302 Florida Statutes, all of the powers set forth in the Homeowners' Association Act of the State of Florida, and all powers granted to it by the Declaration of Covenants, Conditions & Restrictions and exhibits annexed thereto. In addition thereto the Association shall operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. Johns River Water Management District Permit No. 40-127-90311-1 requirements and applicable District rules, and shall assist in the enforcement of the Declaration of Covenants and Restrictions which relate to the surface water or stormwater management system.

The Association shall levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system.

ARTICLE XII

There shall be no dividends paid to any of the members, nor shall any part of the income of the Corporation be distributed to its Board of Directors or officers. In the event there are any excess receipts over disbursements as a result of performing services, such excess shall be applied against future expenses. The Corporation may pay compensation in a reasonable amount to its members, directors and officers for services rendered, may confer benefits upon its members in conformity with its purposes, and upon dissolution or liquidation, may make distribution to its members as is permitted by the Court having jurisdiction thereof, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income.

ARTICLE XIII

The street address of the initial registered office of this Corporation shall be 418 Canal Street, New Smyrna Beach, Volusia County, Florida 32168, and the name of the initial registered agent of this Corporation at that address is ***SID C. PETERSON, JR.***

ARTICLE XIV

Thirty percent (30%) of the members entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of the members. The affirmative vote of a majority of the members represented at the meting and entitled to vote on the subject matter shall be the act of the members, unless the vote of a greater number is required by these Articles or the By-laws.

ARTICLE XV

The Association shall indemnify and hold harmless every director and every officer, their heirs, executors and administrators, to the fullest extent allowed by law including, without limitation, against all loss, costs and expenses (including reasonable attorneys fees) incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of their being or having been a director or officer of the corporation (except as to matters wherein they shall be finally adjudged in such action, suit or proceeding to be liable for, or guilty of, gross negligence or willful misconduct). The Corporation shall, to the extent it is available, obtain insurance covering all of its officers and directors against liability or loss in connection with the foregoing matters for which indemnification is appropriate and for such other matters as is allowed by law. The foregoing rights shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

IN WITNESS WHEREOF, the undersigned as Incorporator has executed the foregoing Articles of Incorporation on this 25th day of August, 2006.

DALE L. WILLIAMS

STATE OF FLORIDA

COUNTY OF VOLUSIA

BEFORE ME, a Notary Public, personally appeared, *DALE L. WILLIAMS*, who is personally known to me or who has produced Personally Known as identification and who executed the foregoing Articles of Incorporation of *SUGAR MILL GARDENS RESIDENTIAL HOMEOWNERS' ASSOCIATION, INC., a Florida Corporation, not-for-profit,* for the purposes therein expressed.

WITNESS MY HAND and official seal at the State and County aforesaid, this 25th day of August, 2006.

Sidney C. Peterson II
(Notary - print name)
Notary Public - State of Florida
Commission No.:
My Commission Expires:

SIDNEY C. PETERSON, II
MY COMMISSION # DD 359823
EXPIRES: November 5, 2008
Bonded Thru Notary Public Underwriters

CERTIFICATE CHANGING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.

In pursuance of Chapter 48.091, Florida Statutes, the following is submitted in compliance with said Act:

First – ***SUGAR MILL GARDENS RESIDENTIAL HOMEOWNERS' ASSOCIATION, INC.***, desiring to organize under the laws of the State of Florida, with its principal office as indicated in the Articles of Incorporation, at the City of New Smyrna Beach, County of Volusia, State of Florida, has named ***SID C. PETERSON, JR.***, 418 Canal Street, New Smyrna Beach, Florida 32168 Volusia County, Florida, as its agent to accept service of process within this State.

ACKNOWLEDGEMENT: (MUST BE SIGNED BY DESIGNATED AGENT)

Having been named to accept service of process for the above stated corporation, at place designated in this Certificate, I hereby accept to act in this capacity, and agree to comply with the provisions of said Act relative to keeping open said office.

SID C. PETERSON, JR., as Registered Agent

Florida Department of State, Division of Corporations
Corporations Online
Public Inquiry

Florida Non Profit

SUGAR MILL GARDENS RESIDENTIAL HOMEOWNERS' ASSOCIATION, INC.

PRINCIPAL ADDRESS
2248 STATE ROAD 44
NEW SMYRNA BEACH FL 32168

MAILING ADDRESS
2248 STATE ROAD 44
NEW SMYRNA BEACH FL 32168

Document Number	FEI Number	Date Filed
N06000009166	NONE	08/29/2006
State	**Status**	**Effective Date**
FL	ACTIVE	NONE

Registered Agent

Name & Address
PETERSON, JR., SID C 418 CANAL STREET NEW SMYRNA BEACH FL 32168

Officer/Director Detail

Name & Address	Title
WILLIAMS, DALE L 2248 STATE ROAD 44 NEW SMYRNA BEACH FL 32168	PD
SMITH, LAWRENCE 2248 STATE ROAD 44 NEW SMYRNA BEACH FL 32168	DS
SMITH, LAWRENCE 2248 STATE ROAD 44 NEW SMYRNA BEACH FL 32168	DT

Annual Reports

Report Year	Filed Date

Previous Filing | Return to List | Next Filing

No Events

No Name History Information

Document Images

Listed below are the images available for this filing.

No images are available for this filing.

THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT

Corporations Inquiry | Corporations Help

Internal Revenue Service The Digital Daily
DEPARTMENT OF THE TREASURY

RESIDENTIAL

Federal Tax ID / EIN

This is your provisional Employer Identification Number:

20-5462764

Today's Date is: August 30, 2006 GMT

You will receive a confirmation letter in U.S. mail within fifteen days.

The letter will also contain useful tax information for your business or organization.

If you have input any of the information on your application in error, please wait seven days and contact the EIN Toll Free area at 1-800-829-4933, Monday - Friday, 7:30am - 5:30pm. If you do not want to call, please make corrections on the letter you receive confirming your EIN and return it to the IRS.

If you are going to complete other on-line applications that require your Employer Identification Number(EIN) you can copy it by performing the following steps:

1) Use your mouse to highlight your EIN (blue number on top of page) by moving your pointer on top of the number.
2) Press the Ctrl key at the same time pressing the C key.

Once you copy your EIN you can paste it in the appropriate place by pressing the Ctrl key at the same time pressing the V key.

You may click on the buttons below for different print options or to fill out another Form SS-4.

Review and Print Form SS-4 Fill Out Another Form SS-4

Click here to return to the Internet Employer Identification Number landing (start) page.

Form **SS-4**
(Rev. December 2001)
Department of the Treasury
Internal Revenue Service

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)
▶ See separate instructions for each line. ▶ Keep a copy for your records.

EIN
20-5462764
OMB No. 1545-0003

1* Legal name of entity (or individual) for whom the EIN is being requested
SUGAR MILL GARDENS RESIDENTIAL HOMEOWNERS ASSOCIATION INC

2 Trade name of business (if different from name on line 1)

3 Executor, trustee, "care of" name
SID C PETERSON JR

4a* Mailing address (room, apt., suite no. and street, or P.O. box)
2248 STATE ROAD 44

5a Street address (if different) (Do not enter a P.O. box)

4b* City, state, and ZIP code
NEW SMYRNA BEACH FL 32168 -

5b City, state, and ZIP code
-

6* County and state where principal business is located
County VOLUSIA State FL

7a* Name of principal officer, general partner, grantor, owner, or trustor
SID C PETERSON JR

7b* SSN, ITIN, EIN
265-25-4917

8a* Type of entity (check only one)
- ☐ Sole Proprietor (SSN)
- ☐ Partnership
- ☑ Corporation (enter form number to be filed) ▶ 1120
- ☐ Personal Service
- ☐ Church or church-controlled organization
- ☐ Other nonprofit organization (specify) ▶
- ☐ Other (specify) ▶
- ☐ Estate (SSN of decedent)
- ☐ Plan administrator (SSN)
- ☐ Trust (SSN of grantor)
- ☐ National Guard
- ☐ Farmers' cooperative
- ☐ REMIC
- Group Exemption NO. (GEN) ▶
- ☐ State/local government
- ☐ Federal government/military
- ☐ Indian tribal government/enterprises

8b* If a corporation, name the state or foreign country (if applicable) where incorporated | State FL | Foreign country

9* Reason for applying (check only one)
- ☑ Started new business (specify type)
  ▶ HOMEOWNERS ASSOC
- ☐ Hired employees (Check the box and see line 12)
- ☐ Compliance with IRS withholding regulations
- ☐ Other (specify) ▶
- ☐ Banking purpose (specify purpose) ▶
- ☐ Changed type of organization (specify new type) ▶
- ☐ Purchased going business
- ☐ Created a trust (specify type) ▶
- ☐ Created a pension plan (specify type) ▶

10* Date business started or acquired (month, day, year)
AUG 29 2006

11* Closing month of accounting year
DEC

12 First date wages or annuities were paid or will be paid (month, day, year) *Note:If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (month, day, year)* .... ▶ SEP 15 2006

13 Highest number of employees expected in the next twelve months *Note:If the applicant does not expect to have any employees during the period, enter "-0-"* .... ▶

Agriculture	Household	Other
0	3	0

14* Check box that best describes the principal activity of your business
- ☐ Construction
- ☐ Rental & leasing
- ☐ Transportation & warehousing
- ☐ Health care & social assistance
- ☐ Wholesale-agent/broker
- ☑ Real estate
- ☐ Manufacturing
- ☐ Finance & insurance
- ☐ Accommodation & food service
- ☐ Wholesale-other
- ☐ Retail
- ☐ Other (specify)

15* Indicate principal line of merchandise sold; specific construction work done; products produced; or services provided.
HOMEOWNERS ASSOCIATION

16a* Has the applicant ever applied for an employer identification number for this or any other business? .... ☐ Yes ☑ No
Note If "Yes" please complete lines 16b and 16c

16b If you checked "Yes" on line 16a, give applicant's legal name and trade name shown on prior application if different from line 1 or 2 above.
Legal name ▶
Trade name ▶

16c Approximate date when, and city and state where, the application was filed. Enter previous employer identification number if known.

Approximate date when filed (month, day, year)	City and state where filed	Previous EIN
		-

Third Party Designee

Complete section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form

Designee's name
SID C PETERSON JR
Address and ZIP code
P O BOX 428 NEW SMYRNA BEACH FL 32170 -

Designee's telephone number (include area code)
(386) 428 - 2464
Designee's fax number (include area code)
(386) 423 - 9967

Under penalties of perjury,I declare that I have examined this application , and to the best of my knowledge and belief, it is true, correct, and complete.
Name and title (type or print clearly)

Applicant's telephone number (include area code)

Clara Leider

From: Kitner Don
Sent: Saturday, June 30, 2007 11:25 AM
To: Seagrave Marc
Cc: Cox Doreen
Subject: Sugar Mill Gardens
Attachments: Sugar Mill Gardens Services.xls; 061507 RNGS Sugar Mill Gardens Water Heater Range.xls; 062007 Sugar Mill Gardens NPV REGULATED 15 YEAR.xls; 062507 Sugar Mill Gardens Summary.doc; AGREEMENT_Sugar Mill Gardens Jun2007.doc; Articles of Incorporation.pdf; Sugar Mill Gardens Main 1.25in PE.xls; Sugar Mill Gardens Main 2in PE.xls

Marc,
The attached project is the second project brought to us by TECO Partners (Fisherman's Cove the first). The developer/builder purchased this completed subdivision of around 100 lots but 23 were already built. All infrastructure is complete, with the exception of gas. The builder wants to begin construction now and needs to know the status of the gas. Please process ASAP.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL

Prep. by: Scribben Date: 04/09/08 Sheet No.

1_1/4" IPS. PE Main Ext. to Serve: C:\Documents and Settings\CLEIDER\Local Settings\

Sugar Mill Gardens

Sugar Mill Drive, New Smyrna Beach

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
1_1/4" PE Main Extension:									
1_1/4" PE Pipe	6,150	LF.	$0.55		$3,382.50				$3,382.50
1_1/4" PE Tap Tee	0	EA.	$12.00		$0.00				$0.00
1_1/4" (Stl.) Tap Tee	0	EA.	$68.50		$0.00				$0.00
1_1/4" Trans. Fitting	0	EA.	$14.00		$0.00				$0.00
1_1/4" PE 90 Degrees or 3-Way Tee	2	EA.	$3.50		$7.00				$7.00
1_1/4" PE Cap	0	EA.	$2.50		$0.00				$0.00
1_1/4" PE Valve	0	EA.	$40.00		$0.00				$0.00
Tracer Wire & Warning Tape	6,150	FT.	$0.10		$615.00				$615.00
Misc. Fitting	1	Lot	$50.00		$50.00				$50.00
Frt. & Handling	$4,054.50		$0.37		$1,500.17				$1,500.17
Sub - Total				$0.00	$5,554.67	$0.00	$0.00	$0.00	$5,554.67
Install Main: 1_1/4" PE									
1_1/4" PE Pipe	5,650	LF.	$2.25				$12,712.50		$12,712.50
1_1/4" PE Tap Tee	0	EA.	$9.00				$0.00		$0.00
1_1/4" (Stl.) Tap Tee	0	EA.	$11.00				$0.00		$0.00
1_1/4" Trans Fitting	0	EA.	$10.85				$0.00		$0.00
1_1/4" PE Fittings	2	EA.	$6.75				$13.50		$13.50
1_1/4" PE Valve	0	EA.	$11.00				$0.00		$0.00
Directional Bore	0	LF.	$10.50				$0.00		$0.00
Push & Pull 1_1/4" PE	500	LF.	$6.80				$3,400.00		$3,400.00
Under 500'Premium	0	FT.	$0.32				$0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$19.40				$0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$21.25				$0.00		$0.00
Restore Sod	500	SF.	$0.90				$450.00		$450.00
Hand Ditch	2,500	FT.	$1.90				$4,750.00		$4,750.00
Extra Depth (Over 42")	0	FT.	$0.75				$0.00		$0.00
FPUC Crew	0.00	Day	$520.00	$0.00		$0.00			$0.00
Eng. & Inspection	1	Lot	$3,500.00	$2,975.00		$525.00			$3,500.00
Survey	1	Lot							$0.00
Permit	1	Lot							$0.00
Misc. Labor	1	Lot	$1,000.00				$1,000.00		$1,000.00
SUB - TOTAL				$2,975.00	$0.00	$525.00	$22,326.00	$0.00	$25,826.00
TOTAL EST. MAIN COST				$2,975.00	$5,554.67	$525.00	$22,326.00	$0.00	$31,380.67
									==========
(MAIN Cost Per FT.)	$5.10								

Clara Leider

From: Kitner Don
Sent: Saturday, June 30, 2007 11:25 AM
To: Seagrave Marc
Cc: Cox Doreen
Subject: Sugar Mill Gardens
Attachments: Sugar Mill Gardens Services.xls; 061507 RNGS Sugar Mill Gardens Water Heater Range.xls; 062007 Sugar Mill Gardens NPV REGULATED 15 YEAR.xls; 062507 Sugar Mill Gardens Summary.doc; AGREEMENT_Sugar Mill Gardens Jun2007.doc; ~~Articles of~~ Incorporation.pdf; Sugar Mill Gardens Main 1.25in PE.xls; Sugar Mill Gardens Main 2in PE.xls

Marc,
The attached project is the second project brought to us by TECO Partners (Fisherman's Cove the first). The developer/builder purchased this completed subdivision of around 100 lots but 23 were already built. All infrastructure is complete, with the exception of gas. The builder wants to begin construction now and needs to know the status of the gas. Please process ASAP.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL

Prep. by: Scribben Date: 04/09/08 Sheet No.

2" PE Main Ext. To Serve: C:\Documents and Settings\CLEIDER\Local Settings

Sugar Mill Gardens

Sugar Mill Drive, New Samyrna Beach

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
2" PE Main Ext.									
2" PE Pipe	350	LF.	$0.85		297.50				$297.50
2" PE H.V.S.P.	0	EA.	$75.00		0.00				$0.00
2" T.D.W. (Stl.) Punch Tee	0	EA.	$120.00		0.00				$0.00
2" Trans Fitting	0	EA.	$20.00		0.00				$0.00
2" PE 90 Degree or 3-Way Tee	1	EA.	$7.50		7.50				$7.50
2" PE Cap	0	EA.	$3.50		0.00				$0.00
2" PE Valve	1	EA.	$80.00		80.00				$80.00
Tracer Wire & Warning Tape	350	FT.	$0.10		35.00				$35.00
Misc. Fitting	1	Lot	$25.00		25.00				$25.00
Frt. & Handling	$445.00		37.00%		164.65				$164.65
Sub - Total				0.00	609.65	0.00	0.00	0.00	$609.65
Install 2" PE Main:									
2" PE Pipe	220	LF.	$2.85				627.00		$627.00
2" H.V.S.P.	0	EA.	$14.00				0.00		$0.00
2" T.D.W. Tap Tee	0	EA.	$16.25				0.00		$0.00
2" Trans Fitting	0	EA.	$11.00				0.00		$0.00
2" PE Fittings	1	EA.	$8.65				8.65		$8.65
Directional Bore	100	LF.	$10.50				1050.00		$1,050.00
Push & Pull 2" PE	30	LF.	$8.10				243.00		$243.00
2" PE Valve	0	EA.	$11.00				0.00		$0.00
Under 500'Premium	0	LF.	$0.32				0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$19.40				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$21.25				0.00		$0.00
Restore Sod	220	SF.	$0.90				198.00		$198.00
Hand Ditch	100	FT.	$1.90				190.00		$190.00
Extra Depth (Over 42")	0	FT.	$0.75				0.00		$0.00
FPUC Crew	0	Day	$520.00	0.00		0.00			$0.00
Eng. & Inspection	1	Lot	$500.00	425.00		75.00			$500.00
Survey	1	Lot						0.00	$0.00
Permit	1	Lot	$250.00					250.00	$250.00
Misc. Labor or Minimum Charges	1	Lot					0.00		$0.00
SUB - TOTAL				$425.00	$0.00	$75.00	$2,316.65	$250.00	$3,066.65
TOTAL EST. MAIN COST				425.00	609.65	75.00	2316.65	250.00	$3,676.30
									===========
(MAIN Cost Per FT.)	$10.50								

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Name	Size	Type	Date Modified	Location
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
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Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
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Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Untitled (45).msg	303 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled (85).msg	230 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled.msg	198 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 03:36 PM

Clara Leider

From:	English Jack
Sent:	Wednesday, January 24, 2007 9:20 AM
To:	Cox Doreen
Subject:	SUMMER GLENN REGULATED 15 YEAR2.xls
Attachments:	SUMMER GLENN REGULATED 15 YEAR2.xls

Instructions for using the AEP & Net Present Value (NPV) Templates

Revised 5/18/2005

OBJECTIVE

The AEP & Net Present Value (NPV) Templates are to be used as an analytical tool for evaluating potential revenue generating investments and to determine the AEP surcharge rate for the recovery of the Excess Construction Costs.

INPUT

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1	**Project Name**	Short description of investment.
2	**Beginning in Year**	Projected year that the project will commence.
3	**Piping Allowance**	Estimated Piping Allowance per class of customer if not capitalized (see note 24).
4	**Occupancy Rate**	Anticipated occupancy level.
5	**Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
6	**Mains**	Cost of installing main per year.
7	**New Residential Customers**	Estimated residential customer added each month for each year.
8	**Therms per Customer each Month**	Average monthly therms per residential customer.
9	**New General Service Customers**	Estimated General Service customers added each month for each year.
10	**Therms per Customer each Month**	Average monthly therms per General Service customer.
11	**New Large Volume Customers**	Estimated Large Volume customer added each month for each year.
12	**Therms per Customer each Month**	Average monthly therms per Large Volume customer.
13	**Gas Lighting Service**	Estimated other customer added each month for each year.
14	**Therms per Customer each Month**	Average monthly therms per other customer.
15	**Customer Charge**	Estimated Customer Charge for Other Customers added.
16	**Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
17	**Other Expenses**	Other expenses estimated to be incurred from the project for each year eg Sales Rep Commissions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
18	**AEP Worksheet**	Enter AEP surcharge rate that provides cost recovery within 8-10 years.

GENERAL INFORMATION

19 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

20 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee, including piping allowance (capitalized) will be depreciated at the same rate as the other capital expenditure items. The actual contract, however, should be worded such that it allows us to depreciate the piping allowance over the life of the contract.

Instructions for using the AEP & Net Present Value (NPV) Templates

NPV MODEL ASSUMPTIONS

25 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.
26 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.
27 Required Return - WACC as per Year End Surveillance Report using Cost of Equity Rate as per last Rate Case.
28 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.
29 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.
30 Interest Rate - Weighted Average Cost of Debt.
31 Depreciation Book % - Book Depreciation Rate.
32 Income Tax % - Income Tax Rate.

PROCESS

33 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**
34 Submit NPV (& AEP) worksheets for approval as per steps below.
35 Prepare IR after approval has been granted.
36 Submit approved IR , AEP worksheet and NPV to General Accounting.
37 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director
↓
Director - Propane Operations — If Propane Project
Barry Kennedy
↓
Marketing Director
Marc Seagrave
↓
Accounting
George Bachman / Doreen Cox
↓
Senior VP & COO
Chuck Stein
↓
President & CEO
Jack English
↓
Director

INPUT SHEET

Project Name **Summer Glenn no access fee after 2007**
Beginning in Year **2004**

Prepared By: JE
Date: 4/9/2008
I.R. #: ______
AEP #: ______

	Residential	Commercial	R Industrial	Gas Lights
Piping Allowance				

Occupancy Rate : 100%

Construction:

SERVICES-cost per customer:

Residential	General Serv	Large Volume	Gas Lights
$ 465			

Year:	1st	2nd	3rd	4th	Total Main $
MAINS:	130,462	213,360	165,734	343,500	853,056

Total Service $	Total Const.
454,305	$ 1,307,361

Enter Customers ADDED each Month by Tariff Rate Schedule below:

RESIDENTIAL CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1						20							20	20	3192.4242	3192.424242	1543.22	1,120
2						185							185	205	29529.924	35002.65152	16920.28	12,280
3						187							187	392	29849.167	85944.62121	41545.63	30,152
4						125							125	517	19952.652	127218.1061	61497.23	44,632
5						125							125	642	19952.652	161422.6515	78031.71	56,632
6						125							125	767	19952.652	195627.197	94566.19	68,632
7						125							125	892	19952.652	229831.7424	111100.66	80,632
8						85							85	977	13567.803	257651.4394	124548.71	90,392
9													0	977	0	267342.7273	129233.47	93,792
10													0	977	0	267342.7273	129233.47	93,792

Therms per Customer each month: 22.80 << Enter average therms used per customer in a month

Base Rate per Therm Residential : 0.48340 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $8.00 << Per Tariff

GENERAL SERVICE CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm General Serv $ 0.32107 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $15.00 << Per Tariff

LARGE VOLUME CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-

Year													Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Customer each month: ________ << Enter average therms used per customer in a month

Base Rate per Therm Large Volume $ 0.23809 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $45.00 << Per Tariff

GAS LIGHTING SERVICE

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Light each month: ________ << Enter average therms used per customer in a month

Base Rate per Therm Gas Lights $ 0.17689 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge ________ **<< Per Tariff - applicable for customers with only Gas Lights**

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Other Income	5,589	55,382	90,039	107,182											
Other Expenses	3,262	31,652	45,602	49,259											

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Folders	Name	Size	Type	Date Modified	Location
ocuments	RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
dobe	RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
CWin9	RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
orel User Files	RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
yberLink	RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
y eBooks	RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
y Music	Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
y Pictures	Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
egBak	Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
omputer	Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
½ Floppy (A:	Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
P3014 (C:)	River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
OXIO122 (D:	River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
Exhibit 2.8	River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
BACHMA	Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
COX	ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
KHOJAS	st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
MARTIN	Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
MESITE	Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
eider on 'fp2	Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
p on 'Fp1\Da	SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
ings on 'FP3	SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
g on 'Fp1\Dat	testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
o on 'Fp1\Dat	Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
23 on 'Fp1\Da	Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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ontrol Panel	Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
etwork Places	Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
cle Bin	Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
	Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
	updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
	Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
	Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
	Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 03:39 PM

Clara Leider

From: Kitner Don
Sent: Wednesday, August 08, 2007 5:18 PM
To: Cox Doreen
Subject: SummerGlen
Attachments: AEP-NPV Summer Glen 8-1-07.xls; Large volume.pdf; General service.pdf; Gas light.pdf; ~~Residential service.pdf~~

Doreen,
Attached is the revised AEP/NPV template with Dan's adjusted cost estimates. All service sizing with the exception of the gas light services are the costs of a long side and a short size averaged together.
Call if you have any questions.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

Instructions for using the AEP & Net Present Value (NPV) Templates

Revised 5/18/2005

OBJECTIVE

The AEP & Net Present Value (NPV) Templates are to be used as an analytical tool for evaluating potential revenue generating investments and to determine the AEP surcharge rate for the recovery of the Excess Construction Costs.

INPUT

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1	**Project Name**	Short description of investment.
2	**Beginning In Year**	Projected year that the project will commence.
3	**Piping Allowance**	Estimated Piping Allowance per class of customer if not capitalized (see note 24).
4	**Occupancy Rate**	Anticipated occupancy level.
5	**Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
6	**Mains**	Cost of installing main per year.
7	**New Residential Customers**	Estimated residential customer added each month for each year.
8	**Therms per Customer each Month**	Average monthly therms per residential customer.
9	**New General Service Customers**	Estimated General Service customers added each month for each year.
10	**Therms per Customer each Month**	Average monthly therms per General Service customer.
11	**New Large Volume Customers**	Estimated Large Volume customer added each month for each year.
12	**Therms per Customer each Month**	Average monthly therms per Large Volume customer.
13	**Gas Lighting Service**	Estimated other customer added each month for each year.
14	**Therms per Customer each Month**	Average monthly therms per other customer.
15	**Customer Charge**	Estimated Customer Charge for Other Customers added.
16	**Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
17	**Other Expenses**	Other expenses estimated to be incurred from the project for each year eg Sales Rep Commissions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
18	**AEP Worksheet**	Enter AEP surcharge rate that provides cost recovery within 8-10 years.

GENERAL INFORMATION

19 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

20 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee, including piping allowance (capitalized) will be depreciated at the same rate as the other capital expenditure items. The actual contract, however, should be worded such that it allows us to depreciate the piping allowance over the life of the contract.

Instructions for using the AEP & Net Present Value (NPV) Templates

NPV MODEL ASSUMPTIONS

25 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.

26 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.

27 Required Return - WACC as per Year End Survellance Report using Cost of Equity Rate as per last Rate Case.

28 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.

29 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.

30 Interest Rate - Weighted Average Cost of Debt.

31 Depreciation Book % - Book Depreciation Rate.

32 Income Tax % - Income Tax Rate.

PROCESS

33 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**

34 Submit NPV (& AEP) worksheets for approval as per steps below.

35 Prepare IR after approval has been granted.

36 Submit approved IR , AEP worksheet and NPV to General Accounting.

37 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director
↓
Director - Propane Operations — If Propane Project
Barry Kennedy
↓
Marketing Director
Marc Seagrave
↓
Accounting
George Bachman / Doreen Cox
↓
Senior VP & COO
Chuck Stein
↓
President & CEO
Jack English
↓
Director

INPUT SHEET

Project Name **Summer Glen**
Beginning in Year **2007**

Prepared By: D. Kitner
Date: **4/9/2008**
I.R. #: ____
AEP #: ____

	Residential	Commercial	R Industrial	Gas Lights
Piping Allowance	**$ 15**			

Occupancy Rate : 100%

Construction:

SERVICES-cost per customer:

Residential	General Serv	Large Volume	Gas Lights
$ 537	**$ 600**	**$ 900**	**$ 315**

Year:	1st	2nd	3rd	4th	Total Main $
MAINS:	**473,320**	**35,650**			508,970

Enter Customers ADDED each Month by Tariff Rate Schedule below:

Total Service $	Total Const.
456,658	$ 965,628

RESIDENTIAL CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1	500	4	4	4	4	4	4	4	4	4	4	4	544	544	122148	122148	59046.34	50,112
2	4	4	4	4	4	4	4	4	4	4	4	4	48	592	6084	133380	64475.89	54,720
3	4	4	4	4	4	4	4	4	4	4	4	4	48	640	6084	144612	69905.44	59,328
4	4	4	4	4	4	4	4	4	4	4	4	4	48	688	6084	155844	75334.99	63,936
5	4	4	4	4	4	4	4	4	4	4	4	4	48	736	6084	167076	80764.54	68,544
6	4	4	4	4	4	4	4	4	4	4	4	4	48	784	6084	178308	86194.09	73,152
7	4	4	4	4	4	4	4	4	4	4	3		43	827	5967	189423	91567.08	77,712
8													0	827	0	193518	93546.60	79,392
9													0	827	0	193518	93546.60	79,392
10													0	827	0	193518	93546.60	79,392

Therms per Customer each month: 19.50 << Enter average therms used per customer in a month

Base Rate per Therm Residential : 0.48340 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $8.00 << Per Tariff

GENERAL SERVICE CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1	1												1	1	4200	4200	1348.49	180
2													0	1	0	4200	1348.49	180
3													0	1	0	4200	1348.49	180
4													0	1	0	4200	1348.49	180
5													0	1	0	4200	1348.49	180
6													0	1	0	4200	1348.49	180
7													0	1	0	4200	1348.49	180
8													0	1	0	4200	1348.49	180
9													0	1	0	4200	1348.49	180
10													0	1	0	4200	1348.49	180

Therms per Customer each month: 350 << Enter average therms used per customer in a month

Base Rate per Therm General Serv $ 0.32107 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $15.00 << Per Tariff

LARGE VOLUME CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1	1												1	1	30000	30000	7142.70	540

2	0	1	0	30000	7142.70	540
3	0	1	0	30000	7142.70	540
4	0	1	0	30000	7142.70	540
5	0	1	0	30000	7142.70	540
6	0	1	0	30000	7142.70	540
7	0	1	0	30000	7142.70	540
8	0	1	0	30000	7142.70	540
9	0	1	0	30000	7142.70	540
10	0	1	0	30000	7142.70	540

Therms per Customer each month: 2500.00 << Enter average therms used per customer in a month

Base Rate per Therm Large Volume $ 0.23809 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $45.00 << Per Tariff

GAS LIGHTING SERVICE

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1	36												36	36	8640	8640	1528.33	-
2													0	36	0	8640	1528.33	-
3													0	36	0	8640	1528.33	-
4													0	36	0	8640	1528.33	-
5													0	36	0	8640	1528.33	-
6													0	36	0	8640	1528.33	-
7													0	36	0	8640	1528.33	-
8													0	36	0	8640	1528.33	-
9													0	36	0	8640	1528.33	-
10													0	36	0	8640	1528.33	-

Therms per Light each month: 20 << Enter average therms used per customer in a month

Base Rate per Therm Gas Lights $ 0.17689 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge **<< Per Tariff - applicable for customers with only Gas Lights**

Year	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Other Income															
Other Expenses															

Area Expansion Program

Project Name:	Summer Glen
I.R. #:	0
AEP #:	0
Prepared By:	D. Kitner

Procedure No.	MKT 1.1
Effective Date:	8/28/2006
Revision #	12.4

	Initial	Date
Prepared By:	D. Kitner	8/6/2007
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Construction and Revenue Summary:

Estimated Construction Cost (CC):	$ 891,030	Four year Construction Costs
Four Years Revenue (MACC)*:	600,042	Four years revenue
Net Excess Construction Cost (ECC):	$ 290,988	

Calculation of AEP Surcharge:

AEPS= (ECC+(ROR*T1*.5*ECC))/T2*TH)

ECC	290,988	As computed on Wkst
ROR	7.950%	Company's Authorized Rate
T1	10	Years for collection
T2	1	(1 if total therms used forT1)
TH	1,878,617	Total 10 year therms
AEPS	$ 0.216	Original calculation

Manual Input: Override Computed AEPS $ 0.300

and Rate breakdown

Summary of projected Therms:

Year	Total Annual Residential Usage	Total Annual General Serv Usage	Total Annual Large Volume Usage	Total Annual Gas Light Usage	Total Therm Load Added
1	122148	4200	30000	8640	164988
2	133380	4200	30000	8640	176220
3	144612	4200	30000	8640	187452
4	155844	4200	30000	8640	198684
5	167076	4200	30000	8640	209916
6	178308	4200	30000	8640	221148
7	189423	4200	30000	8640	232263
8	193518	4200	30000	8640	236358
9	193518	4200	30000	8640	236358
10	193518	4200	30000	8640	236358
Total	1,671,345	42,000	300,000	86,400	2,099,745

	** Rate Breakdown:	AEPS / therm	Ratio This % of therms per class are counted in 10 year therm total
RS	Residential	0.300	100.0000%
GS	General Service	0.199	66.4191%
LVS	Large Volume Service	0.148	49.2532%
	Gas Lights	0.110	36.5929%

Projected Cash Flow of:

Revenue

Year	Residential Non-fuel Revenue	Residential Customer Charge	General Serv. Non-fuel Revenue	General Serv. Customer Charge	Large Volume Non-fuel Revenue	Large Volume Customer Charge	Lights Non-fuel Revenue	Lights Customer Charge	Total Base Revenue	AEP collection: Excess Construction Cost	AEPS Surcharge	Balance before Interest	Interest charge (cost of money)	Total Cost To be recovered
1	59,046	50,112	1,348	180	7,143	540	1,528	-	$ 119,898	$ 290,988	$ 42,863	$ 248,125	$ 9,863	$ 257,988
2	64,476	54,720	1,348	180	7,143	540	1,528	-	129,935	-	46,232	211,756	18,672	230,428
3	69,905	59,328	1,348	180	7,143	540	1,528	-	139,973	-	49,602	180,826	16,347	197,174
4	75,335	63,936	1,348	180	7,143	540	1,528	-	150,011	-	52,971	144,202	13,570	157,772
5	80,765	68,544	1,348	180	7,143	540	1,528	-	160,048	-	56,341	101,431	10,303	111,734
6	86,194	73,152	1,348	180	7,143	540	1,528	-	170,086	-	59,711	52,024	6,509	58,533
7	91,567	77,712	1,348	180	7,143	540	1,528	-	180,019	-	63,045	(4,512)	2,147	(2,364)
8	93,547	79,392	1,348	180	7,143	540	1,528	-	183,678	-	64,274	(66,638)	(2,743)	(69,381)
9	93,547	79,392	1,348	180	7,143	540	1,528	-	183,678	-	64,274	(133,654)	(8,071)	(141,725)
10	93,547	79,392	1,348	180	7,143	540	1,528	-	183,678	-	64,274	(205,999)	(13,822)	(219,821)
Total	$ 807,928	$ 685,680	$ 13,485	$ 1,800	$ 71,427	$ 5,400	$ 15,283	$ -	$ 1,601,003	$ 290,988	$ 563,585		$ 52,777	

Cash Flow Investment Analysis

Date: 4/9/2008 | Revision # 12.5
Procedure No. ACT-5.11
Effective Date: 4/10/2007

REGULATED / NON-REGULATED
R

Project Title: **Summer Glen**
Beginning in Year: **2007**

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Input Area:

	Residential	Commercial	Industrial	Gas Lights
Annual Therms per Customer / Light	234	4,200	30,000	240
Piping Allowance	$ 15	$ -	$ -	$ -
Cost of SERVICE per Customer	$ 537	$ 600	$ 900	$ 315
Customer Charge (mth)	$8.00	$15.00	$45.00	$0.00
Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$0.17689

Overall Result: **Project meets or exceeds minimum 15 year required return!**

Occupancy Rate : 100%

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New Residential Customers	544	48	48	48	48	48	43	-	-	-					
New Commercial Customers	1	-	-	-	-	-	-	-	-	-					
New Industrial Customers	1	-	-	-	-	-	-	-	-	-					
New Gas Lights	36	-	-	-	-	-	-	-	-	-					
Total Customers added for year	546	48	48	48	48	48	43	0	0	0	0	0	0	0	0
Cumulative Customers	546	594	642	690	738	786	829	829	829	829	829	829	829	829	829
Total Gas Lights added for year	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Gas Lights	36	36	36	36	36	36	36	36	36	36	36	36	36	36	36
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures on Services	304,778	25,761	25,761	25,761	25,761	25,761	23,077	-	-	-					
Capital Expenditures (Exc. Services)	473,320	35,650	-	-	-	-	-	-	-	-					
Upfront Capital Exp (Contributions)'	(290,988)														
Total Capital Expenditures by Year	$ 487,110	$ 61,411	$ 25,761	$ 25,761	$ 25,761	$ 25,761	$ 23,077	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

List AEP ECC as contribution (credit)

Output Area: Cash Flow by Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Base Revenue	$119,898	$129,935	$139,973	$150,011	$160,048	$170,086	$180,019	$183,678	$183,678	$183,678	$183,678	$183,678	$183,678	$183,678	$183,678
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$119,898	$129,935	$139,973	$150,011	$160,048	$170,086	$180,019	$183,678	$183,678	$183,678	$183,678	$183,678	$183,678	$183,678	$183,678
O&M Expense (Incl TOTI)	37,168	40,280	43,392	46,503	49,615	52,727	55,806	56,940	56,940	56,940	56,940	56,940	56,940	56,940	56,940
Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortized Piping Cost	1,166	1,269	1,371	1,474	1,577	1,680	1,772	606	504	401	298	195	92	0	0
Depreciation, Book	32,474	36,568	38,285	40,003	41,720	43,438	44,976	44,976	44,976	44,976	44,976	44,976	44,976	44,976	44,976
	70,808	78,117	83,048	87,980	92,912	97,844	102,554	102,523	102,420	102,317	102,214	102,111	102,008	101,916	101,916
Operating Income before Income Tax	49,090	51,819	56,924	62,030	67,136	72,242	77,465	81,155	81,258	81,361	81,464	81,567	81,670	81,762	81,762
Adjust to cash flow:															
Add: Depreciation, Book	32,474	36,568	38,285	40,003	41,720	43,438	44,976	44,976	44,976	44,976	44,976	44,976	44,976	44,976	44,976
Add: Amortized Piping	1,166	1,269	1,371	1,474	1,577	1,680	1,772	606	504	401	298	195	92	0	0
Less: Actual Income Tax	12,810	9,076	12,719	17,039	21,318	25,572	29,341	31,829	32,150	32,414	32,564	32,673	32,684	32,700	32,683
After Tax Cash Flow (before capital investments)	69,920	80,579	83,862	86,469	89,115	91,787	94,872	94,909	94,588	94,324	94,174	94,065	94,054	94,038	94,054
Less: Piping Costs	8,160	720	720	720	720	720	645	0	0	0	0	0	0	0	0
Less: Capital Expenditure - Cash Outlay	487,110	61,411	25,761	25,761	25,761	25,761	23,077	-	-	-	-	-	-	-	-
Memo: Cumulative Capital Expenditure	487,110	548,521	574,281	600,042	625,803	651,563	674,641	674,641	674,641	674,641	674,641	674,641	674,641	674,641	674,641
Asset remaining value															1,013,658
Net Cash Flow (w/ 15 yr ending book value)	(425,350)	18,448	57,382	59,988	62,634	65,307	71,150	94,909	94,588	94,324	94,174	94,065	94,054	94,038	1,107,712

Net Present Value (fifteen years) $ 515,000 *Zero = Meets Required Return*

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Income before Income Tax	49,090	51,819	56,924	62,030	67,136	72,242	77,465	81,155	81,258	81,361	81,464	81,567	81,670	81,762	81,762
Less:Interest Costs*	16,164	15,463	13,282	11,003	8,623	6,141	3,437	0	0	0	0	0	0	0	0
Net Income before Taxes	32,926	36,356	43,642	51,027	58,513	66,101	74,028	81,155	81,258	81,361	81,464	81,567	81,670	81,762	81,762
Less: Book Income Tax (37 63%)	12,387	13,677	16,418	19,197	22,013	24,867	27,849	30,531	30,569	30,608	30,647	30,685	30,724	30,759	30,759
Net Income after Book I/T	20,539	22,679	27,224	31,831	36,501	41,234	46,178	50,625	50,689	50,753	50,817	50,881	50,946	51,003	51,003
Earnings Per Share - Investment															
Corporate EPS after Investment	0.71	0.71	0.71	0.71	0.71	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72
Cumulative Net Cash Flow	(425,350)	(406,902)	(349,520)	(289,532)	(226,898)	(161,591)	(90,441)	4,467	99,055	193,379	287,553	381,618	475,672	569,709	1,677,421
Cumulative Depr. Reserve	32,474	69,042	107,327	147,330	189,050	232,488	277,464	322,440	367,416	412,392	457,368	502,344	547,320	592,296	637,272
Cumulative Piping Allowance	6,994	6,446	5,794	5,040	4,183	3,223	2,096	1,489	986	585	287	92	(0)	(0)	(0)
Book Rate of Return	7.95%	7.85%	8.57%	9.36%	10.23%	11.22%	12.43%	14.31%	16.45%	19.31%	23.36%	29.52%	40.01%	61.94%	136.49%
Economic Value Added (EVA)	560	23	3,384	6,843	10,401	14,058	18,040	22,625	26,265	29,904	33,544	37,184	40,824	44,457	1,061,690
NPV (EVA) $	508,000														

Net Present Value of Cap. Exp.	637,708
Net Present Value of Pip. Exp.	11,446

Average Rate of Return on Investment:

15 Years (IRR) 18%

Revenue Comparison:

Four Year Revenue $600,042

Customer Totals:	**15 Yr Total**
Added Residential Customers	827
Added Commercial Customers	1
Added Industrial Customers	1
Cumulative Customers	829
Capital Expenditure per Customer $	814

Summary of Rates used

Depreciation Book %	6 67%
Income Tax %	37.62%
Base Earnings per Share	$ 0 71
Required Return	7.95%
Ratio of Debt Financing	50.00%
O&M Expense %	31.00%
Interest Rate	7.60%

CONFIDENTIAL

6815

AEP-NPV Summer Glen 8-1-07 xlsNPV Template4/9/20083 42 PM

RATES :		RESIDENTIAL	COMMERCIAL	INDUSTRIAL	GAS LIGHTS
REGULATED	Customer Charge (mth)	$8.00	$15.00	$45.00	$ -
	Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$ 0.17689

	REGULATED	NON-REGULATED
REQUIRED RETURN	7.95%	15.00%

Clara Leider

From: Kitner Don

Sent: Wednesday, August 08, 2007 5:18 PM

To: Cox Doreen

Subject: SummerGlen

Attachments: AEP-NPV Summer Glen 8-1-07.xls; Large volume.pdf; General service.pdf; Gas light.pdf; Residential service.pdf

Doreen,
Attached is the revised AEP/NPV template with Dan's adjusted cost estimates. All service sizing with the exception of the gas light services are the costs of a long side and a short size averaged together.
Call if you have any questions.
Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL

Prep. by: Scribben   Date: 08/07/07   Sheet No.

3/4" CTS. PE Serv. to Serve: P:\DeBary\Engineering\Dan's Files\Construction Cc

Large Volume Short Side Service

Summerglen

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	0	LF.	$0.00		0.00				$0.00
3/4" PE Tap Tee	0	EA.	$0.00		0.00				$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$0.00		0.00				$0.00
3/4" Riser Assy.	0	EA.	$0.00		0.00				$0.00
3/4" Meter Stop & Plug	0	EA.	$0.00		0.00				$0.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$0.00		0.00				$0.00
Tracer Wire & Warning Tape	0	FT.	$0.00		0.00				$0.00
Misc. Fitting	1	Lot			0.00				$0.00
Frt. & Handling	$0.00		37.00%		0.00				$0.00
Sub - Total				0.00	0.00	0.00	0.00	0.00	$0.00
Install Service:									
3/4" PE Pipe	0	LF.	$0.00				0.00		$0.00
Directional Bore	0	LF.	$0.00				0.00		$0.00
3/4" PE Bore	0	FT.	$0.00				0.00		$0.00
3/4" PE Tap Tee	0	EA.	$0.00				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00				0.00		$0.00
3/4" Trans Fitting	0	EA.	$0.00				0.00		$0.00
3/4" Riser Assy.	0	EA.	$0.00				0.00		$0.00
Long-Side Service	0	EA.	$450.00				0.00		$0.00
Short-Side Service	1	EA.	$300.00				300.00		$300.00
Asph.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Restore Sod	0	SF.	$0.50				0.00		$0.00
Meter Set & Turn - L&P Pipe Contractor	1	EA.	$65.00				65.00		$65.00
FPUC Crew	0.3	Day	$350.00	97.75		17.25			$115.00
Eng. & Inspection	1	Lot		0.00		0.00			$0.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				97.75	0.00	17.25	365.00	0.00	$480.00
Meter Set & Reg.	1	Lot	$345.00	0.00	345.00	0.00			$345.00
AC-250 Meter & Regulator									
EST. SERVICE COST				97.75	345.00	17.25	365.00	0.00	$825.00
TOTAL EST. MAIN COST									$0.00
TOTAL EST. MAIN COST									
CIAC BASED EST. MAIN COST									
CIAC BASED TOTAL EST. PROJECT COST				97.75	345.00	17.25	365.00	0.00	$825.00
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				97.75	345.00	17.25	365.00	0.00	$825.00

COST ESTIMATE DETAIL

Prep. by: Scribben Date: 08/07/07 Sheet No.

3/4" CTS. PE Serv. to Serve: P:\DeBary\Engineering\Dan's Files\Construction Cc

Large Volume Long Side Service

Summerglen

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	0	LF.	$0.00		0.00				$0.00
3/4" PE Tap Tee	0	EA.	$0.00		0.00				$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$0.00		0.00				$0.00
3/4" Riser Assy.	0	EA.	$0.00		0.00				$0.00
3/4" Meter Stop & Plug	0	EA.	$0.00		0.00				$0.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$0.00		0.00				$0.00
Tracer Wire & Warning Tape	0	FT.	$0.00		0.00				$0.00
Misc. Fitting	1	Lot			0.00				$0.00
Frt. & Handling	$0.00		37.00%		0.00				$0.00
Sub - Total				0.00	0.00	0.00	0.00	0.00	$0.00
Install Service:									
3/4" PE Pipe	0	LF.	$0.00				0.00		$0.00
Directional Bore	0	LF.	$0.00				0.00		$0.00
3/4" PE Bore	0	FT.	$0.00				0.00		$0.00
3/4" PE Tap Tee	0	EA.	$0.00				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00				0.00		$0.00
3/4" Trans Fitting	0	EA.	$0.00				0.00		$0.00
3/4" Riser Assy.	0	EA.	$0.00				0.00		$0.00
Long-Side Service	1	EA.	$450.00				450.00		$450.00
Short-Side Service	0	EA.	$300.00				0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Restore Sod	0	SF.	$0.50				0.00		$0.00
Meter Set & Turn - L&P Pipe Contractor	1	EA.	$65.00				65.00		$65.00
FPUC Crew	0.3	Day	$350.00	97.75		17.25			$115.00
Eng. & Inspection	1	Lot		0.00		0.00			$0.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				97.75	0.00	17.25	515.00	0.00	$630.00
Meter Set & Reg.	1	Lot	$345.00	0.00	345.00	0.00			$345.00
AC-250 Meter & Regulator									
EST. SERVICE COST				97.75	345.00	17.25	515.00	0.00	$975.00
TOTAL EST. MAIN COST									$0.00
TOTAL EST. MAIN COST									
CIAC BASED EST. MAIN COST									
CIAC BASED TOTAL EST. PROJECT COST				97.75	345.00	17.25	515.00	0.00	$975.00
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				97.75	345.00	17.25	515.00	0.00	$975.00

Clara Leider

From: Kitner Don
Sent: Wednesday, August 08, 2007 5:18 PM
To: Cox Doreen
Subject: SummerGlen
Attachments: AEP-NPV Summer Glen 8-1-07.xls; Large volume.pdf; General service.pdf; Gas light.pdf; Residential service.pdf

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Thanks,

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL

Prep. by: Scribben Date: 08/07/07 Sheet No.

3/4" CTS. PE Serv. to Serve: P:\DeBary\Engineering\Dan's Files\Construction Cc

General Service Short Side Service

Summerglen

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	0	LF.	$0.00		0.00				$0.00
3/4" PE Tap Tee	0	EA.	$0.00		0.00				$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$0.00		0.00				$0.00
3/4" Riser Assy.	0	EA.	$0.00		0.00				$0.00
3/4" Meter Stop & Plug	0	EA.	$0.00		0.00				$0.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$0.00		0.00				$0.00
Tracer Wire & Warning Tape	0	FT.	$0.00		0.00				$0.00
Misc. Fitting	1	Lot			0.00				$0.00
Frt. & Handling	$0.00		37.00%		0.00				$0.00
Sub - Total				0.00	0.00	0.00	0.00	0.00	$0.00
Install Service:									
3/4" PE Pipe	0	LF.	$0.00				0.00		$0.00
Directional Bore	0	LF.	$0.00				0.00		$0.00
3/4" PE Bore	0	FT.	$0.00				0.00		$0.00
3/4" PE Tap Tee	0	EA.	$0.00				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00				0.00		$0.00
3/4" Trans Fitting	0	EA.	$0.00				0.00		$0.00
3/4" Riser Assy.	0	EA.	$0.00				0.00		$0.00
Long-Side Service	0	EA.	$450.00				0.00		$0.00
Short-Side Service	1	EA.	$300.00				300.00		$300.00
Asph.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Restore Sod	0	SF.	$0.50				0.00		$0.00
Meter Set & Turn - L&P Pipe Contractor	1	EA.	$65.00				65.00		$65.00
FPUC Crew	0.2	Day	$350.00	53.82		9.50			$63.32
Eng. & Inspection	1	Lot		0.00		0.00			$0.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				53.82	0.00	9.50	365.00	0.00	$428.32
Meter Set & Reg.	1	Lot	$96.68	0.00	96.68	0.00			$96.68
AC-250 Meter & Regulator									
EST. SERVICE COST				53.82	96.68	9.50	365.00	0.00	$525.00
TOTAL EST. MAIN COST									$0.00
TOTAL EST. MAIN COST									
CIAC BASED EST. MAIN COST									
CIAC BASED TOTAL EST. PROJECT COST				53.82	96.68	9.50	365.00	0.00	$525.00
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				53.82	96.68	9.50	365.00	0.00	$525.00

COST ESTIMATE DETAIL

Prep. by: Scribben Date: 08/07/07 Sheet No.

3/4" CTS. PE Serv. to Serve: P:\DeBary\Engineering\Dan's Files\Construction Cc

General Service Long Side Service

Summerglen

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	0	LF.	$0.00		0.00				$0.00
3/4" PE Tap Tee	0	EA.	$0.00		0.00				$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$0.00		0.00				$0.00
3/4" Riser Assy.	0	EA.	$0.00		0.00				$0.00
3/4" Meter Stop & Plug	0	EA.	$0.00		0.00				$0.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$0.00		0.00				$0.00
Tracer Wire & Warning Tape	0	FT.	$0.00		0.00				$0.00
Misc. Fitting	1	Lot			0.00				$0.00
Frt. & Handling	$0.00		37.00%		0.00				$0.00
Sub - Total				0.00	0.00	0.00	0.00	0.00	$0.00
Install Service:									
3/4" PE Pipe	0	LF.	$0.00				0.00		$0.00
Directional Bore	0	LF.	$0.00				0.00		$0.00
3/4" PE Bore	0	FT.	$0.00				0.00		$0.00
3/4" PE Tap Tee	0	EA.	$0.00				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00				0.00		$0.00
3/4" Trans Fitting	0	EA.	$0.00				0.00		$0.00
3/4" Riser Assy.	0	EA.	$0.00				0.00		$0.00
Long-Side Service	1	EA.	$450.00				450.00		$450.00
Short-Side Service	0	EA.	$300.00				0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Restore Sod	0	SF.	$0.50				0.00		$0.00
Meter Set & Turn - L&P Pipe Contractor	1	EA.	$65.00				65.00		$65.00
FPUC Crew	0.2	Day	$350.00	53.82		9.50			$63.32
Eng. & Inspection	1	Lot		0.00		0.00			$0.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				53.82	0.00	9.50	515.00	0.00	$578.32
Meter Set & Reg.	1	Lot	$96.68	0.00	96.68	0.00			$96.68
AC-250 Meter & Regulator									
EST. SERVICE COST				53.82	96.68	9.50	515.00	0.00	$675.00
TOTAL EST. MAIN COST									$0.00
TOTAL EST. MAIN COST									
CIAC BASED EST. MAIN COST									
CIAC BASED TOTAL EST. PROJECT COST				53.82	96.68	9.50	515.00	0.00	$675.00
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				53.82	96.68	9.50	515.00	0.00	$675.00

Clara Leider

From: Kitner Don
Sent: Wednesday, August 08, 2007 5:18 PM
To: Cox Doreen
Subject: SummerGlen
Attachments: AEP-NPV Summer Glen 8-1-07.xls; Large volume.pdf; General service.pdf; Gas light.pdf; Residential service.pdf

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COST ESTIMATE DETAIL

Prep. by: Scribben Date: 08/07/07 Sheet No.

3/4" CTS. PE Serv. to Serve: P:\DeBary\Engineering\Dan's Files\Construction Cc

Gas Light Service

Summerglen

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	0	LF.	$0.00		0.00				$0.00
3/4" PE Tap Tee	0	EA.	$0.00		0.00				$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$0.00		0.00				$0.00
3/4" Riser Assy.	0	EA.	$0.00		0.00				$0.00
3/4" Meter Stop & Plug	0	EA.	$0.00		0.00				$0.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$0.00		0.00				$0.00
Tracer Wire & Warning Tape	0	FT.	$0.00		0.00				$0.00
Misc. Fitting	1	Lot			0.00				$0.00
Frt. & Handling	$0.00		37.00%		0.00				$0.00
Sub - Total				0.00	0.00	0.00	0.00	0.00	$0.00
Install Service:									
3/4" PE Pipe	0	LF.	$0.00				0.00		$0.00
Directional Bore	0	LF.	$0.00				0.00		$0.00
3/4" PE Bore	0	FT.	$0.00				0.00		$0.00
3/4" PE Tap Tee	0	EA.	$0.00				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00				0.00		$0.00
3/4" Trans Fitting	0	EA.	$0.00				0.00		$0.00
3/4" Riser Assy.	0	EA.	$0.00				0.00		$0.00
Long-Side Service	0	EA.	$450.00				0.00		$0.00
Short-Side Service	1	EA.	$300.00				300.00		$300.00
Asph.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Restore Sod	0	SF.	$0.50				0.00		$0.00
Meter Set & Turn - L&P Pipe Contractor	0	EA.	$65.00				0.00		$0.00
FPUC Crew	0	Day	$350.00	0.00		0.00			$0.00
Eng. & Inspection	1	Lot		0.00		0.00			$0.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				0.00	0.00	0.00	300.00	0.00	$300.00
Meter Set & Reg.	1	Lot	$14.55	0.00	14.55	0.00			$14.55
Regulator									
EST. SERVICE COST				0.00	14.55	0.00	300.00	0.00	$314.55
TOTAL EST. MAIN COST									$0.00
TOTAL EST. MAIN COST									
CIAC BASED EST. MAIN COST									
CIAC BASED TOTAL EST. PROJECT COST				0.00	14.55	0.00	300.00	0.00	$314.55
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				0.00	14.55	0.00	300.00	0.00	$314.55

Clara Leider

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Subject: SummerGlen
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COST ESTIMATE DETAIL

Prep. by: Scribben   Date: 08/07/07   Sheet No.

3/4" CTS. PE Serv. to Serve: P:\DeBary\Engineering\Dan's Files\Construction Cc

Residential Short Side Service

Summerglen

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	0	LF.	$0.00		0.00				$0.00
3/4" PE Tap Tee	0	EA.	$0.00		0.00				$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$0.00		0.00				$0.00
3/4" Riser Assy.	0	EA.	$0.00		0.00				$0.00
3/4" Meter Stop & Plug	0	EA.	$0.00		0.00				$0.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$0.00		0.00				$0.00
Tracer Wire & Warning Tape	0	FT.	$0.00		0.00				$0.00
Misc. Fitting	1	Lot			0.00				$0.00
Frt. & Handling	$0.00		37.00%		0.00				$0.00
Sub - Total				0.00	0.00	0.00	0.00	0.00	$0.00
Install Service:									
3/4" PE Pipe	0	LF.	$0.00				0.00		$0.00
Directional Bore	0	LF.	$0.00				0.00		$0.00
3/4" PE Bore	0	FT.	$0.00				0.00		$0.00
3/4" PE Tap Tee	0	EA.	$0.00				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00				0.00		$0.00
3/4" Trans Fitting	0	EA.	$0.00				0.00		$0.00
3/4" Riser Assy.	0	EA.	$0.00				0.00		$0.00
Long-Side Service	0	EA.	$450.00				0.00		$0.00
Short-Side Service	1	EA.	$300.00				300.00		$300.00
Asph.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Restore Sod	0	SF.	$0.50				0.00		$0.00
Meter Set & Turn - L&P Pipe Contractor	1	EA.	$65.00				65.00		$65.00
FPUC Crew	0	Day	$350.00	0.00		0.00			$0.00
Eng. & Inspection	1	Lot		0.00		0.00			$0.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				0.00	0.00	0.00	365.00	0.00	$365.00
Meter Set & Reg.	1	Lot	$96.68	0.00	96.68	0.00			$96.68
AC-250 Meter & Regulator									
EST. SERVICE COST				0.00	96.68	0.00	365.00	0.00	$461.68
TOTAL EST. MAIN COST									$0.00
TOTAL EST. MAIN COST									
CIAC BASED EST. MAIN COST									
CIAC BASED TOTAL EST. PROJECT COST				0.00	96.68	0.00	365.00	0.00	$461.68
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				0.00	96.68	0.00	365.00	0.00	$461.68

COST ESTIMATE DETAIL

Prep. by: Scribben   Date: 08/07/07   Sheet No.

3/4" CTS. PE Serv. to Serve: P:\DeBary\Engineering\Dan's Files\Construction Cc

Residential Long Side Service

Summerglen

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	0	LF.	$0.00		0.00				$0.00
3/4" PE Tap Tee	0	EA.	$0.00		0.00				$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$0.00		0.00				$0.00
3/4" Riser Assy.	0	EA.	$0.00		0.00				$0.00
3/4" Meter Stop & Plug	0	EA.	$0.00		0.00				$0.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$0.00		0.00				$0.00
Tracer Wire & Warning Tape	0	FT.	$0.00		0.00				$0.00
Misc. Fitting	1	Lot			0.00				$0.00
Frt. & Handling	$0.00		37.00%		0.00				$0.00
Sub - Total				0.00	0.00	0.00	0.00	0.00	$0.00
Install Service:									
3/4" PE Pipe	0	LF.	$0.00				0.00		$0.00
Directional Bore	0	LF.	$0.00				0.00		$0.00
3/4" PE Bore	0	FT.	$0.00				0.00		$0.00
3/4" PE Tap Tee	0	EA.	$0.00				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$0.00				0.00		$0.00
3/4" Trans Fitting	0	EA.	$0.00				0.00		$0.00
3/4" Riser Assy.	0	EA.	$0.00				0.00		$0.00
Long-Side Service	1	EA.	$450.00				450.00		$450.00
Short-Side Service	0	EA.	$300.00				0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$0.00				0.00		$0.00
Restore Sod	0	SF.	$0.50				0.00		$0.00
Meter Set & Turn - L&P Pipe Contractor	1	EA.	$65.00				65.00		$65.00
FPUC Crew	0	Day	$350.00	0.00		0.00			$0.00
Eng. & Inspection	1	Lot		0.00		0.00			$0.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				0.00	0.00	0.00	515.00	0.00	$515.00
Meter Set & Reg.	1	Lot	$96.68	0.00	96.68	0.00			$96.68
AC-250 Meter & Regulator									
EST. SERVICE COST				0.00	96.68	0.00	515.00	0.00	$611.68
TOTAL EST. MAIN COST									$0.00
TOTAL EST. MAIN COST									
CIAC BASED EST. MAIN COST									
CIAC BASED TOTAL EST. PROJECT COST				0.00	96.68	0.00	515.00	0.00	$611.68
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				0.00	96.68	0.00	515.00	0.00	$611.68

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Folders	Name	Size	Type	Date Modified	Location
	RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
ocuments	RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
dobe	RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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orel User Files	RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
yberLink	RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
y eBooks	Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
y Music	Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
y Pictures	Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
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omputer	Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
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P3014 (C:)	River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
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Exhibit 2.8	Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
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MARTIN	Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
MESITE	Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
eider on 'fp2	SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
p on 'Fp1\Da	SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
ings on 'FP3	testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
g on 'Fp1\Dat	Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
o on 'Fp1\Dat	Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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ansfer on 'fp1	Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
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ontrol Panel	Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
etwork Places	Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
cle Bin	Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
	updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
	Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
	Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
	Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 04:51 PM

Clara Leider

From: Martin Cheryl
Sent: Tuesday, August 07, 2007 11:17 AM
To: Cox Doreen
Subject: testimony

You and Robert and including testimony about why the cost of capital corporate should be allocated to all utilities including flogas proportionally. FLogas does share in our ST debt etc etc etc. Correct?

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

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Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Clara Leider

From: Mesite Jim
Sent: Saturday, August 11, 2007 3:43 PM
To: Martin Cheryl; Khojasteh Mehrdad; Cox Doreen
Attachments: B3-2007-Revised.pdf; B3-2008-Revised.pdf; B3-2006-Revised2.pdf

From Mike after revisions.

"Everything Is Beautiful"

Thanks,
Jim
tel.561.838.1733
fax.561.366.1533

Schedule B-3 (2007) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS |

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 MONTH AVERAGE
1		ASSETS AND OTHER DEBITS														
2		UTILITY PLANT:														
3	1010	PLANT IN SERVICE	72,747,156	72,995,519	73,247,576	73,356,263	73,485,914	74,472,571	74,763,306	75,064,561	75,276,362	76,084,296	76,436,702	76,659,033	77,617,672	74,785,150
4	1070	CWIP	778,241	721,964	832,944	1,015,513	1,128,238	446,184	463,177	403,766	625,532	115,829	100,191	65,202	-	515,137
5	1080	PLANT RESERVE	(31,928,074)	(32,172,699)	(32,417,998)	(32,583,604)	(32,798,617)	(32,991,541)	(33,186,833)	(33,225,864)	(33,423,008)	(33,620,942)	(33,820,356)	(34,021,643)	(34,223,520)	(33,108,823)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	1,478,869	1,479,138	1,479,371	1,515,182	1,528,636	1,570,238	1,585,435	1,596,744	1,620,942	1,648,540	1,706,310	1,744,774	1,752,693	1,592,837
7	1190	ALLOCATED COMMON PLANT RESERVE	(505,570)	(513,810)	(522,053)	(526,593)	(534,925)	(543,530)	(548,730)	(554,150)	(563,269)	(570,349)	(575,592)	(585,480)	(595,724)	(549,214)
8	1070	ALLOCATED COMMON CWIP	88,165	97,569	99,704	92,184	82,158	65,012	48,954	65,104	69,770	69,950	28,390	1,121	-	62,160
9																
10		OTHER PROPERTY AND INVESTMENTS														
11	1280.1	OTHER SPECIAL FUNDS	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
12																
13		CURRENT AND ACCRUED ASSETS.														
14	1310	CASH	14,467	365,780	399,366	631,117	245,856	437,065	99,011	120,582	81,042	74,074	86,318	94,233	82,493	210,108
15	1340	SPECIAL DEPOSITS-ELECT	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836
16	1350.1	WORKING FUNDS- PETTY	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
17	1350.10	WORKING FUNDS- PETTY	125	125	125	125	125	125	125	125	125	125	125	125	125	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	3,203,486	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,359,433	4,270,514
19	1440	ALLOW. FOR UNCOLL.AC	(69,678)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(32,654)	(35,502)
20	1540.1	MATERIALS & SUPPLIES	1,042,109	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	897,070	908,227
21	1630.3	STORES EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	227,877	206,066	184,255	168,906	164,541	113,709	80,050	45,588	294,590	260,431	274,889	252,739	230,589	192,633
23	1650.4	PREPAID EXP - OTHER	43,168	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	62,251	60,783
24	1650.41	PREPAID EXP.-MAINTENANCE	29,264	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	15,420	16,485
25	1730.1	UNBILLED REVENUES	424,137	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	445,703	444,044
26	1820.2	REG ASSET-RET PLANS	96,056	96,056	110,334	110,334	110,334	110,334	71,662	71,662	71,662	34,129	34,129	34,129	391,644	103,267
27	1840.7	CLEARING ACCOUNT--REFUNDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1850.1	TEMPORARY SERVICES	12,836	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150	26,049
29																
30		DEFERRED DEBITS.														
31	1860.1	DEFERRED DEBITS - OTHER	48,400	48,537	48,675	48,813	48,951	49,090	49,229	49,368	49,508	49,648	49,789	49,930	50,071	49,231
32	1860.1	DEFERRED DEBITS - RATE CASE	190,702	183,639	176,576	169,513	162,450	155,387	210,524	265,661	320,798	375,935	431,072	486,209	541,346	282,293
33	1860.3	MISC DEF'D DR-UNDIST	-	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	15,770	14,557
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	862,214	1,022,405	1,081,495	1,009,727	938,778	1,195,705	1,430,136	1,419,454	1,511,817	1,289,432	1,009,159	811,214	1,143,377	1,132,686
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	617,270	626,138	631,972	638,649	620,260	623,921	616,559	618,354	627,663	630,167	636,382	637,347	644,523	628,400
36	1900	ACCUMULATED DEFERRED TAXES	1,048,453	1,056,992	1,054,958	1,062,642	1,191,364	1,184,411	1,175,849	1,170,658	1,160,356	1,157,897	1,157,750	1,158,210	1,167,843	1,134,414
37																
38		TOTAL ASSETS AND OTHER DEBITS.	50,778,609	52,332,498	52,526,379	52,827,850	52,493,142	53,007,760	52,977,533	53,230,692	53,842,969	53,718,241	53,674,337	53,506,222	54,922,211	53,064,497
39																

Schedule B-3 (2007) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATEI AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
1		ASSETS AND OTHER DEBITS								
2		UTILITY PLANT:								
3	1010	PLANT IN SERVICE	RB	74,785,150	DIRECT	100%	74,785,150	(55,497)	Allocated Non-Reg. Plant	74,729,653
4	1070	CWIP	RB	515,137	Direct	100%	515,137	(907)	Allocated Non-Reg. CWIP	514,230
5	1080	PLANT RESERVE	RB	(33,108,823)	Direct	100%	(33,108,823)	23,723	Allocated Non-Reg.	(33,085,100)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	RB	5,599,290	Plant / Customers	28% / 29%	1,592,837	-	-	1,592,837
7	1190	ALLOCATED COMMON PLANT RESERVE	RB	(1,912,461)	Plant / Customers	28% / 29%	(549,214)	-	-	(549,214)
8	1070	ALLOCATED COMMON CWIP	RB	215,617	Plant / Customers	28% / 29%	62,160	-	-	62,160
9										
10		OTHER PROPERTY AND INVESTMENTS								
11	1280.1	OTHER SPECIAL FUNDS	RB, WC	10,000	Adjusted. Gross Profit	31%	3,100	-	-	3,100
12										
13		CURRENT AND ACCRUED ASSETS.								
14	1310	CASH	RB, WC	677,768	Adjusted. Gross Profit	31%	210,108	-	-	210,108
15	1340	SPECIAL DEPOSITS-ELECT	RB, WC	317,836	Direct	100%	317,836	-	-	317,836
16	1350.1	WORKING FUNDS- PETTY	RB, WC	8,000	Direct	100%	8,000	-	-	8,000
17	1350.10	WORKING FUNDS- PETTY	RB, WC	500	Payroll	25%	125	-	-	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	RB, WC	4,270,514	Direct	100%	4,270,514	-	-	4,270,514
19	1440	ALLOW. FOR UNCOLL.AC	RB, WC	(35,502)	Direct	100%	(35,502)	-	-	(35,502)
20	1540.1	MATERIALS & SUPPLIES	RB, WC	908,227	Direct	100%	908,227	-	-	908,227
21	1630.3	STORES EXPENSE	RB, WC	-	Direct	100%	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	RB, WC	621,397	Adjusted. Gross Profit	31%	192,633	-	-	192,633
23	1650.4	PREPAID EXP - OTHER	RB, WC	196,074	Adjusted. Gross Profit	31%	60,783	-	-	60,783
24	1650.41	PREPAID EXP.-MAINTENANCE	RB, WC	53,177	Adjusted. Gross Profit	31%	16,485	-	-	16,485
25	1730.1	UNBILLED REVENUES	RB, WC	444,044	Direct	100%	444,044	-	-	444,044
26	1820.2	REG ASSET-RET PLANS	RB, WC	413,066	Payroll	25%	103,267	-	-	103,267
27	1840.7	CLEARING ACCOUNT-- REFUNDS	RB, WC	-	Adjusted. Gross Profit	31%	-	-	-	-
28	1850.1	TEMPORARY SERVICES	RB, WC	26,049	Direct	100%	26,049	-	-	26,049
29								-		-
30		DEFERRED DEBITS.						-		-
31	1860.1	DEFERRED DEBITS - OTHER	RB, WC	49,231	Direct	100%	49,231	-	-	49,231
32	1860.1	DEFERRED DEBITS - RATE CASE	RB, WC	282,293	Direct	100%	282,293	-	-	282,293
33	1860.3	MISC DEF'D DR-UNDIST	RB, WC	14,557	Direct	100%	14,557	-	-	14,557
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	RB, WC	1,132,686	Direct	100%	1,132,686	-	-	1,132,686
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	CS	1,956,157	Allocated Consolidated Equity	32%	628,400	(11,414)	Allocated Equity Adjustment	616,986
36	1900	ACCUMULATED DEFERRED TAXES	CS	1,134,414	Direct	100%	1,134,414	-	-	1,134,414
37										
38		TOTAL ASSETS AND OTHER DEBITS.					53,064,497	(44,095)		53,020,402
39										

Schedule B-3 (2007)
FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 MONTH AVERAGE
40		LIABILITIES AND OTHER CREDITS														
41		PROPRIETARY CAPITAL														
42	2010.1	COMMON STOCK ISSUED	(2,858,936)	(2,900,006)	(2,927,029)	(2,957,951)	(2,872,785)	(2,889,737)	(2,855,642)	(2,863,957)	(2,907,070)	(2,918,670)	(2,947,453)	(2,951,925)	(2,985,161)	(2,910,486)
43	2040.1	PREFERRED STOCK ISSUED-$1	(194,927)	(197,728)	(199,570)	(201,679)	(195,872)	(197,028)	(194,703)	(195,270)	(198,209)	(199,000)	(200,963)	(201,268)	(203,534)	(198,442)
44	2070.1	PREM ON CAPITAL STOCK	(1,721,859)	(1,746,595)	(1,762,870)	(1,781,493)	(1,730,200)	(1,740,410)	(1,719,876)	(1,724,883)	(1,750,849)	(1,757,835)	(1,775,171)	(1,777,864)	(1,797,881)	(1,752,907)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	(259,903)	(263,637)	(266,094)	(268,905)	(261,162)	(262,703)	(259,604)	(260,360)	(264,279)	(265,334)	(267,950)	(268,357)	(271,378)	(264,590)
46	2140.1	CAPITAL STOCK EXPENSE	129,952	131,818	133,047	134,452	130,581	131,352	129,802	130,180	132,140	132,667	133,975	134,178	135,689	132,295
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	(10,915,937)	(11,072,750)	(11,175,931)	(11,293,996)	(10,968,814)	(11,033,544)	(10,903,362)	(10,935,108)	(11,099,723)	(11,144,010)	(11,253,913)	(11,270,984)	(11,397,888)	(11,112,766)
48	2170.1	COMMON STOCK REACQUIRED	779,710	790,911	798,281	806,714	783,487	788,110	778,812	781,079	792,837	796,001	803,851	805,070	814,135	793,769
49	.															
50		LONG TERM DEBT														
51	2210.1	BONDS	(16,276,444)	(16,510,263)	(16,664,110)	(16,840,155)	(16,355,286)	(16,451,800)	(16,257,691)	(16,305,028)	(16,550,478)	(16,616,517)	(16,780,387)	(16,805,846)	(16,995,066)	(16,569,931)
52	.															
53		OTHER NON-CURRENT LIABILITIES.														
54	2280.11	ELECTRIC STORM RESERVE	(1,636,118)	(1,646,252)	(1,656,387)	(1,666,522)	(1,676,657)	(1,686,792)	(1,696,927)	(1,707,062)	(1,717,197)	(1,677,332)	(1,687,467)	(1,697,602)	(1,707,737)	(1,681,542)
55	2280.31	PENSIONS RESERVE	(753,918)	(777,876)	(801,835)	(813,473)	(848,682)	(883,890)	(873,029)	(908,237)	(943,445)	(932,584)	(967,792)	(1,003,001)	(1,482,905)	(922,359)
56	2280.32	MEDICAL POST-RETIREMENT	(578,260)	(580,701)	(584,204)	(588,397)	(592,061)	(595,535)	(591,387)	(590,813)	(590,239)	(587,879)	(587,305)	(586,731)	(596,554)	(588,466)
57	2280.34	401(K) ACCRUAL COMPANY SH	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	(56,247)	(52,431)	(42,680)	(34,144)	(34,587)	(29,166)	(31,934)	(34,701)	(37,469)	(40,237)	(43,004)	(45,772)	(48,540)	(40,839)
59																

Schedule B-3 (2007) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATEI AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
40		LIABILITIES AND OTHER CREDITS								
41		PROPRIETARY CAPITAL								
42	2010.1	COMMON STOCK ISSUED	CS	(9,262,770)	Allocated Consolidated Equity	31%	(2,910,486)	(11,059)	Allocated Equity Adjustment	(2,921,545)
43	2040.1	PREFERRED STOCK ISSUED-$1	CS	(600,000)	Allocated Consolidated Equity	33%	(198,442)	9,198	Allocated Equity Adjustment	(189,244)
44	2070.1	PREM ON CAPITAL STOCK	CS	(5,523,948)	Allocated Consolidated Equity	32%	(1,752,907)	10,614	Allocated Equity Adjustment	(1,742,293)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	CS	(818,884)	Allocated Consolidated Equity	32%	(264,590)	6,308	Allocated Equity Adjustment	(258,282)
46	2140.1	CAPITAL STOCK EXPENSE	CS	428,441	Allocated Consolidated Equity	31%	132,295	2,838	Allocated Equity Adjustment	135,133
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	CS	(35,170,162)	Allocated Consolidated Equity	32%	(11,112,766)	19,842	Allocated Equity Adjustment	(11,092,924)
48	2170.1	COMMON STOCK REACQUIRED	CS	2,464,286	Allocated Consolidated Equity	32%	793,769	(16,515)	Allocated Equity Adjustment	777,254
49										
50		LONG TERM DEBT								
51	2210.1	BONDS	CS	(52,500,000)	Allocated Consolidated Equity	31%	(16,569,931)	11,050	Allocated Equity Adjustment	(16,558,881)
52										
53		OTHER NON-CURRENT LIABILITIES								
54	2280.11	ELECTRIC STORM RESERVE	RB, WC	(1,681,542)	DIRECT	100%	(1,681,542)	-	-	(1,681,542)
55	2280.31	PENSIONS RESERVE	RB, WC	(3,689,436)	Payroll	25%	(922,359)	-	-	(922,359)
56	2280.32	MEDICAL POST-RETIREMENT	RB, WC	(1,898,279)	Adj. Gross Profit	31%	(588,466)	-	-	(588,466)
57	2280.34	401(K) ACCRUAL COMPANY SH	RB, WC	-	Payroll	25%	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	RB, WC	(131,740)	Adj. Gross Profit	31%	(40,839)	-	-	(40,839)
59										

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007	13 MONTH AVERAGE
60		CURRENT AND ACCRUED LIABILITIES														
61	2310.1	NOTES PAYABLE	(1,786,835)	(1,812,504)	(1,829,393)	(1,848,720)	(1,795,490)	(1,806,086)	(1,784,777)	(1,789,973)	(1,816,919)	(1,824,169)	(1,842,158)	(1,844,953)	(1,865,726)	(1,819,054)
62	2320.	ACCOUNTS PAYABLE - FUEL	(2,341,685)	(3,111,584)	(3,008,291)	(2,691,590)	(2,628,658)	(2,916,641)	(3,247,557)	(3,317,519)	(3,371,012)	(3,040,509)	(2,613,415)	(2,351,601)	(2,881,858)	(2,886,302)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	(914,573)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(879,119)	(881,846)
64	2320.	ACCOUNTS PAYABLE - OTHER	(287,359)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(210,123)	(216,064)
65	2350.1	CUSTOMER DEPOSITS	(2,322,227)	(2,320,879)	(2,335,632)	(2,642,123)	(2,661,468)	(2,680,956)	(2,700,586)	(2,720,360)	(2,740,278)	(2,760,343)	(2,780,554)	(2,800,914)	(2,821,422)	(2,637,519)
66	2360.1	TAXES ACCRUED - AD VALOREM	-	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(206,451)	(190,570)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	(115,386)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(105,413)	(106,180)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	(50,691)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(40,637)	(41,410)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	(630)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,264)	(3,061)
70	2360	TAXES ACCRUED - INCOME TAX	(481,758)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(584,393)	(576,498)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	(99,032)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(63,422)	(66,161)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	(134,950)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(329,732)	(314,748)
73	2380	DIVIDENDS DECLARED - PREFERRED	(2,280)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(178)	(340)
74	2410	WITHHOLDING TAXES PAYABLE	-	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(329)
75	2410	TAX COLLECTIONS PAYABLE	(268,716)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(296,095)	(293,989)
76	2420	EMPLOYEE FUND	(1,138)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(855)	(877)
77	2420	ACCRUED VACATION	(323,504)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(286,925)	(289,739)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	(41,655)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(52,631)	(51,787)
79																
80		DEFERRED CREDITS														
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	(900,810)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(844,796)	(849,105)
82	2530.1	OTHER DF CR-CASHIER	-	67	67	67	67	67	67	67	67	67	67	67	67	62
83	2530.21	OVER RECOVERY-FUEL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	(44,652)	(56,853)	(68,596)	(60,011)	(19,772)	(10,158)	(9,418)	(11,605)	(13,813)	(16,015)	(13,521)	(6,772)	(1,257)	(25,573)
85	2550.1	INVEST TAX CREDIT	(124,971)	(122,499)	(120,037)	(117,575)	(115,113)	(112,651)	(110,189)	(107,727)	(105,265)	(102,803)	(100,341)	(97,879)	(95,417)	(110,190)
86																
87		ACCUMULATED DEFERRED INCOME TAXES														
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	(6,192,870)	(6,178,346)	(6,110,725)	(6,057,959)	(6,746,280)	(6,725,802)	(6,745,142)	(6,765,025)	(6,757,378)	(6,859,349)	(6,846,446)	(6,829,678)	(6,815,388)	(6,586,953)
89																
90		TOTAL LIABILITIES AND OTHER CREDITS	(50,778,609)	(52,332,498)	(52,526,379)	(52,827,850)	(52,493,142)	(53,007,760)	(52,977,533)	(53,230,692)	(53,842,969)	(53,718,241)	(53,674,337)	(53,506,222)	(54,922,211)	(53,064,497)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility

Schedule B-3 (2007) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Prior Year Ended 12/31/2007
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATEI AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
60		CURRENT AND ACCRUED LIABILITIES								
61	2310.1	NOTES PAYABLE	CS	(5,729,846)	Allocated Consolidated Equity	32%	(1,819,054)	11,819	Allocated Equity Adjustment	(1,807,235)
62	2320.	ACCOUNTS PAYABLE - FUEL	RB, WC	(2,886,302)	DIRECT	100%	(2,886,302)	-	-	(2,886,302)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	RB, WC	(2,844,665)	Adj. Gross Profit	31%	(881,846)	-	-	(881,846)
64	2320.	ACCOUNTS PAYABLE - OTHER	RB, WC	(777,876)	Adjusted Gross Profit / Payroll	31% / 25%	(216,064)	-	-	(216,064)
65	2350.1	CUSTOMER DEPOSITS	CS	(2,637,519)	DIRECT	100%	(2,637,519)	-	-	(2,637,519)
66	2360.1	TAXES ACCRUED - AD VALOREM	RB, WC	(190,570)	DIRECT	100%	(190,570)	-	-	(190,570)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	RB, WC	(279,420)	REG GROSS PROFIT	38%	(106,180)	-	-	(106,180)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	RB, WC	(133,580)	Adj. Gross Profit	31%	(41,410)	-	-	(41,410)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	RB, WC	(12,243)	Payroll	25%	(3,061)	-	-	(3,061)
70	2360	TAXES ACCRUED - INCOME TAX	RB, WC	(1,859,671)	Adj. Gross Profit	31%	(576,498)	-	-	(576,498)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	RB, WC	(66,161)	DIRECT	100%	(66,161)	-	-	(66,161)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	RB, WC	(1,015,317)	Plant	31%	(314,748)	-	-	(314,748)
73	2380	DIVIDENDS DECLARED - PREFERRED	RB, WC	(1,096)	Adj. Gross Profit	31%	(340)	-	-	(340)
74	2410	WITHHOLDING TAXES PAYABLE	RB, WC	(1,315)	Payroll	25%	(329)	-	-	(329)
75	2410	TAX COLLECTIONS PAYABLE	RB, WC	(293,989)	DIRECT	100%	(293,989)	-	-	(293,989)
76	2420	EMPLOYEE FUND	RB, WC	(877)	DIRECT	100%	(877)	-	-	(877)
77	2420	ACCRUED VACATION	RB, WC	(1,158,955)	Payroll	25%	(289,739)	-	-	(289,739)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	RB, WC	(167,056)	Adj. Gross Profit	31%	(51,787)	-	-	(51,787)
79										
80		DEFERRED CREDITS								
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	RB	(849,105)	DIRECT	100%	(849,105)	-	-	(849,105)
82	2530.1	OTHER DF CR-CASHIER	RB, WC	62	DIRECT	100%	62	-	-	62
83	2530.21	OVER RECOVERY-FUEL	RB, WC	-	DIRECT	100%	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	RB, WC	(25,573)	DIRECT	100%	(25,573)	-	-	(25,573)
85	2550.1	INVEST TAX CREDIT	CS	(110,190)	DIRECT	100%	(110,190)	-	-	(110,190)
86										
87		ACCUMULATED DEFERRED INCOME TAXES								
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	CS	(6,586,953)	DIRECT	100%	(6,586,953)	-	-	(6,586,953)
89										
90		TOTAL LIABILITIES AND OTHER CREDITS		(53,315,986)			(53,064,497)	44,095		(53,020,402)
91	REFERENCE:									
92	RB = Rate Base; WC = Working Capital; CS =									

Supporting Schedules: B-8 (2007), B-10 (2007)

Recap Schedules: B-1 (2007), B-2 (2007), B-4 (2007)

Clara Leider

From: Mesite Jim
Sent: Saturday, August 11, 2007 3:43 PM
To: Martin Cheryl; Khojasteh Mehrdad; Cox Doreen
Attachments: B3-2007-Revised.pdf; B3-2008-Revised.pdf; B3-2006-Revised2.pdf

From Mike after revisions.

"Everything Is Beautiful"

Thanks,
Jim
tel.561.838.1733
fax.561.366.1533

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13 MONTH AVERAGE
1		ASSETS AND OTHER DEBITS														
2		UTILITY PLANT:														
3	1010	PLANT IN SERVICE	77,617,672	77,912,775	78,233,878	78,437,981	78,877,584	79,365,387	79,843,490	80,117,593	80,376,296	80,556,497	80,832,698	81,394,899	81,773,800	79,641,581
4	1070	CWIP	-	30,000	110,000	280,000	290,000	190,000	-	50,000	-	25,000	-	-	-	75,000
5	1080	PLANT RESERVE	(34,386,151)	(34,596,347)	(34,808,043)	(35,021,593)	(35,235,812)	(35,451,589)	(35,650,360)	(35,868,741)	(36,088,539)	(36,309,124)	(36,530,160)	(36,751,938)	(36,975,949)	(35,667,257)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	1,752,693	1,774,393	1,793,888	1,808,223	1,834,633	1,842,413	1,867,348	1,874,878	1,892,128	1,895,003	1,918,178	1,918,738	1,921,638	1,853,396
7	1190	ALLOCATED COMMON PLANT RESERVE	(595,724)	(606,048)	(616,419)	(626,954)	(637,620)	(648,506)	(659,466)	(670,512)	(681,626)	(692,898)	(704,196)	(715,713)	(727,233)	(660,224)
8	1070	ALLOCATED COMMON CWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9																
10		OTHER PROPERTY AND INVESTMENTS														
11	1280.1	OTHER SPECIAL FUNDS	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
12																
13		CURRENT AND ACCRUED ASSETS.														
14	1310	CASH	82,493	74,863	54,531	77,975	74,595	45,237	94,370	91,442	59,928	71,149	74,659	60,505	57,063	70,678
15	1340	SPECIAL DEPOSITS-ELECT	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836
16	1350.1	WORKING FUNDS- PETTY	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
17	1350.10	WORKING FUNDS- PETTY	125	125	125	125	125	125	125	125	125	125	125	125	125	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	3,561,058	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,165,908	5,042,458
19	1440	ALLOW. FOR UNCOLL.AC	(35,502)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,849)	(36,745)
20	1540.1	MATERIALS & SUPPLIES	908,227	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	942,664	940,015
21	1630.3	STORES EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	230,589	208,416	186,383	170,613	149,510	114,706	80,800	45,927	303,552	268,646	282,357	259,459	236,562	195,194
23	1650.4	PREPAID EXP - OTHER	62,251	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,910
24	1650.41	PREPAID EXP.- MAINTENANCE	15,420	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,199	17,062
25	1730.1	UNBILLED REVENUES	445,703	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	556,952	548,394
26	1820.2	REG ASSET-RET PLANS	532,635	532,635	532,635	491,143	491,143	491,143	449,650	449,650	449,650	408,157	408,157	408,157	207,264	450,155
27	1840.7	CLEARING ACCOUNT--REFUNDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1850.1	TEMPORARY SERVICES	27,150	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,945	26,961
29																
30		DEFERRED DEBITS.														
31	1860.1	DEFERRED DEBITS - OTHER	50,071	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	51,028	50,954
32	1860.1	DEFERRED DEBITS - RATE CASE	541,346	588,379	635,412	682,445	667,278	652,111	636,944	621,777	606,610	591,443	576,276	561,109	545,942	608,236
33	1860.3	MISC DEF'D DR-UNDIST	15,770	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,007	15,066
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377	1,143,377
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	529,769	544,812	541,507	548,653	551,106	544,894	538,085	535,714	536,757	539,972	547,869	556,020	545,102	543,097
36	1900	ACCUMULATED DEFERRED TAXES	1,167,843	1,144,089	1,256,804	1,256,991	1,256,722	1,256,484	1,256,270	1,256,401	1,253,370	1,252,493	1,251,737	1,249,486	1,253,227	1,239,378
37																
38		TOTAL ASSETS AND OTHER DEBITS.	53,995,751	55,882,224	56,194,833	56,379,734	56,593,396	56,676,537	56,731,388	56,778,386	56,982,383	56,880,595	56,931,832	57,214,979	57,111,673	56,488,747
39																

Schedule B-3 (2008) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
1		ASSETS AND OTHER DEBITS								
2		UTILITY PLANT:								
3	1010	PLANT IN SERVICE	RB	79,641,581	DIRECT	100%	79,641,581	(57,464)	Allocated Non-Reg. Plant	79,584,117
4	1070	CWIP	RB	75,000	Direct	100%	75,000	-	Allocated Non-Reg.	75,000
5	1080	PLANT RESERVE	RB	(35,667,257)	Direct	100%	(35,667,257)	25,443	Allocated Non-Reg.	(35,641,814)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	RB	6,507,169	Plant / Customers	28% / 29%	1,853,396	-	-	1,853,396
7	1190	ALLOCATED COMMON PLANT RESERVE	RB	(2,298,092)	Plant / Customers	28% / 29%	(660,224)	-	-	(660,224)
8	1070	ALLOCATED COMMON CWIP	RB	-	Plant / Customers	28% / 29%	-	-	-	-
9										
10		OTHER PROPERTY AND INVESTMENTS								
11	1280.1	OTHER SPECIAL FUNDS	RB, WC	10,000	Adjusted. Gross Profit	31%	3,100	-		3,100
12										
13		CURRENT AND ACCRUED ASSETS.								
14	1310	CASH	RB, WC	227,993	Adjusted. Gross Profit	31%	70,678	-	-	70,678
15	1340	SPECIAL DEPOSITS-ELECT	RB, WC	317,836	Direct	100%	317,836	-	-	317,836
16	1350.1	WORKING FUNDS- PETTY	RB, WC	8,000	Direct	100%	8,000	-	-	8,000
17	1350.10	WORKING FUNDS- PETTY	RB, WC	500	Payroll	25%	125	-	-	125
18	1420, 1430	ACCOUNTS RECEIVABLE-	RB, WC	5,042,458	Direct	100%	5,042,458	-	-	5,042,458
19	1440	ALLOW. FOR UNCOLL.AC	RB, WC	(36,745)	Direct	100%	(36,745)	-	-	(36,745)
20	1540.1	MATERIALS & SUPPLIES	RB, WC	940,015	Direct	100%	940,015	-	-	940,015
21	1630.3	STORES EXPENSE	RB, WC	-	Direct	100%	-	-	-	-
22	1650.2, 5	PREPAID EXP - INSURANCE	RB, WC	629,658	Adjusted. Gross Profit	31%	195,194	-	-	195,194
23	1650.4	PREPAID EXP - OTHER	RB, WC	202,937	Adjusted. Gross Profit	31%	62,910	-	-	62,910
24	1650.41	PREPAID EXP.- MAINTENANCE	RB, WC	55,038	Adjusted. Gross Profit	31%	17,062	-	-	17,062
25	1730.1	UNBILLED REVENUES	RB, WC	548,394	Direct	100%	548,394	-	-	548,394
26	1820.2	REG ASSET-RET PLANS	RB, WC	1,323,986	Payroll	34%	450,155	-	-	450,155
27	1840.7	CLEARING ACCOUNT-- REFUNDS	RB, WC	-	Adjusted. Gross Profit	31%	-	-	-	-
28	1850.1	TEMPORARY SERVICES	RB, WC	26,961	Direct	100%	26,961	-	-	26,961
29										
30		DEFERRED DEBITS.								
31	1860.1	DEFERRED DEBITS - OTHER	RB, WC	50,954	Direct	100%	50,954	-	-	50,954
32	1860.1	DEFERRED DEBITS - RATE CASE	RB, WC	608,236	Direct	100%	608,236	-	-	608,236
33	1860.3	MISC DEF'D DR-UNDIST	RB, WC	15,066	Direct	100%	15,066	-	-	15,066
34	1860.21	DEFERRED DEBITS - UNDER REC FUEL	RB, WC	1,143,377	Direct	100%	1,143,377	-	-	1,143,377
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	CS	1,855,551	Allocated Consolidated Equity	29%	543,097	6,126	Allocated Equity Adjustment	549,223
36	1900	ACCUMULATED DEFERRED TAXES	CS	1,239,378	Direct	100%	1,239,378	-	-	1,239,378
37										
38		TOTAL ASSETS AND OTHER DEBITS.					56,488,747	(25,895)		56,462,852
39										

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	13 MONTH AVERAGE
40		LIABILITIES AND OTHER CREDITS														
41		PROPRIETARY CAPITAL														
42	2010.1	COMMON STOCK ISSUED	(2,979,952)	(3,064,567)	(3,045,975)	(3,086,171)	(3,099,972)	(3,065,029)	(3,026,726)	(3,013,389)	(3,019,256)	(3,037,342)	(3,081,761)	(3,127,610)	(3,066,200)	(3,054,919)
43	2040.1	PREFERRED STOCK ISSUED-$1	(165,553)	(170,254)	(169,221)	(171,454)	(172,221)	(170,279)	(168,151)	(167,410)	(167,736)	(168,741)	(171,209)	(173,756)	(170,344)	(169,718)
44	2070.1	PREM ON CAPITAL STOCK	(3,575,942)	(3,677,480)	(3,655,170)	(3,703,405)	(3,719,966)	(3,678,035)	(3,632,071)	(3,616,066)	(3,623,107)	(3,644,811)	(3,698,113)	(3,753,133)	(3,679,440)	(3,665,903)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	(198,663)	(204,304)	(203,065)	(205,745)	(206,665)	(204,335)	(201,782)	(200,893)	(201,284)	(202,489)	(205,451)	(208,507)	(204,413)	(203,661)
46	2140.1	CAPITAL STOCK EXPENSE	264,885	272,406	270,753	274,326	275,553	272,447	269,042	267,857	268,378	269,986	273,934	278,010	272,551	271,548
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	(10,760,937)	(11,066,491)	(10,999,354)	(11,144,505)	(11,194,342)	(11,068,162)	(10,929,843)	(10,881,682)	(10,902,868)	(10,968,181)	(11,128,582)	(11,294,149)	(11,072,388)	(11,031,653)
48	2170.1	COMMON STOCK REACQUIRED	562,880	578,863	575,351	582,943	585,550	578,950	571,715	569,196	570,304	573,720	582,110	590,771	579,171	577,040
49	.															
50		LONG TERM DEBT														
51	2210.1	BONDS	(14,932,871)	(15,356,884)	(15,263,718)	(15,465,142)	(15,534,301)	(15,359,205)	(15,167,259)	(15,100,427)	(15,129,827)	(15,220,460)	(15,443,047)	(15,672,804)	(15,365,066)	(15,308,539)
52	.															
53		OTHER NON-CURRENT LIABILITIES.														
54	2280.11	ELECTRIC STORM RESERVE	(1,707,737)	(1,724,727)	(1,741,717)	(1,758,707)	(1,775,697)	(1,792,687)	(1,809,677)	(1,826,667)	(1,843,657)	(1,860,647)	(1,877,637)	(1,894,627)	(1,911,617)	(1,809,677)
55	2280.31	PENSIONS RESERVE	(1,482,905)	(1,521,652)	(1,560,399)	(1,554,179)	(1,592,926)	(1,631,673)	(1,625,453)	(1,664,200)	(1,702,947)	(1,696,727)	(1,735,474)	(1,774,221)	(1,650,795)	(1,630,273)
56	2280.32	MEDICAL POST-RETIREMENT	(596,554)	(598,069)	(599,584)	(601,098)	(602,613)	(604,128)	(605,642)	(607,157)	(608,672)	(610,186)	(611,701)	(613,216)	(620,880)	(606,115)
57	2280.34	401(K) ACCRUAL COMPANY SH	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	(48,540)	(50,968)	(53,397)	(55,825)	(58,253)	(60,682)	(63,110)	(65,538)	(67,967)	(70,395)	(72,823)	(75,252)	(77,680)	(63,110)
59																

Schedule B-3 (2008) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
40		LIABILITIES AND OTHER CREDITS								
41		PROPRIETARY CAPITAL								
42	2010.1	COMMON STOCK ISSUED	CS	(10,293,196)	Allocated Consolidated Equity	29%	(3,054,919)	8,245	Allocated Equity Adjustment	(3,046,674)
43	2040.1	PREFERRED STOCK ISSUED-$1	CS	(600,000)	Allocated Consolidated Equity	28%	(169,718)	(7,875)	Allocated Equity Adjustment	(177,593)
44	2070.1	PREM ON CAPITAL STOCK	CS	(12,420,226)	Allocated Consolidated Equity	29%	(3,665,903)	(10,349)	Allocated Equity Adjustment	(3,676,252)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	CS	(702,087)	Allocated Consolidated Equity	29%	(203,661)	(4,149)	Allocated Equity Adjustment	(207,810)
46	2140.1	CAPITAL STOCK EXPENSE	CS	913,056	Allocated Consolidated Equity	29%	271,548	(1,293)	Allocated Equity Adjustment	270,255
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	CS	(37,207,432)	Allocated Consolidated Equity	29%	(11,031,653)	18,658	Allocated Equity Adjustment	(11,012,995)
48	2170.1	COMMON STOCK REACQUIRED	CS	1,954,005	Allocated Consolidated Equity	29%	577,040	1,324	Allocated Equity Adjustment	578,364
49	.									
50		LONG TERM DEBT								
51	2210.1	BONDS	CS	(51,632,923)	Allocated Consolidated Equity	29%	(15,308,539)	25,755	Allocated Equity Adjustment	(15,282,784)
52	.									
53		OTHER NON-CURRENT LIABILITIES.								
54	2280.11	ELECTRIC STORM RESERVE	RB, WC	(1,809,677)	DIRECT	100%	(1,809,677)	-	-	(1,809,677)
55	2280.31	PENSIONS RESERVE	RB, WC	(6,521,093)	Payroll	25%	(1,630,273)	-	-	(1,630,273)
56	2280.32	MEDICAL POST-RETIREMENT	RB, WC	(1,955,211)	Adj. Gross Profit	31%	(606,115)	-	-	(606,115)
57	2280.34	401(K) ACCRUAL COMPANY SH	RB, WC	-	Payroll	25%	-	-	-	-
58	2280.201	ACCRUED LIABILITY INS	RB, WC	(203,580)	Adj. Gross Profit	31%	(63,110)	-	-	(63,110)
59										

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(1) Dec 2007	(2) Jan 2008	(3) Feb 2008	(4) Mar 2008	(5) Apr 2008	(6) May 2008	(7) Jun 2008	(8) Jul 2008	(9) Aug 2008	(10) Sep 2008	(11) Oct 2008	(12) Nov 2008	(13) Dec 2008	(14) 13 MONTH AVERAGE
60		CURRENT AND ACCRUED LIABILITIES														
61	2310.1	NOTES PAYABLE	(1,854,192)	(1,906,841)	(1,895,273)	(1,920,284)	(1,928,871)	(1,907,129)	(1,883,296)	(1,874,997)	(1,878,648)	(1,889,902)	(1,917,540)	(1,946,069)	(1,907,858)	(1,900,838)
62	2320.	ACCOUNTS PAYABLE - FUEL	(2,881,858)	(3,863,799)	(3,449,781)	(3,165,243)	(3,151,127)	(3,568,606)	(4,002,274)	(4,099,526)	(4,164,913)	(3,735,864)	(3,217,788)	(2,918,936)	(3,598,165)	(3,524,452)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	(879,119)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(915,510)	(912,711)
64	2320.	ACCOUNTS PAYABLE - OTHER	(210,123)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,559)	(216,064)
65	2350.1	CUSTOMER DEPOSITS	(2,821,422)	(2,842,081)	(2,862,890)	(2,883,853)	(2,904,968)	(2,926,239)	(2,947,665)	(2,969,248)	(2,990,989)	(3,012,889)	(3,034,949)	(3,057,172)	(3,079,556)	(2,948,763)
66	2360.1	TAXES ACCRUED - AD VALOREM	(206,451)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(196,472)	(197,240)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	(105,413)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(110,270)	(109,896)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	(40,637)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(43,044)	(42,859)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	(3,264)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,160)	(3,168)
70	2360	TAXES ACCRUED - INCOME TAX	(584,393)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(597,699)	(596,675)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	(63,422)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(67,249)	(66,955)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	(329,732)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,433)	(325,764)
73	2380	DIVIDENDS DECLARED - PREFERRED	(178)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(340)
74	2410	WITHHOLDING TAXES PAYABLE	(356)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(339)	(340)
75	2410	TAX COLLECTIONS PAYABLE	(296,095)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,961)	(304,279)
76	2420	EMPLOYEE FUND	(855)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(912)	(908)
77	2420	ACCRUED VACATION	(286,925)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(311,317)	(309,441)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	(52,631)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,681)	(53,600)
79																
80		DEFERRED CREDITS.														
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	(844,796)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(881,660)	(878,824)
82	2530.1	OTHER DF CR-CASHIER	62	62	62	62	63	63	63	63	67	67	68	68	68	64
83	2530.21	OVER RECOVERY-FUEL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	(1,257)	(1,152)	(1,047)	(942)	(837)	(732)	(627)	(522)	(417)	(312)	(207)	(102)	-	(627)
85	2550.1	INVEST TAX CREDIT	(95,417)	(93,175)	(90,933)	(88,691)	(86,449)	(84,207)	(81,965)	(79,723)	(77,481)	(75,239)	(72,997)	(70,755)	(68,513)	(81,965)
86																
87		ACCUMULATED DEFERRED INCOME TAXES.														
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	(6,815,388)	(6,562,491)	(7,420,855)	(7,403,201)	(7,396,734)	(7,378,249)	(7,398,047)	(7,419,437)	(7,412,743)	(7,501,563)	(7,490,045)	(7,474,899)	(7,461,928)	(7,318,122)
89																
90		TOTAL LIABILITIES AND OTHER CREDITS	(53,995,751)	(55,882,224)	(56,194,833)	(56,379,734)	(56,593,396)	(56,676,537)	(56,731,388)	(56,778,386)	(56,982,383)	(56,880,595)	(56,931,832)	(57,214,979)	(57,111,673)	(56,488,747)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility

Schedule B-3 (2008)

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Projected Test Year Ended 12/31/2008
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATE AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
60		CURRENT AND ACCRUED LIABILITIES								
61	2310.1	NOTES PAYABLE	CS	(6,436,923)	Allocated Consolidated Equity	29%	(1,900,838)	(4,421)	Allocated Equity Adjustment	(1,905,259)
62	2320.	ACCOUNTS PAYABLE - FUEL	RB, WC	(3,524,452)	DIRECT	100%	(3,524,452)	-	-	(3,524,452)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	RB, WC	(2,944,228)	Adj. Gross Profit	31%	(912,711)	-	-	(912,711)
64	2320.	ACCOUNTS PAYABLE - OTHER	RB, WC	(805,102)	Adjusted Gross Profit / Payroll	31% / 25%	(216,064)	-	-	(216,064)
65	2350.1	CUSTOMER DEPOSITS	CS	(2,948,763)	DIRECT	100%	(2,948,763)	-	-	(2,948,763)
66	2360.1	TAXES ACCRUED - AD VALOREM	RB, WC	(197,240)	DIRECT	100%	(197,240)	-	-	(197,240)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	RB, WC	(289,200)	REG GROSS PROFIT	38%	(109,896)	-	-	(109,896)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	RB, WC	(138,255)	Adj. Gross Profit	31%	(42,859)	-	-	(42,859)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	RB, WC	(12,672)	Payroll	25%	(3,168)	-	-	(3,168)
70	2360	TAXES ACCRUED - INCOME TAX	RB, WC	(1,924,759)	Adj. Gross Profit	31%	(596,675)	-	-	(596,675)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	RB, WC	(66,955)	DIRECT	100%	(66,955)	-	-	(66,955)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	RB, WC	(1,050,853)	Plant	31%	(325,764)	-	-	(325,764)
73	2380	DIVIDENDS DECLARED - PREFERRED	RB, WC	(1,096)	Adj. Gross Profit	31%	(340)	-	-	(340)
74	2410	WITHHOLDING TAXES PAYABLE	RB, WC	(1,361)	Payroll	25%	(340)	-	-	(340)
75	2410	TAX COLLECTIONS PAYABLE	RB, WC	(304,279)	DIRECT	100%	(304,279)	-	-	(304,279)
76	2420	EMPLOYEE FUND	RB, WC	(908)	DIRECT	100%	(908)	-	-	(908)
77	2420	ACCRUED VACATION	RB, WC	(1,237,764)	Payroll	25%	(309,441)	-	-	(309,441)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	RB, WC	(172,903)	Adj. Gross Profit	31%	(53,600)	-	-	(53,600)
79										
80		DEFERRED CREDITS.								
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	RB	(878,824)	DIRECT	100%	(878,824)	-	-	(878,824)
82	2530.1	OTHER DF CR-CASHIER	RB, WC	64	DIRECT	100%	64	-	-	64
83	2530.21	OVER RECOVERY-FUEL	RB, WC	-	DIRECT	100%	-	-	-	-
84	2530.61	OVER RECOVERY-CONSERVATION	RB, WC	(627)	DIRECT	100%	(627)	-	-	(627)
85	2550.1	INVEST TAX CREDIT	CS	(81,965)	DIRECT	100%	(81,965)	-	-	(81,965)
86										
87		ACCUMULATED DEFERRED INCOME TAXES.								
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	CS	(7,318,122)	DIRECT	100%	(7,318,122)	-	-	(7,318,122)
89										
90		TOTAL LIABILITIES AND OTHER CREDITS		(56,747,040)			(56,488,747)	25,895		(56,462,852)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS =

Supporting Schedules: B-8 (2008), B-10 (2008)

Recap Schedules: B-1 (2008), B-2 (2008), B-4 (2008)

Clara Leider

From: Mesite Jim
Sent: Saturday, August 11, 2007 3:43 PM
To: Martin Cheryl; Khojasteh Mehrdad; Cox Doreen
Attachments: B3-2007-Revised.pdf; B3-2008-Revised.pdf; B3-2006-Revised2.pdf

From Mike after revisions.

"Everything Is Beautiful"

Thanks,
Jim
tel.561.838.1733
fax.561.366.1533

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13 MONTH AVERAGE
1		ASSETS AND OTHER DEBITS														
2		UTILITY PLANT:														
3	1010	PLANT IN SERVICE	68,757,206	69,065,318	70,153,707	70,483,807	70,380,007	70,457,036	70,702,893	71,166,510	71,307,955	71,455,264	71,571,897	71,992,722	72,747,156	70,787,806
4	1070	CWIP	2,090,808	2,002,341	1,090,386	1,011,854	1,284,452	1,351,900	1,350,144	1,164,548	1,317,408	1,552,979	1,581,913	1,318,249	778,241	1,376,556
5	1080	PLANT RESERVE	(29,761,890)	(29,988,364)	(30,208,766)	(30,388,495)	(30,378,592)	(30,537,663)	(30,714,841)	(30,892,332)	(31,110,821)	(31,339,987)	(31,542,571)	(31,800,699)	(31,928,074)	(30,814,853)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	1,626,095	1,634,228	1,649,179	1,640,573	1,572,565	1,568,430	1,576,285	1,579,263	1,579,263	1,579,285	1,582,628	1,532,764	1,538,742	1,589,177
7	1190	ALLOCATED COMMON PLANT RESERVE	(578,414)	(590,993)	(600,326)	(604,808)	(541,263)	(544,550)	(548,051)	(556,332)	(565,069)	(573,807)	(582,545)	(523,008)	(515,604)	(563,444)
8	1070	ALLOCATED COMMON CWIP	57,295	63,706	48,929	57,959	59,536	95,325	114,189	104,553	105,046	105,046	107,584	98,021	88,431	85,048
9																
10		OTHER PROPERTY AND INVESTMENTS														
11	1280.1	OTHER SPECIAL FUNDS	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
12																
13		CURRENT AND ACCRUED ASSETS.														
14	1310, 1340	CASH AND DEPOSITS	208,878	469,064	455,435	580,049	289,291	205,433	346,810	(27,368)	54,370	224,684	453,012	259,078	14,933	271,821
15	1340.1	SPECIAL DEPOSITS-ELECT	-	-	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	317,836	268,938
16	1350.1	WORKING FUNDS- PETTY	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
17	1350.10	WORKING FUNDS- PETTY	135	135	135	135	135	135	135	135	243	135	135	135	135	143
18	1420, 1430	ACCOUNTS RECEIVABLE-	3,668,372	3,679,978	3,627,054	2,993,283	3,169,088	3,114,897	3,578,500	4,127,565	3,707,383	3,955,657	3,189,329	2,756,950	3,203,486	3,443,965
19	1440	ALLOW. FOR UNCOLL.AC	(29,335)	(26,756)	(26,972)	(28,208)	(31,486)	(32,171)	(36,083)	(40,005)	(28,456)	(31,743)	(35,253)	(30,205)	(69,678)	(34,335)
20	1540.1	MATERIALS & SUPPLIES	821,965	815,013	832,509	854,233	839,171	819,018	841,516	843,451	872,718	930,753	959,791	946,471	1,042,109	878,363
21	1630.3	STORES EXPENSE	-	-	-	-	-	-	-	-	(1,300)	-	(34,074)	(13,697)	-	(3,775)
22	1650.2, 5	PREPAID EXP - INSURANCE	233,568	212,271	190,972	169,681	148,385	127,088	90,540	52,993	258,746	234,476	280,258	257,743	235,228	191,688
23	1650.4	PREPAID EXP - OTHER	42,260	35,789	29,856	24,323	83,376	52,771	50,429	106,053	107,498	102,857	92,336	44,951	43,168	62,744
24	1650.41	PREPAID EXP.-MAINTENANCE	28,412	26,044	23,676	21,309	18,941	16,573	14,206	11,838	9,471	7,103	4,735	2,368	29,264	16,457
25	1730.1	UNBILLED REVENUES	415,764	325,115	322,495	326,217	340,571	455,075	532,192	526,607	618,265	472,305	392,234	431,787	424,137	429,443
26	1820.2	REG ASSET-RET PLANS	-	-	-	-	-	-	-	-	-	-	-	-	103,740	7,980
27	1840.7	CLEARING ACCOUNT--REFUNDS	-	-	-	-	-	(73)	-	43	43	43	43	43	-	11
28	1850.1	TEMPORARY SERVICES	21,285	22,156	22,754	24,755	24,735	24,796	25,742	27,280	28,660	29,864	31,183	31,456	12,836	25,192
29																
30		DEFERRED DEBITS.														
31	1860.1	DEFERRED DEBITS - OTHER	31,491	31,082	30,675	64,476	63,468	62,460	61,450	60,442	59,710	58,426	57,418	56,410	48,400	52,762
32	1860.1	DEFERRED DEBITS - RATE CASE	275,458	268,395	261,332	254,269	247,206	240,143	233,080	226,017	218,954	211,891	204,828	197,765	190,702	233,080
33	1860.3	MISC DEF'D DR-UNDIST	-	7,667	8,853	18,632	22,149	32,850	-	3,718	15,742	19,456	22,644	31,302	-	14,078
34	1860.21	DEFERRED DEBITS - UNDERRECOVERY FUEL	1,611,846	1,493,295	1,691,503	1,557,183	1,557,272	1,826,006	2,005,274	1,870,954	1,900,595	1,766,275	1,631,955	1,697,897	1,707,678	1,716,749
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	685,959	687,356	675,400	670,410	674,098	675,126	689,127	688,408	684,220	673,921	657,285	665,930	666,281	676,425
36	1900	ACCUMULATED DEFERRED TAXES	997,076	977,628	990,452	999,831	1,011,900	1,020,732	1,030,005	1,039,398	1,037,289	1,030,952	1,031,516	1,024,085	1,048,453	1,018,409
37																
38		TOTAL ASSETS AND OTHER DEBITS.	51,215,434	51,221,667	51,598,274	51,060,503	51,164,040	51,360,373	52,272,578	52,412,775	52,506,968	52,794,871	51,987,316	51,307,554	51,738,800	51,741,627
39																

Schedule B-3 (2006)
FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATEI AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
1		ASSETS AND OTHER DEBITS								
2		UTILITY PLANT:								
3	1010	PLANT IN SERVICE	RB	70,787,806	Direct	100%	70,787,806	(67,783)		70,720,023
4	1070	CWIP	RB	1,376,556	Direct	100%	1,376,556	(7,343)		1,369,213
5	1080	PLANT RESERVE	RB	(30,814,853)	Direct	100%	(30,814,853)	33,370		(30,781,483)
6	1180	ALLOCATED COMMON PLANT IN SERVICE	RB	5,378,140	Plant/Customers	30% / 29%	1,589,177	-		1,589,177
7	1190	ALLOCATED COMMON PLANT RESERVE	RB	(1,925,391)	Plant/Customers	30% / 29%	(563,444)	-		(563,444)
8	1070	ALLOCATED COMMON CWIP	RB	291,425	Plant/Customers	30% / 29%	85,048	-		85,048
9										
10		OTHER PROPERTY AND INVESTMENTS								
11	1280.1	OTHER SPECIAL FUNDS	RB, WC	10,000	Adjusted. Gross Profit	32%	3,200	-		3,200
12										
13		CURRENT AND ACCRUED ASSETS.								
14	1310, 1340	CASH AND DEPOSITS	RB, WC	849,440	Adjusted. Gross Profit	32%	271,821	(24,312)	Eliminate Interest Bearing Cash	247,509
15	1340.1	SPECIAL DEPOSITS-ELECT	RB, WC	268,938	Direct	100%	268,938	-	-	268,938
16	1350.1	WORKING FUNDS- PETTY	RB, WC	8,000	Direct	100%	8,000	-	-	8,000
17	1350.10	WORKING FUNDS- PETTY	RB, WC	531	Payroll	27%	143	-	-	143
18	1420, 1430	ACCOUNTS RECEIVABLE-	RB, WC	3,443,963	DIRECT	100%	3,443,963	-	-	3,443,963
19	1440	ALLOW. FOR UNCOLL.AC	RB, WC	(34,335)	Direct	100%	(34,335)	-	-	(34,335)
20	1540.1	MATERIALS & SUPPLIES	RB, WC	878,363	Direct	100%	878,363	-	-	878,363
21	1630.3	STORES EXPENSE	RB, WC	(3,775)	Direct	100%	(3,775)	-	-	(3,775)
22	1650.2, 5	PREPAID EXP - INSURANCE	RB, WC	599,027	Adjusted. Gross Profit	32%	191,688	-	-	191,688
23	1650.4	PREPAID EXP - OTHER	RB, WC	196,074	Adjusted. Gross Profit	32%	62,744	-	-	62,744
24	1650.41	PREPAID EXP.-MAINTENANCE	RB, WC	51,428	Adjusted. Gross Profit	32%	16,457	-	-	16,457
25	1730.1	UNBILLED REVENUES	RB, WC	429,443	Direct	100%	429,443	-	-	429,443
26	1820.2	REG ASSET-RET PLANS	RB, WC	29,556	Payroll	27%	7,980	-	-	7,980
27	1840.7	CLEARING ACCOUNT-- REFUNDS	RB, WC	34	Adjusted. Gross Profit	32%	11	-	-	11
28	1850.1	TEMPORARY SERVICES	RB, WC	25,192	Direct	100%	25,192	-	-	25,192
29										
30		DEFERRED DEBITS.								
31	1860.1	DEFERRED DEBITS - OTHER	RB, WC	52,762	Direct	100%	52,762	-		52,762
32	1860.1	DEFERRED DEBITS - RATE CASE	RB, WC	233,080	Direct	100%	233,080	(116,540)	Eliminate 1/2 Rate Case Deferral	116,540
33	1860.3	MISC DEF'D DR-UNDIST	RB, WC	14,078	Direct	100%	14,078	-	-	14,078
34	1860.21	DEFERRED DEBITS - UNDERRECOVERY FUEL	RB, WC	1,716,749	Direct	100%	1,716,749	(1,716,749)	Eliminate Under-Recovery of Fuel	-
35	1810, 1890	NET UNAMORTIZED DEBT DISCOUNT	CS	2,056,762	Allocated Consolidated Equity	33%	676,425	(32,133)	Allocated Equity Adjustment	644,292
36	1900	ACCUMULATED DEFERRED TAXES	CS	1,018,408	Direct	100%	1,018,408	-	-	1,018,408
37										
38		TOTAL ASSETS AND OTHER DEBITS.					51,741,625	(1,931,490)		49,810,135
39										

Schedule B-3 (2006)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Account No.	Account Name	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	13 MONTH AVERAGE
40		LIABILITIES AND OTHER CREDITS														
41		PROPRIETARY CAPITAL														
42	2010.1	COMMON STOCK ISSUED	(3,037,817)	(3,044,007)	(2,991,059)	(2,968,959)	(2,985,289)	(2,989,845)	(3,051,850)	(3,048,664)	(3,030,118)	(2,984,505)	(2,910,835)	(2,949,116)	(2,950,673)	(2,995,595)
43	2040.1	PREFERRED STOCK ISSUED-$1	(195,988)	(196,388)	(192,972)	(191,546)	(192,599)	(192,893)	(196,894)	(196,688)	(195,491)	(192,549)	(187,796)	(190,266)	(190,366)	(193,264)
44	2070.1	PREM ON CAPITAL STOCK	(1,796,558)	(1,800,219)	(1,768,906)	(1,755,836)	(1,765,494)	(1,768,188)	(1,804,858)	(1,802,973)	(1,792,005)	(1,765,030)	(1,721,461)	(1,744,101)	(1,745,021)	(1,771,588)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	(326,647)	(327,313)	(321,619)	(319,243)	(320,999)	(321,489)	(328,156)	(327,813)	(325,819)	(320,915)	(312,993)	(317,109)	(317,277)	(322,107)
46	2140.1	CAPITAL STOCK EXPENSE	130,659	130,925	128,648	127,697	128,400	128,595	131,262	131,125	130,328	128,366	125,197	126,844	126,911	128,843
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	(10,746,685)	(10,768,583)	(10,581,272)	(10,503,091)	(10,560,862)	(10,576,977)	(10,796,330)	(10,785,059)	(10,719,449)	(10,558,088)	(10,297,469)	(10,432,896)	(10,438,401)	(10,597,320)
48	2170.1	COMMON STOCK REACQUIRED	979,941	981,938	964,858	957,729	962,997	964,466	984,468	983,440	977,457	962,744	938,979	951,328	951,830	966,321
49	.															
50		LONG TERM DEBT														
51	2210.1	BONDS	(17,279,626)	(17,314,832)	(17,013,657)	(16,887,949)	(16,980,841)	(17,006,749)	(17,359,448)	(17,341,327)	(17,235,832)	(16,976,379)	(16,557,328)	(16,775,083)	(16,783,934)	(17,039,460)
52	.															
53		OTHER NON-CURRENT LIABILITIES														
54	2280.11	ELECTRIC STORM RESERVE	(1,506,886)	(1,516,003)	(1,526,138)	(1,536,273)	(1,546,408)	(1,556,543)	(1,562,801)	(1,572,936)	(1,583,071)	(1,588,954)	(1,599,089)	(1,609,224)	(1,636,118)	(1,564,650)
55	2280.31	PENSIONS RESERVE	(194,759)	(233,459)	(269,009)	(306,134)	(343,259)	(380,384)	(417,509)	(454,634)	(399,959)	(451,139)	(480,389)	(509,639)	(814,231)	(404,193)
56	2280.32	MEDICAL POST-RETIREMENT	(621,566)	(627,092)	(632,684)	(638,182)	(643,877)	(649,388)	(654,751)	(660,362)	(665,902)	(650,008)	(653,231)	(655,845)	(596,913)	(642,292)
57	2280.34	401(K) ACCRUAL COMPANY SH	200	271	353	-	62	-	-	-	-	-	-	-	-	68
58	2280.201	ACCRUED LIABILITY INS	(94,762)	(94,384)	(93,991)	(92,808)	(89,375)	(86,914)	(84,016)	(81,998)	(73,724)	(70,194)	(65,927)	(59,207)	(58,062)	(80,412)
59																

Schedule B-3 (2006)
FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATEI AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
40		LIABILITIES AND OTHER CREDITS								
41		PROPRIETARY CAPITAL								
42	2010.1	COMMON STOCK ISSUED	CS	(9,241,725)	Allocated Consolidated Equity	32%	(2,995,595)	100,575	Allocated Equity Adjustment	(2,895,020)
43	2040.1	PREFERRED STOCK ISSUED-$1	CS	(600,000)	Allocated Consolidated Equity	32%	(193,264)	5,311	Allocated Equity Adjustment	(187,953)
44	2070.1	PREM ON CAPITAL STOCK	CS	(5,472,569)	Allocated Consolidated Equity	32%	(1,771,588)	57,278	Allocated Equity Adjustment	(1,714,310)
45	2110.1	MISCELLANEOUS PAID IN CAPITAL - ALLOCATED	CS	(952,375)	Allocated Consolidated Equity	34%	(322,107)	23,770	Allocated Equity Adjustment	(298,337)
46	2140.1	CAPITAL STOCK EXPENSE	CS	428,441	Allocated Consolidated Equity	30%	128,843	5,368	Allocated Equity Adjustment	134,211
47	2160.1	UNAPPROPRIATED RETAINED EARNINGS	CS	(32,709,674)	Allocated Consolidated Equity	32%	(10,597,320)	350,841	Allocated Equity Adjustment	(10,246,479)
48	2170.1	COMMON STOCK REACQUIRED	CS	3,004,181	Allocated Consolidated Equity	32%	966,321	(25,245)	Allocated Equity Adjustment	941,076
49										
50		LONG TERM DEBT								
51	2210.1	BONDS	CS	(52,500,000)	Allocated Consolidated Equity	32%	(17,039,460)	593,556	Allocated Equity Adjustment	(16,445,904)
52										
53		OTHER NON-CURRENT LIABILITIES								
54	2280.11	ELECTRIC STORM RESERVE	RB, WC	(1,564,650)	DIRECT	100%	(1,564,650)	-	-	(1,564,650)
55	2280.31	PENSIONS RESERVE	RB, WC	(1,497,011)	Payroll	27%	(404,193)	-	-	(404,193)
56	2280.32	MEDICAL POST-RETIREMENT	RB, WC	(2,007,164)	Adj. Gross Profit	32%	(642,292)	-	-	(642,292)
57	2280.34	401(K) ACCRUAL COMPANY SH	RB, WC	253	Payroll	27%	68	-	-	68
58	2280.201	ACCRUED LIABILITY INS	RB, WC	(251,289)	Adj. Gross Profit	32%	(80,412)	-	-	(80,412)
59										

Schedule B-3 (2006)
FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

Line No.	Account No.	Account Name	(1) Dec 2005	(2) Jan 2006	(3) Feb 2006	(4) Mar 2006	(5) Apr 2006	(6) May 2006	(7) Jun 2006	(8) Jul 2006	(9) Aug 2006	(10) Sep 2006	(11) Oct 2006	(12) Nov 2006	(13) Dec 2006	(14) 13 MONTH AVERAGE
60		CURRENT AND ACCRUED LIABILITIES														
61	2310.1	NOTES PAYABLE	(1,077,935)	(1,080,131)	(1,061,343)	(1,053,502)	(1,059,296)	(1,060,913)	(1,082,915)	(1,081,784)	(1,075,203)	(1,059,018)	(1,032,877)	(1,046,461)	(1,047,013)	(1,062,953)
62	2320.	ACCOUNTS PAYABLE - FUEL	(2,437,949)	(2,316,675)	(2,829,932)	(2,183,772)	(2,243,795)	(2,634,160)	(2,808,393)	(2,996,631)	(3,024,777)	(2,520,776)	(2,312,588)	(2,142,845)	(2,341,685)	(2,522,614)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	(1,232,780)	(900,632)	(790,012)	(948,218)	(815,693)	(572,806)	(818,506)	(709,693)	(990,466)	(915,748)	(1,055,386)	(780,181)	(914,573)	(880,361)
64	2320.	ACCOUNTS PAYABLE - OTHER	(194,985)	(187,372)	(203,350)	(208,167)	(172,179)	(250,972)	(272,383)	(231,635)	(119,449)	(161,535)	(194,559)	(232,529)	(287,359)	(208,960)
65	2350.1	CUSTOMER DEPOSITS	(2,075,368)	(2,082,190)	(2,098,737)	(2,107,316)	(2,114,464)	(2,119,052)	(2,114,509)	(2,126,739)	(2,132,502)	(2,132,453)	(2,156,869)	(2,194,168)	(2,322,227)	(2,136,661)
66	2360.1	TAXES ACCRUED - AD VALOREM	-	(44,215)	(88,429)	(132,645)	(176,859)	(221,074)	(265,289)	(309,504)	(353,719)	(397,933)	(442,148)	35,868	-	(184,304)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	(105,972)	(124,865)	(137,169)	(112,570)	(102,488)	(93,964)	(93,960)	(93,532)	(97,184)	(99,851)	(94,586)	(98,550)	(115,386)	(105,391)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	(58,751)	(17,076)	(33,687)	(49,165)	(60,276)	(69,993)	(78,664)	(8,019)	(15,861)	(23,900)	(31,796)	(39,545)	(50,691)	(41,340)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	(822)	(7,788)	(11,905)	(18,803)	(5,353)	7,024	(1,207)	(243)	(564)	(724)	(164)	(381)	(630)	(3,197)
70	2360	TAXES ACCRUED - INCOME TAX	(40,893)	(360,317)	(711,453)	(815,037)	(867,577)	(945,656)	(306,935)	(384,817)	(489,649)	(610,581)	(687,762)	(779,410)	(481,758)	(575,527)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	(94,134)	(103,369)	(98,899)	(10,698)	(20,486)	(30,725)	(40,290)	(51,127)	(60,857)	(70,830)	(79,580)	(89,866)	(99,032)	(65,376)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	(214,409)	(236,877)	(337,114)	(439,517)	(461,759)	(223,340)	(212,914)	(235,247)	(337,142)	(439,243)	(461,802)	(222,866)	(134,950)	(304,398)
73	2380	DIVIDENDS DECLARED - PREFERRED	(2,280)	-	-	-	-	-	-	-	-	-	-	-	(2,280)	(351)
74	2410	WITHHOLDING TAXES PAYABLE	-	294	24	(13,616)	(12,433)	21,268	-	-	-	-	-	-	-	(343)
75	2410	TAX COLLECTIONS PAYABLE	(258,514)	(282,421)	(280,114)	(268,596)	(245,307)	(269,136)	(313,420)	(335,874)	(312,065)	(336,588)	(286,244)	(239,204)	(268,716)	(284,323)
76	2420	EMPLOYEE FUND	54	(214)	(1,124)	(998)	(1,054)	(946)	(1,110)	(1,043)	(934)	(889)	(768)	(863)	(1,138)	(848)
77	2420	ACCRUED VACATION	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(290,452)	(323,504)	(292,994)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	(37,512)	(20,276)	(33,967)	(47,095)	(52,599)	(56,366)	(65,968)	(70,801)	(71,072)	(69,904)	(62,193)	(50,587)	(41,655)	(52,307)
79																
80		DEFERRED CREDITS.														
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	(688,489)	(686,661)	(681,206)	(705,290)	(707,647)	(734,167)	(920,912)	(943,869)	(955,292)	(945,524)	(900,611)	(904,922)	(900,810)	(821,185)
82	2530.1	OTHER DF CR-CASHIER	-	(6)	1	2	11	(20)	53	58	239	(27)	62	413	-	60
83	2530.21	OVER RECOVERY-FUEL	(1,152,894)	(1,204,101)	(1,108,026)	(1,112,490)	(1,016,415)	(920,340)	(824,265)	(798,533)	(702,458)	(1,015,467)	(1,037,614)	(941,539)	(845,464)	(975,354)
84	2530.61	OVER RECOVERY-CONSERVATION	(107,034)	(94,858)	(102,393)	(82,249)	(93,242)	(76,924)	(73,560)	(80,019)	(79,344)	(71,437)	(71,563)	(57,569)	(44,652)	(79,603)
85	2550.1	INVEST TAX CREDIT	(157,283)	(154,589)	(151,895)	(149,201)	(146,507)	(143,813)	(141,119)	(138,425)	(135,731)	(133,037)	(130,343)	(127,649)	(124,961)	(141,119)
86																
87		ACCUMULATED DEFERRED INCOME TAXES.														
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	(6,296,537)	(6,217,731)	(6,249,645)	(6,196,513)	(6,160,627)	(6,237,537)	(6,404,978)	(6,366,958)	(6,348,902)	(7,032,304)	(6,935,132)	(6,939,934)	(6,938,060)	(6,486,528)
89																
90		TOTAL LIABILITIES AND OTHER CREDITS	(51,215,433)	(51,221,668)	(51,598,275)	(51,060,503)	(51,164,041)	(51,360,373)	(52,272,579)	(52,412,776)	(52,506,969)	(52,794,872)	(51,987,317)	(51,307,554)	(51,738,799)	(51,741,628)

91 REFERENCE:
92 RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility

Schedule B-3 (2006) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
Historical Year Ended 12/31/06
Witness: Jim Mesite

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 070304-EI

Line No.	Account No.	Account Name	(15) REFERENCE	(16) 13 MONTH CONSOLIDATED AMOUNT	(17) ALLOCATION METHOD	(19) ALLOCATION %	(20) ALLOCATED AMOUNT	(21) ADJUSTMENT	(22) REASON	(23) ADJUSTED AMOUNT
60		CURRENT AND ACCRUED LIABILITIES								
61	2310.1	NOTES PAYABLE	CS	(3,309,077)	Allocated Consolidated Equity	32%	(1,062,953)	26,367	Allocated Equity Adjustment	(1,036,586)
62	2320.	ACCOUNTS PAYABLE - FUEL	RB, WC	(2,522,614)	DIRECT	100%	(2,522,614)	-	-	(2,522,614)
63	2320.	ACCOUNTS PAYABLE - NET OF GAS & FUEL	RB, WC	(2,751,127)	Adj. Gross Profit	32%	(880,361)	-	-	(880,361)
64	2320.	ACCOUNTS PAYABLE - OTHER	RB, WC	(752,298)	Adjusted Gross Profit / Payroll	32% / 27%	(208,959)	-	-	(208,959)
65	2350.1	CUSTOMER DEPOSITS	CS	(2,136,661)	DIRECT	100%	(2,136,661)	-	-	(2,136,661)
66	2360.1	TAXES ACCRUED - AD VALOREM	RB, WC	(184,304)	DIRECT	100%	(184,304)	-	-	(184,304)
67	2360.2	TAXES ACCRUED - STATE GROSS RECEIPTS	RB, WC	(270,232)	REG GROSS PROFIT	39%	(105,390)	-	-	(105,390)
68	2360.3	TAXES ACCRUED - FPSC ASSESSMENT	RB, WC	(129,188)	Adj. Gross Profit	32%	(41,340)	-	-	(41,340)
69	2360	TAXES ACCRUED - UNEMPLOYMENT AND FICA	RB, WC	(11,840)	Payroll	27%	(3,197)	-	-	(3,197)
70	2360	TAXES ACCRUED - INCOME TAX	RB, WC	(1,798,521)	Adj. Gross Profit	32%	(575,526)	-	-	(575,526)
71	2370	INTEREST ACCRUED-CUSUSTOMER DEPOSITS	RB, WC	(65,376)	DIRECT	100%	(65,376)	-	-	(65,376)
72	2370	INTEREST ACCRUED-NOTES AND LOANS	RB, WC	(981,931)	Plant	31%	(304,399)	-	-	(304,399)
73	2380	DIVIDENDS DECLARED - PREFERRED	RB, WC	(1,096)	Adj. Gross Profit	32%	(351)	-	-	(351)
74	2410	WITHHOLDING TAXES PAYABLE	RB, WC	(1,272)	Payroll	27%	(343)	-	-	(343)
75	2410	TAX COLLECTIONS PAYABLE	RB, WC	(284,322)	DIRECT	100%	(284,322)	-	-	(284,322)
76	2420	EMPLOYEE FUND	RB, WC	(848)	DIRECT	100%	(848)	-	-	(848)
77	2420	ACCRUED VACATION	RB, WC	(1,085,164)	Payroll	27%	(292,994)	-	-	(292,994)
78	2420	PROFESSIONAL FEES & EXPENSES ACCRUED	RB, WC	(163,460)	Adj. Gross Profit	32%	(52,308)	-	-	(52,308)
79										-
80		DEFERRED CREDITS.								-
81	2520	CUSTOMER ADVANCES FOR CONSTRUCTION	RB	(821,185)	DIRECT	100%	(821,185)	-	-	(821,185)
82	2530.1	OTHER DF CR-CASHIER	RB, WC	60	DIRECT	100%	60	-	-	60
83	2530.21	OVER RECOVERY-FUEL	RB, WC	(975,354)	DIRECT	100%	(975,354)	-	-	(975,354)
84	2530.61	OVER RECOVERY-CONSERVATION	RB, WC	(79,603)	DIRECT	100%	(79,603)	-	-	(79,603)
85	2550.1	INVEST TAX CREDIT	CS	(141,119)	DIRECT	100%	(141,119)	-	-	(141,119)
86										
87		ACCUMULATED DEFERRED INCOME TAXES.								
88	2820, 2821, 2830.	ACCUMULATED DEFERRED TAXES	CS	(6,486,527)	DIRECT	100%	(6,486,527)	793,669	-	(5,692,858)
89										
90		TOTAL LIABILITIES AND OTHER CREDITS		(51,828,807)			(51,741,625)	1,931,490		(49,810,135)
91	REFERENCE:									
92	RB = Rate Base; WC = Working Capital; CS =									

Supporting Schedules: B-8 (2006), B10 (2006) | Recap Schedules: B-1 (2006), B2-2 (2006), B-4 (2006)

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Name	Size	Type	Date Modified	Location
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
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Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
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River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
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River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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Untitled (85).msg	230 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
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Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Wednesday, Apr 09, 2008 05:00 PM

Clara Leider

From: Seagrave Marc
Sent: Wednesday, July 11, 2007 2:20 PM
To: Cox Doreen
Attachments: REGULATED 15 YEAR-ESTATES AT TUSCANY.xls

Doreen,

Would you please update the attached?

Thanks!! ☺

Marc S. Seagrave

Marc Seagrave, *CSP*
Director of Marketing & Sales
Florida Public Utilities Company
401 S. Dixie Hwy
West Palm Beach, FL 33401
(561) 838-1714 Office
(561) 723-3439 Cell
(561) 833-8562 Fax
mseagrave@fpuc.com

Instructions for using the AEP & Net Present Value (NPV) Templates

Revised 5/18/2005

OBJECTIVE

The AEP & Net Present Value (NPV) Templates are to be used as an analytical tool for evaluating potential revenue generating investments and to determine the AEP surcharge rate for the recovery of the Excess Construction Costs.

INPUT

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1	**Project Name**	Short description of investment.
2	**Beginning in Year**	Projected year that the project will commence.
3	**Piping Allowance**	Estimated Piping Allowance per class of customer if not capitalized (see note 24).
4	**Occupancy Rate**	Anticipated occupancy level.
5	**Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
6	**Mains**	Cost of installing main per year.
7	**New Residential Customers**	Estimated residential customer added each month for each year.
8	**Therms per Customer each Month**	Average monthly therms per residential customer.
9	**New General Service Customers**	Estimated General Service customers added each month for each year.
10	**Therms per Customer each Month**	Average monthly therms per General Service customer.
11	**New Large Volume Customers**	Estimated Large Volume customer added each month for each year.
12	**Therms per Customer each Month**	Average monthly therms per Large Volume customer.
13	**Gas Lighting Service**	Estimated other customer added each month for each year.
14	**Therms per Customer each Month**	Average monthly therms per other customer.
15	**Customer Charge**	Estimated Customer Charge for Other Customers added.
16	**Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
17	**Other Expenses**	Other expenses estimated to be incurred from the project for each year eg Sales Rep Commissions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
18	**AEP Worksheet**	Enter AEP surcharge rate that provides cost recovery within 8-10 years.

GENERAL INFORMATION

19 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

20 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee, including piping allowance (capitalized) will be depreciated at the same rate as the other capital expenditure items. The actual contract, however, should be worded such that it allows us to depreciate the piping allowance over the life of the contract.

Instructions for using the AEP & Net Present Value (NPV) Templates

NPV MODEL ASSUMPTIONS

25 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.
26 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.
27 Required Return - WACC as per Year End Survellance Report using Cost of Equity Rate as per last Rate Case.
28 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.
29 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.
30 Interest Rate - Weighted Average Cost of Debt.
31 Depreciation Book % - Book Depreciation Rate.
32 Income Tax % - Income Tax Rate.

PROCESS

33 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**
34 Submit NPV (& AEP) worksheets for approval as per steps below.
35 Prepare IR after approval has been granted.
36 Submit approved IR , AEP worksheet and NPV to General Accounting.
37 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director
↓
Director - Propane Operations — If Propane Project
Barry Kennedy
↓
Marketing Director
Marc Seagrave
↓
Accounting
George Bachman / Doreen Cox
↓
Senior VP & COO
Chuck Stein
↓
President & CEO
Jack English
↓
Director

INPUT SHEET

Project Name **ESTATES AT TUSCANY**
Beginning in Year **2006**

Prepared By: ________
Date: **4/10/2008**
I.R. #: ________
AEP #: ________

NON AEP CONTRIBUTION **$ 7,500**

	Residential	Commercial	R Industrial	Gas Lights
Piping Allowance				

Occupancy Rate : 100%

Construction:

SERVICES-cost per customer:

Residential	General Serv	Large Volume	Gas Lights
$ 804			

Year:	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	Total Main $
MAINS:	9,418										9,418

Enter Customers ADDED each Month by Tariff Rate Schedule below:

Total Service $	Total Const.
8,841	$ 18,259

RESIDENTIAL CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2			1		1		1		1			1	5	5	725	725	350.47	232
3	1	1		1		1				1		1	6	11	1075	2575	1244.76	824
4													0	11	0	3300	1595.22	1,056
5													0	11	0	3300	1595.22	1,056
6													0	11	0	3300	1595.22	1,056
7													0	11	0	3300	1595.22	1,056
8													0	11	0	3300	1595.22	1,056
9													0	11	0	3300	1595.22	1,056
10													0	11	0	3300	1595.22	1,056

Therms per Customer each month: 25.00 << Enter average therms used per customer in a month

Base Rate per Therm Residential : 0.48340 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $8.00 << Per Tariff

GENERAL SERVICE CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm General Serv : $ 0.32107 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $15.00 << Per Tariff

LARGE VOLUME CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-

Year						
4	0	0	0	0	0.00	-
5	0	0	0	0	0.00	-
6	0	0	0	0	0.00	-
7	0	0	0	0	0.00	-
8	0	0	0	0	0.00	-
9	0	0	0	0	0.00	-
10	0	0	0	0	0.00	-

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Large Volume : $ 0.23809 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $45.00 << Per Tariff

GAS LIGHTING SERVICE

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Light each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Gas Lights $ 0.17689 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge ______ **<< Per Tariff - applicable for customers with only Gas Lights**

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other Income															
Other Expenses	200	100	125												

Area Expansion Program

Project Name: **ESTATES AT TUSCANY**
I.R. #: 0
AEP #: 0
Prepared By: 0

Procedure No. MKT 1.1
Effective Date: 4/21/2005
Revision # 12.3

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Construction and Revenue Summary:

Estimated Construction Cost (CC):	$ 18,259	(Total from input on next page)
Customer Contribution	7,500	
Four Years Revenue (MACC)*:	10,605	Four years revenue
Net Excess Construction Cost (ECC):	$ 155	

Calculation of AEP Surcharge:

AEPS= (ECC+(ROR*T1*.5*ECC))/T2*TH)

ECC	155	As computed on Wkst
ROR	8.070%	Company's Authorized Rate
T1	10	Years for collection
T2	1	(1 if total therms used forT1)
TH	26,400	Total 10 year therms
AEPS	$ 0.008	Original calculation

Manual Input: Override Computed AEPS ________

and Rate breakdown

** Rate Breakdown:		AEPS / therm	Ratio : This % of therms per class are counted in 10 year therm total
RS	Residential	0.000	100.0000%
GS	General Service	0.000	66.4191%
LVS	Large Volume Service	0.000	49.2532%
Gas Lights		0.000	36.5929%

Summary of projected Therms:

Year	Total Annual Residential Usage	Total Annual General Serv Usage	Total Annual Large Volume Usage	Total Annual Gas Light Usage	Total Therm Load Added
1	0	0	0	0	0
2	725	0	0	0	725
3	2575	0	0	0	2575
4	3300	0	0	0	3300
5	3300	0	0	0	3300
6	3300	0	0	0	3300
7	3300	0	0	0	3300
8	3300	0	0	0	3300
9	3300	0	0	0	3300
10	3300	0	0	0	3300
Total	26,400	-	-	-	26,400

Projected Cash Flow of:
Revenue

Year	Residential Non-fuel Revenue	Residential Customer Charge	General Serv. Non-fuel Revenue	General Serv. Customer Charge	Large Volume Non-fuel Revenue	Large Volume Customer Charge	Lights Non-fuel Revenue	Lights Customer Charge	Total Base Revenue	AEP collection: Excess Construction Cost	AEPS Surcharge	Balance before Interest	Interest charge (cost of money)	Total Cost To be recovered
1	-	-	-	-	-	-	-	-	$ -	$ 155	$ -	$ 155	$ 6	$ 161
2	350	232	-	-	-	-	-	-	582	-	-	161	13	174
3	1,245	824	-	-	-	-	-	-	2,069	-	-	174	14	188
4	1,595	1,056	-	-	-	-	-	-	2,651	-	-	188	15	203
5	1,595	1,056	-	-	-	-	-	-	2,651	-	-	203	16	219
6	1,595	1,056	-	-	-	-	-	-	2,651	-	-	219	18	237
7	1,595	1,056	-	-	-	-	-	-	2,651	-	-	237	19	256
8	1,595	1,056	-	-	-	-	-	-	2,651	-	-	256	21	277
9	1,595	1,056	-	-	-	-	-	-	2,651	-	-	277	22	299
10	1,595	1,056	-	-	-	-	-	-	2,651	-	-	299	24	323
Total	$ 12,762	$ 8,448	$ -	$ -	$ -	$ -	$ -	$ -	$ 21,210	$ 155	$ -		$ 169	

MODIFIED TO INCLUDE CUSTOMER CONTRIBUTION

Cash Flow Investment Analysis

Date: 4/10/2008 | Revision # 12.3
Procedure No. ACT-5.11
Effective Date: 4/6/2006

REGULATED / NON-REGULATED
R

Project Title: **ESTATES AT TUSCANY**
Beginning in Year: **2006**

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Input Area:

	Residential	Commercial	Industrial	Gas Lights
Annual Therms per Customer / Light	300	-	-	-
Piping Allowance	$ -	$ -	$ -	$ -
Cost of SERVICE per Customer	$ 804	$ -	$ -	$ -
Customer Charge (mth)	$8.00	$15.00	$45.00	$0.00
Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$0.17689

Overall Result: **Project meets or exceeds minimum 15 year required return!**

Occupancy Rate : 100%

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
New Residential Customers	-	5	6	-	-	-	-	-	-	-					
New Commercial Customers	-	-	-	-	-	-	-	-	-	-					
New Industrial Customers	-	-	-	-	-	-	-	-	-	-					
New Gas Lights	-	-	-	-	-	-	-	-	-	-					
Total Customers added for year	0	5	6	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Customers	0	5	11	11	11	11	11	11	11	11	11	11	11	11	11
Total Gas Lights added for year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Gas Lights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	200	100	125	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures on Services	-	4,019	4,823	-	-	-	-	-	-	-					
Capital Expenditures (Exc. Services)	9,418	-	-	-	-	-	-	-	-	-					
Upfront Capital Exp (Contributions)'	(7,500)														
Total Capital Expenditures by Year	$ 1,918	$ 4,019	$ 4,823	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

List AEP ECC as contribution (credit)

Output Area: Cash Flow by Year

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Base Revenue	$0	$582	$2,069	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$0	$582	$2,069	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651
O&M Expense (Incl TOTI)	0	181	641	822	822	822	822	822	822	822	822	822	822	822	822
Other Expenses	200	100	125	0	0	0	0	0	0	0	0	0	0	0	0
Amortized Piping Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation, Book	128	396	717	717	717	717	717	717	717	717	717	717	717	717	717
	328	676	1,484	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539
Operating Income before Income Tax	(328)	(94)	585	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112
Adjust to cash flow:															
Add: Depreciation, Book	128	396	717	717	717	717	717	717	717	717	717	717	717	717	717
Add: Amortized Piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Actual Income Tax	(140)	(110)	63	223	281	334	382	420	445	449	449	449	449	449	449
After Tax Cash Flow (before capital investments)	(60)	412	1,240	1,606	1,549	1,495	1,448	1,410	1,384	1,380	1,380	1,380	1,380	1,380	1,380
Less: Piping Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Capital Expenditure - Cash Outlay	1,918	4,019	4,823	-	-	-	-	-	-	-	-	-	-	-	-
Memo: Cumulative Capital Expenditure	1,918	5,937	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759
Asset remaining value															14,635
Net Cash Flow (w/ 15 yr ending book value)	(1,979)	(3,606)	(3,583)	1,606	1,549	1,495	1,448	1,410	1,384	1,380	1,380	1,380	1,380	1,380	16,015
Net Present Value (fifteen years) $	**6,000**	*Zero = Meets Required Return*													
Operating Income before Income Tax	(328)	(94)	585	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112
Less:Interest Costs*	75	212	348	287	229	172	117	63	11	0	0	0	0	0	0
Net Income before Taxes	(403)	(306)	237	825	884	940	995	1,049	1,102	1,112	1,112	1,112	1,112	1,112	1,112
Less: Book Income Tax (37.63%)	(152)	(115)	89	310	332	354	374	395	414	418	418	418	418	418	418
Net Income after Book I/T	(251)	(191)	148	514	551	587	621	654	687	694	694	694	694	694	694
Earnings Per Share - Investment															
Corporate EPS after Investment	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Cumulative Net Cash Flow	(1,979)	(5,585)	(9,168)	(7,562)	(6,013)	(4,518)	(3,070)	(1,661)	(277)	1,104	2,484	3,864	5,244	6,624	22,639
Cumulative Depr. Reserve	128	524	1,241	1,958	2,676	3,393	4,110	4,827	5,545	6,262	6,979	7,697	8,414	9,131	9,849
Cumulative Piping Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book Rate of Return	**-9.84%**	**0.39%**	**5.21%**	**9.11%**	**9.64%**	**10.29%**	**11.09%**	**12.09%**	**13.38%**	**15.42%**	**18.35%**	**22.65%**	**29.58%**	**42.60%**	**76.15%**
Economic Value Added (EVA)	**(321)**	**(416)**	**(272)**	**92**	**127**	**164**	**201**	**239**	**277**	**331**	**389**	**447**	**504**	**562**	**15,255**
NPV (EVA) $	**6,000**														

Net Present Value of Cap. Exp.	9,766
Net Present Value of Pip. Exp.	0

Average Rate of Return on Investment:
15 Years (IRR) **15%**

Revenue Comparison:
Four Year Revenue $10,605

Customer Totals:	**15 Yr Total**
Added Residential Customers	11
Added Commercial Customers	-
Added Industrial Customers	-
Cumulative Customers	11

Capital Expenditure per Customer $ 978

Summary of Rates used

Depreciation Book %	6.67%
Income Tax %	37.62%
Base Earnings per Share	$ 0.71

Required Return	8.07%
Ratio of Debt Financing	50.00%
O&M Expense %	31.00%
Interest Rate	7.60%

CONFIDENTIAL

6859

RATES :		RESIDENTIAL	COMMERCIAL	INDUSTRIAL	GAS LIGHTS
REGULATED	Customer Charge (mth)	$8.00	$15.00	$45.00	$ -
	Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$ 0.17689

	REGULATED	NON-REGULATED
REQUIRED RETURN	8.07%	15.00%

TEMPLATE REVISION LOG

NPV Rev #	AEP Rev #	Date	Name	Changes Made	Approved By
		1/22/2004	DC	Made template a R only - NR will be done on the original 15 year template.	GB, DK
		1/27/2004	DC	Change Months on Input Sheet to "Month 1", "Month 2" etc	GB, DK
		1/27/2004	DC	Added detailed approval section on AEP Worksheet	DK
		1/28/2004	DC	Corrected AEP cell # C35 to reference Input S23	DK
		1/29/2004	DC	Changed AEP Deferred Costs formulas (Col K35 - K 44) so that Deferred Charges do not exceed amounts projected to be spent. Revised comment. Confirmed with MN and BG that costs are allocated first to ECC in the books.	DK, GB
		1/29/2004	DC	Changed NPV Cell B23 to an "IF" Statement, so that projects that do not have an ECC show aero contribution on the NPV.	DK
		1/29/2004	DC	Put if statement on AEP worksheet so that projects that do not have an ECC do not calculate a Deferred Debit, interest etc..	
11.4	1.2	7/8/2004	DC	Updated Non-Fuel Rates as per Interim Rates approved by PSC effective for Meter Reads August 2004. NSB template removed - rates for rest of Company to be used as rates will eventually be the same at final hearing.	GB, DK
11.5		10/6/2004	DC	Revised formula for the contribution on the NPV to be zero when there is no AEP surcharge even though there may be a small ECC.	GB
11.6		11/18/2004	DC	Updated Non-Fuel Rates as per Rates approved by PSC effective 11/18/04	MS, DK, GB
		11/18/2004	DC	Updated Interest Rate - See back-up WACD - Gas Rate Case	GB
		11/18/2004	DC	Updated ROR to reflect WACC approved in NG Rate Case effective 11/18/04	GB
	1.3	11/18/2004	DC	Updated ROR as per WACC approved in Gas Rate Case 10/18/04 effective 11/18/04	GB
		11/18/2004	DC	Added Gas Lighting Service - checked by DK 10/29/04	GB, DK
11.7	1.4	2/18/2005	DC	Update ROR to reflect Year-end Surveillance Rate	GB
12	2	3/9/2005	DC	Link AEP & NPV to Input Sheet so that revenues are recognized in the month of projecte not year-end turn-ons.	GB, DK
12.1	2.1	3/31/2005	DC	Updated ROR to reflect final Year-end Surveillance Report Rate	CM
12.2	12.2	4/21/2005	DC	Updated O&M % to reflect Budget 2005 (adjusted for Propane savings $604 less tax)	GB
12.2		2/24/2006	DC	Updated Avg Shares Outstansing and Available for Common as at 12/31/2005	GB
12.3	12.3	4/6/2006	DC	Update ROR to reflect Dec 2005 Average Mid-Point Surveillance Rate	GB

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RE SUMMER GLEN IR 21319.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Summer Glenn and Lauderhill System Data.msg	50 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Testimony.msg	200 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
RE Update (41).msg	35 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
RE Update (42).msg	39 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
RE Update (57).msg	35 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Update (59).msg	39 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Update on cost of capital.msg	29 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
RE Update On Schedule D-2 (20).msg	31 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
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Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
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Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
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Thursday, Apr 10, 2008 08:58 AM

Clara Leider

From: Seagrave Marc
Sent: Wednesday, July 11, 2007 2:20 PM
To: Cox Doreen
Attachments: REGULATED 15 YEAR-ESTATES AT TUSCANY.xls

Doreen,

Would you please update the attached?

Thanks!! ☺

Marc S. Seagrave

Marc Seagrave, *CSP*
Director of Marketing & Sales
Florida Public Utilities Company
401 S. Dixie Hwy
West Palm Beach, FL 33401
(561) 838-1714 Office
(561) 723-3439 Cell
(561) 833-8562 Fax
mseagrave@fpuc.com

Instructions for using the AEP & Net Present Value (NPV) Templates

Revised 5/18/2005

OBJECTIVE

The AEP & Net Present Value (NPV) Templates are to be used as an analytical tool for evaluating potential revenue generating investments and to determine the AEP surcharge rate for the recovery of the Excess Construction Costs.

INPUT

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1	**Project Name**	Short description of investment.
2	**Beginning In Year**	Projected year that the project will commence.
3	**Piping Allowance**	Estimated Piping Allowance per class of customer if not capitalized (see note 24).
4	**Occupancy Rate**	Anticipated occupancy level.
5	**Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
6	**Mains**	Cost of installing main per year.
7	**New Residential Customers**	Estimated residential customer added each month for each year.
8	**Therms per Customer each Month**	Average monthly therms per residential customer.
9	**New General Service Customers**	Estimated General Service customers added each month for each year.
10	**Therms per Customer each Month**	Average monthly therms per General Service customer.
11	**New Large Volume Customers**	Estimated Large Volume customer added each month for each year.
12	**Therms per Customer each Month**	Average monthly therms per Large Volume customer.
13	**Gas Lighting Service**	Estimated other customer added each month for each year.
14	**Therms per Customer each Month**	Average monthly therms per other customer.
15	**Customer Charge**	Estimated Customer Charge for Other Customers added.
16	**Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
17	**Other Expenses**	Other expenses estimated to be incurred from the project for each year eg Sales Rep Commissions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
18	**AEP Worksheet**	Enter AEP surcharge rate that provides cost recovery within 8-10 years.

GENERAL INFORMATION

19 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

20 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee, including piping allowance (capitalized) will be depreciated at the same rate as the other capital expenditure items. The actual contract, however, should be worded such that it allows us to depreciate the piping allowance over the life of the contract.

Instructions for using the AEP & Net Present Value (NPV) Templates

NPV MODEL ASSUMPTIONS

25 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.
26 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.
27 Required Return - WACC as per Year End Survellance Report using Cost of Equity Rate as per last Rate Case.
28 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.
29 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.
30 Interest Rate - Weighted Average Cost of Debt.
31 Depreciation Book % - Book Depreciation Rate.
32 Income Tax % - Income Tax Rate.

PROCESS

33 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**
34 Submit NPV (& AEP) worksheets for approval as per steps below.
35 Prepare IR after approval has been granted.
36 Submit approved IR , AEP worksheet and NPV to General Accounting.
37 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director
↓
Director - Propane Operations — If Propane Project
Barry Kennedy
↓
Marketing Director
Marc Seagrave
↓
Accounting
George Bachman / Doreen Cox
↓
Senior VP & COO
Chuck Stein
↓
President & CEO
Jack English
↓
Director

INPUT SHEET

Project Name **ESTATES AT TUSCANY**
Beginning in Year **2006**

NON AEP CONTRIBUTION **$ 7,500**

	Residential	Commercial	R Industrial	Gas Lights
Piping Allowance				

Occupancy Rate : 100%

Construction:

SERVICES-cost per customer:

Residential	General Serv	Large Volume	Gas Lights
$ 804			

Year:	1st	2nd	3rd	4th	5th	6th	7th	8th
MAINS:	9,418							

Enter Customers ADDED each Month by Tariff Rate Schedule below:

RESIDENTIAL CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms
1													0	0	0
2			1		1		1		1			1	5	5	725
3	1	1		1		1				1		1	6	11	1075
4													0	11	0
5													0	11	0
6													0	11	0
7													0	11	0
8													0	11	0
9													0	11	0
10													0	11	0

Therms per Customer each month: 25.00 << Enter average therms used per customer in a month

Base Rate per Therm Residential : 0.48340 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $8.00 << Per Tariff

GENERAL SERVICE CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms
1													0	0	0
2													0	0	0
3													0	0	0
4													0	0	0
5													0	0	0
6													0	0	0
7													0	0	0
8													0	0	0
9													0	0	0
10													0	0	0

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm General Serv : $ 0.32107 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $15.00 << Per Tariff

LARGE VOLUME CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms
1													0	0	0
2													0	0	0
3													0	0	0
4													0	0	0
5													0	0	0
6													0	0	0
7													0	0	0
8													0	0	0
9													0	0	0
10													0	0	0

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Large Volume : $ 0.23809 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $45.00 << Per Tariff

GAS LIGHTING SERVICE

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms
1													0	0	0
2													0	0	0
3													0	0	0
4													0	0	0
5													0	0	0
6													0	0	0
7													0	0	0
8													0	0	0
9													0	0	0
10													0	0	0

Therms per Light each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Gas Lights $ 0.17689 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge ______ **<< Per Tariff - applicable for customers with only Gas Lights**

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other Income															
Other Expenses	200	100	125												

Prepared By: ____________

Date: 4/10/2008

I.R. #: ____________

AEP #: ____________

9th	10th	Total Main $
		9,418
	Total Service $	Total Const.
	8,841	$ 18,259

Therm Sales for the Year	Energy Charge	Customer charge
0	0.00	-
725	350.47	232
2575	1244.76	824
3300	1595.22	1,056
3300	1595.22	1,056
3300	1595.22	1,056
3300	1595.22	1,056
3300	1595.22	1,056
3300	1595.22	1,056
3300	1595.22	1,056

Therm Sales for the Year	Energy Charge	Customer charge
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-

Therm Sales for the Year	Energy Charge	Customer charge
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-

Therm Sales for the Year	Energy Charge	Customer charge
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-
0	0.00	-

Area Expansion Program

Project Name: ESTATES AT TUSCANY
I.R. #: 0
AEP #: 0
Prepared By: 0

Procedure No. MKT 1.1
Effective Date: 4/21/2005
Revision # 12.3

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Construction and Revenue Summary:

Estimated Construction Cost (CC):	$ 18,259	(Total from input on next page)
Customer Contribution	7,500	
Four Years Revenue (MACC)*:	10,605	Four years revenue
Net Excess Construction Cost (ECC):	$ 155	

Calculation of AEP Surcharge:

AEPS= (ECC+(ROR*T1*.5*ECC))/T2*TH)

ECC	155	As computed on Wkst
ROR	8.070%	Company's Authorized Rate
T1	10	Years for collection
T2	1	(1 if total therms used forT1)
TH	26,400	Total 10 year therms
AEPS	$ 0.008	Original calculation

Manual Input: Override Computed AEPS ____________
and Rate breakdown

	** Rate Breakdown:	AEPS / therm	Ratio : This % of therms per class are counted in 10 year therm total
RS	Residential	0.000	100.0000%
GS	General Service	0.000	66.4191%
LVS	Large Volume Service	0.000	49.2532%
Gas Lights		0.000	36.5929%

Summary of projected Therms:

Year	Total Annual Residential Usage	Total Annual General Serv Usage	Total Annual Large Volume Usage	Total Annual Gas Light Usage	Total Therm Load Added
1	0	0	0	0	0
2	725	0	0	0	725
3	2575	0	0	0	2575
4	3300	0	0	0	3300
5	3300	0	0	0	3300
6	3300	0	0	0	3300
7	3300	0	0	0	3300
8	3300	0	0	0	3300
9	3300	0	0	0	3300
10	3300	0	0	0	3300
Total	26,400	-	-	-	26,400

Projected Cash Flow of:
Revenue

Year	Residential Non-fuel Revenue	Residential Customer Charge	General Serv. Non-fuel Revenue	General Serv. Customer Charge	Large Volume Non-fuel Revenue	Large Volume Customer Charge	Lights Non-fuel Revenue	Lights Customer Charge	Total Base Revenue	AEP collection: Excess Construction Cost	AEPS Surcharge	Balance before Interest	Interest charge (cost of money)	Total Cost To be recovered
1	-	-	-	-	-	-	-	-	$ -	$ 155	$ -	$ 155	$ 6	$ 161
2	350	232	-	-	-	-	-	-	582	-	-	161	13	174
3	1,245	824	-	-	-	-	-	-	2,069	-	-	174	14	188
4	1,595	1,056	-	-	-	-	-	-	2,651	-	-	188	15	203
5	1,595	1,056	-	-	-	-	-	-	2,651	-	-	203	16	219
6	1,595	1,056	-	-	-	-	-	-	2,651	-	-	219	18	237
7	1,595	1,056	-	-	-	-	-	-	2,651	-	-	237	19	256
8	1,595	1,056	-	-	-	-	-	-	2,651	-	-	256	21	277
9	1,595	1,056	-	-	-	-	-	-	2,651	-	-	277	22	299
10	1,595	1,056	-	-	-	-	-	-	2,651	-	-	299	24	323
Total	$ 12,762	$ 8,448	$ -	$ -	$ -	$ -	$ -	$ -	$ 21,210	$ 155	$ -		$ 169	

MODIFIED TO INCLUDE CUSTOMER CONTRIBUTION

Cash Flow Investment Analysis

Date: 4/10/2008

Revision #		12.3
Procedure No.		ACT-5.11
Effective Date:		4/6/2006
	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

REGULATED / NON-REGULATED: R

Project Title: **ESTATES AT TUSCANY**
Beginning in Year: **2006**

Overall Result: **Project meets or exceeds minimum 15 year required return!**

Occupancy Rate: 100%

Input Area:

	Residential	Commercial	Industrial	Gas Lights
Annual Therms per Customer / Light	300	-	-	-
Piping Allowance	$ -	$ -	$ -	$ -
Cost of SERVICE per Customer	$ 804	$ -	$ -	$ -
Customer Charge (mth)	$8.00	$15.00	$45.00	$0.00
Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$0.17689

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
New Residential Customers	-	5	6	-	-	-	-	-	-	-					
New Commercial Customers	-	-	-	-	-	-	-	-	-	-					
New Industrial Customers	-	-	-	-	-	-	-	-	-	-					
New Gas Lights	-	-	-	-	-	-	-	-	-	-					
Total Customers added for year	0	5	6	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Customers	0	5	11	11	11	11	11	11	11	11	11	11	11	11	11
Total Gas Lights added for year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Gas Lights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	200	100	125	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures on Services	-	4,019	4,823	-	-	-	-	-	-	-					
Capital Expenditures (Exc. Services)	9,418	-	-	-	-	-	-	-	-	-					
Upfront Capital Exp (Contributions)[1]	(7,500)														
Total Capital Expenditures by Year	$ 1,918	$ 4,019	$ 4,823	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

List AEP ECC as contribution (credit)

Output Area: Cash Flow by Year

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Base Revenue	$0	$582	$2,069	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$0	$582	$2,069	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651	$2,651
O&M Expense (Incl TOTI)	0	181	641	822	822	822	822	822	822	822	822	822	822	822	822
Other Expenses	200	100	125	0	0	0	0	0	0	0	0	0	0	0	0
Amortized Piping Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation, Book	128	396	717	717	717	717	717	717	717	717	717	717	717	717	717
	328	676	1,484	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539
Operating Income before Income Tax	(328)	(94)	585	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112
Adjust to cash flow:															
Add: Depreciation, Book	128	396	717	717	717	717	717	717	717	717	717	717	717	717	717
Add: Amortized Piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Actual Income Tax	(140)	(110)	63	223	281	334	382	420	445	449	449	449	449	449	449
After Tax Cash Flow (before capital investments)	(60)	412	1,240	1,606	1,549	1,495	1,448	1,410	1,384	1,380	1,380	1,380	1,380	1,380	1,380
Less: Piping Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Capital Expenditure - Cash Outlay	1,918	4,019	4,823	-	-	-	-	-	-	-	-	-	-	-	-
Memo: Cumulative Capital Expenditure	1,918	5,937	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759
Asset remaining value															14,635
Net Cash Flow (w/ 15 yr ending book value)	(1,979)	(3,606)	(3,583)	1,606	1,549	1,495	1,448	1,410	1,384	1,380	1,380	1,380	1,380	1,380	16,015

Net Present Value (fifteen years) $ 6,000 *Zero = Meets Required Return*

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operating Income before Income Tax	(328)	(94)	585	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112
Less:Interest Costs*	75	212	348	287	229	172	117	63	11	0	0	0	0	0	0
Net Income before Taxes	(403)	(306)	237	825	884	940	995	1,049	1,102	1,112	1,112	1,112	1,112	1,112	1,112
Less: Book Income Tax (37.63%)	(152)	(115)	89	310	332	354	374	395	414	418	418	418	418	418	418
Net Income after Book I/T	(251)	(191)	148	514	551	587	621	654	687	694	694	694	694	694	694
Earnings Per Share - Investment															
Corporate EPS after Investment	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Cumulative Net Cash Flow	(1,979)	(5,585)	(9,168)	(7,562)	(6,013)	(4,518)	(3,070)	(1,661)	(277)	1,104	2,484	3,864	5,244	6,624	22,639
Cumulative Depr. Reserve	128	524	1,241	1,958	2,676	3,393	4,110	4,827	5,545	6,262	6,979	7,697	8,414	9,131	9,849
Cumulative Piping Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book Rate of Return	-9.84%	0.39%	5.21%	9.11%	9.64%	10.29%	11.09%	12.09%	13.38%	15.42%	18.35%	22.65%	29.58%	42.60%	76.15%
Economic Value Added (EVA)	(321)	(416)	(272)	92	127	164	201	239	277	331	389	447	504	562	15,255
NPV (EVA) $	6,000														

Net Present Value of Cap. Exp. 9,766
Net Present Value of Pip. Exp. 0

Average Rate of Return on Investment:
15 Years (IRR) 15%

Revenue Comparison:
Four Year Revenue $10,605

Customer Totals:	**15 Yr Total**
Added Residential Customers	11
Added Commercial Customers	-
Added Industrial Customers	-
Cumulative Customers	11
Capital Expenditure per Customer $	978

Summary of Rates used

Depreciation Book %	6.67%
Income Tax %	37.62%
Base Earnings per Share	$ 0.71
Required Return	8.07%
Ratio of Debt Financing	50.00%
O&M Expense %	31.00%
Interest Rate	7.60%

CONFIDENTIAL

RATES :		RESIDENTIAL	COMMERCIAL	INDUSTRIAL	GAS LIGHTS
REGULATED	Customer Charge (mth)	$8.00	$15.00	$45.00	$ -
	Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$ 0.17689

	REGULATED	NON-REGULATED
REQUIRED RETURN	8.07%	15.00%

TEMPLATE REVISION LOG

NPV Rev #	AEP Rev #	Date	Name	Changes Made	Approved By
		1/22/2004	DC	Made template a R only - NR will be done on the original 15 year template.	GB, DK
		1/27/2004	DC	Change Months on Input Sheet to "Month 1", "Month 2" etc	GB, DK
		1/27/2004	DC	Added detailed approval section on AEP Worksheet	DK
		1/28/2004	DC	Corrected AEP cell # C35 to reference Input S23	DK
		1/29/2004	DC	Changed AEP Deferred Costs formulas (Col K35 - K 44) so that Deferred Charges do not exceed amounts projected to be spent. Revised comment. Confirmed with MN and BG that costs are allocated first to ECC in the books.	DK, GB
		1/29/2004	DC	Changed NPV Cell B23 to an "IF" Statement, so that projects that do not have an ECC show aero contribution on the NPV.	DK
		1/29/2004	DC	Put if statement on AEP worksheet so that projects that do not have an ECC do not calculate a Deferred Debit, interest etc..	
11.4	1.2	7/8/2004	DC	Updated Non-Fuel Rates as per Interim Rates approved by PSC effective for Meter Reads August 2004. NSB template removed - rates for rest of Company to be used as rates will eventually be the same at final hearing.	GB, DK
11.5		10/6/2004	DC	Revised formula for the contribution on the NPV to be zero when there is no AEP surcharge even though there may be a small ECC.	GB
11.6		11/18/2004	DC	Updated Non-Fuel Rates as per Rates approved by PSC effective 11/18/04	MS, DK, GB
		11/18/2004	DC	Updated Interest Rate - See back-up WACD - Gas Rate Case	GB
		11/18/2004	DC	Updated ROR to reflect WACC approved in NG Rate Case effective 11/18/04	GB
	1.3	11/18/2004	DC	Updated ROR as per WACC approved in Gas Rate Case 10/18/04 effective 11/18/04	GB
		11/18/2004	DC	Added Gas Lighting Service - checked by DK 10/29/04	GB, DK
11.7	1.4	2/18/2005	DC	Update ROR to reflect Year-end Surveillance Rate	GB
12	2	3/9/2005	DC	Link AEP & NPV to Input Sheet so that revenues are recognized in the month of projecte not year-end turn-ons.	GB, DK
12.1	2.1	3/31/2005	DC	Updated ROR to reflect final Year-end Surveillance Report Rate	CM
12.2	12.2	4/21/2005	DC	Updated O&M % to reflect Budget 2005 (adjusted for Propane savings $604 less tax)	GB
12.2		2/24/2006	DC	Updated Avg Shares Outstansing and Available for Common as at 12/31/2005	GB
12.3	12.3	4/6/2006	DC	Update ROR to reflect Dec 2005 Average Mid-Point Surveillance Rate	GB

D:\Exhibit 2.8\COX

Back Search Folders

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Folders

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BACHMA
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Name	Size	Type	Date Modified	Location
RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
River Oaks (57).msg	697 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Untitled (15).msg	150 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (21).msg	380 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Untitled (34).msg	380 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Untitled (45).msg	303 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
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Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Thursday, Apr 10, 2008 09:01 AM

Clara Leider

From: Lundgren April

Sent: Monday, June 04, 2007 7:31 AM

To: Jaeger Melanie; Khojasteh Mehrdad; Martin Cheryl; Napier Michelle; Myers Don; Cutshaw Mark; Kitner Don; Kennedy Barry; Wilson Audra; Cox Doreen; Bachman George; Knowles Terry; Young Curtis; Petty Julie; Oakes Kathi; Hughley Stephanie; Snyder Chris; Arthur Pam; Santaella Mary; Matthew Cherie; Palacios Cindy; Bhatia Nadira; Serraes John; Rance Donna; Jones Tanzanika; Wade Sharon; Allen Robin; Bonn Wayne; Grimeson Bill; Lundgren April; Mesite Jim; English Jack

Attachments: Internal Controls Master Checklist.xls

Hi Everyone!

As many of you are aware, the Company has specific internal controls that must be performed on a regular basis. Additionally, we need to be able to provide documentation to show we have complied with our internal controls requirements. Therefore, I am attaching a checklist of our company's internal controls. Please review the file and let me know if you have been assigned any items that need to be reassigned, and who the responsible individual should be. Also, if you are responsible for an item, but the control needs to be modified to reflect practice please send me your revisions (track the changes so I can clearly see what has been revised). To help make it easier for review, you can click the arrow next to "Responsibility" in cell A3 and select your position to view only the internal control requirements specific to your position.

Thanks for your help!

Thank you,
April Lundgren
Sr. SEC Accountant
Florida Public Utilities Company
561.838.1788

Internal Controls Checklist

Responsibility	Freq	Control #	Control Description
Cash Accountant	Daily	4	Cash is disbursed from a limited number of bank accounts, inter-company account transfers are minimized; and inactive accounts are closed timely.
Cash Accountant	Monthly	1	The Cash Accountant who is independent of the cash disbursements function prepares bank account reconciliations monthly.
Accounting Manager	Monthly	2	The General Accounting Manager reviews, approves and signs off on all bank reconciliations monthly except for payroll account and returns.
Division Manager	Monthly	3	Expense account balances are compared to current and prior year amounts; large variances are investigated by Division Managers who are held accountable to the budget by management.
Cash Accountant	Daily	4	Borrowings and repayments to the line of credit (LOC) are done automatically by Bank of America on a daily basis, based on daily cash requirements.
Cash Accountant	Monthly	2	Cash is reconciled monthly by the Cash Accountant and all reconciling items are investigated and cleared timely.
Cash Accountant	Monthly	5	The Cash Accountant records the borrowings on the LOC per the bank statement. The General Ledger Accountant reconciles LOC per bank statement to the general ledger.
Cash Accountant	Monthly	6	LOC Interest is automatically withdrawn from the bank account monthly and the Cash Accountant reconciles the bank accounts monthly.
GL Accountant	Monthly	8	General Ledger Accountant performs a reconciliation of accrued interest each month that is reviewed and approved by the General Accounting Manager.
Cash Accountant	Monthly	9	Bank notifies Company when the interest is due on the long-term debt. The interest is paid via a wire transfer.
GL Accountant	Quarterly	7	General Leger Accountant analyzes the monthly interest expense based on current borrowings and verifies the interest charged and recorded is reasonable.
Financial Analyst	Quarterly	10	The financial analyst calculates the Company's compliance with the debt covenants and the CFO reviews and approves the calculation.
CFO	Annual	1	The Board of Directors are required to approve all financing to be obtained by the Company.
CFO	Annual	3	The CFO is the only person able to initiate and create a letter of credit with the bank.
IT Director	Daily	10	Only Customer Relations Director, Customer Information Systems Manager, IT Director, CFO and Business Systems Analyst have access to the customer rate master file in ORCOM
Sr Regulatory Acct	Monthly	1	There is a set formula to the price structure: Selling Price is fuel rate plus base rate plus conservation. This formula is consistently used each year.
Sr Regulatory Acct	Monthly	5	Projected over/under recovery is monitored and updated from actual monthly billings and cost by Senior Regulatory Accountant on a monthly basis and filed with the commission
Sr Regulatory Acct	Annual	3	Senior Regulatory Accountant calculates the fuel price to be charged for the year based on the annual electricity contract. The annual electric contract fixes the price of electricity for the entire year and therefore the rates are only updated once a year
Sr Regulatory Acct	Annual	4	Fuel rate for the following year are prepared by Senior Regulatory Accountant in August or September in a given year using budgeted information on usage and cost, and it is filed with the Commission. In early November or December, the Commission approves the monthly projected rates for the following year. These rates are used for billing customers in the following year
Sr Regulatory Acct	Annual	6	After the projected rates for the following year is approved by the Commission, Senior Regulatory Accountant prepares an e-mail to notify Customer Relations Department of new approved rate per the commission.
Cust Relations Director	Annual	7	Customer Relations Director inputs the rate change in the ORCOM (billing system).
Cust Information Mgr	Annual	8	Customer Information Manager verifies the rate in ORCOM agrees to the new rate communicated by the Senior Regulatory Accountant and approves the entry.
Sr Regulatory Acct	Annual	9	The Fuel Rate Memo is sent out to each division by Senior Regulatory Accountant once the PPA is determined, so each division is aware of the current rate.
CIS Analyst	Annual	11	FPU establishes an annual fixed billing meter reading schedule and distributes the schedule to the local offices. The schedule identifies the exact dates when the rate will change which is effective on the "read date" of cycle 1 of each January
Cust Relations Director	Annual	12	Customer Relations Director ensures that the Senior Regulatory Accountant has submitted the rate change form each year prior to the scheduled effective date.
CIS Manager	Annual	13	CIS Manager verifies the rate change entry in ORCOM was completed by the required effective date. CIS Manager's review is documented by signing and dating the Fuel Adjustment Form Electric.
Accounting Manager	As Req	2	Base Rate is determined by the Commission, and it is only changed when a new rate study is done.
Gas Logistics Mgr	Daily	3	FPU currently limits propane purchases to two main vendors: INERGY and DYNEGY.
IT Director	Daily	6	Only Customer Relations Director, Customer Information Manager, IT Director, CFO, and Business Systems Analyst have access to the customer rate master file in ORCOM
Propane Director	Monthly	1	Director of Propane sends out the ORCOM Propane Rates and Propane Rates Quick Reference to each division, marketing staff and customer relations department once the price is determined, so each propane related personnel is aware of the current rate.
Propane Director	Monthly	2	Propane Gas Adjustment Form to change the price charged per unit of propane is prepared and signed off by Director of Propane.
Cust Relations Director	Monthly	4	Customer Relations Director signs off on the Propane Gas Adjustment Form and inputs the rate change in ORCOM (billing system).
Cust Information Mgr	Monthly	5	Customer Information Manager verifies the rate in ORCOM agrees to the amount indicated on the Propane Gas Adjustment Form and approves the entry.
CIS Analyst	Monthly	7	FPU establishes an annual fixed billing meter readingp schedule and distributes the schedule to the local offices. The schedule identifies the exact dates when the rate will change which is effective on the "read date" of cycle 1 of each month for metered propane and the "billed date" of cycle 1 of each month for bulk propane.
Cust Relations Director	Monthly	8	Customer Relations Director ensures that the Director of Propane has submitted the rate change form each month prior to the scheduled effective date.
CIS Manager	Monthly	9	CIS Manager verifies the rate change entry in ORCOM was completed by the required effective date. CIS Manager's review is documented by signing and dating the Propane Gas Adjustment Form.
IT Director	Daily	11	Only Customer Relations Director, Customer Information Systems Manager, IT Director, CFO, and Business Systems Analyst have access to the customer rate master file in ORCOM

Responsibility	Freq	Control #	Control Description
Sr Regulatory Acct	Monthly	1	There is a set formula to the price structure: Selling Price is PGA plus Base Rate plus conservation plus AEP and surcharges where applicable. This formula is consistently used each year.
Sr Regulatory Acct	Monthly	3	Projected over/under recovery is monitored and updated from actual monthly billings and cost by Senior Regulatory Accountant on a monthly basis and filed with the commission
Gas Logistics Mgr	Monthly	4	PGA is compared with market rate each month for reasonableness check by Gas Logistics Manager and documented on the Projected Rate Sheet.
Gas Logistics Mgr	Monthly	5	Gas Logistics Manager determines the PGA for forward months based on the Projected Rate Sheet prepared by Senior Regulatory Accountant which details budget and accounting projections and updates for current market conditions
Gas Logistics Mgr	Monthly	7	Gas Logistics Manager prepares and signs off on the Natural Gas Rate Adjustment form and submits to Customer Relations Department.
Cust Relations Director	Monthly	8	Customer Relations Director signs off on the Natural Gas Rate Adjustment form and inputs the rate change in ORCOM (billing system).
Cust Information Mgr	Monthly	9	Customer Information Manager verifies the rate in ORCOM agrees to the approved Natural Gas Rate Adjustment form and approves the entry.
Gas Logistics Mgr	Monthly	10	The PGA Sheet is sent out to each natural gas division by Gas Logistics Manager once the PGA is determined for each month. so each division is aware of the current rate. The PGA Sheet includes current rate and historical data.
CIS Analyst	Monthly	12	FPU establishes an annual fixed billing meter reading schedule and distributes the schedule to the local offices. The schedule identifies the exact dates when the rate will change which is effective on the "read date" of cycle 1 of each month
Cust Relations Director	Monthly	13	Customer Relations Director ensures that the Gas Logistics Manager has submitted the rate change form each month prior to the scheduled effective date.
CIS Manager	Monthly	14	CIS Manager verifies the rate change entry in ORCOM was completed by the required effective date. CIS Manager's review is documented by signing and dating the Natural Gas Adjustment Form.
Sr Regulatory Acct	Annual	6	Rate projections for the following year are prepared by Senior Regulatory Accountant in August or September in a given year, and it is filed with the Commission. In early November or December, the Commission approves the monthly projected rates for the following year. These rates are used as parameters for billing customers in the following year. The Company is not allowed to exceed the rates approved by the Commission unless special approval is received
Accounting Manager	As Req	2	Base Rate is determined by the Commission, and it is only changed when a new rate study is done.
CIS Analyst	Daily	1	After every posting to the computer system, Orcom will produce a CISBAL Report (Customer Information Balance/Accounts Receivable Balancing Report). The CIS Analyst agrees and balances the amounts that are identified in the CISBAL Report to the PR2 Report (lists all accounts billed for the day by utility) and the Sales Journal (lists all posting by GL account), all variances are identified and corrected timely
IT Director	Daily	4	Access to the "Customer Control Files" is limited to the Director of Customer Relations, CIS Manager, CFO, Business System Analyst and IT Director.
IT Director	Daily	6	Orcom system produces daily routes and meters to be read which is loaded on the hand held devices.
Cust Relations Operator	Daily	7	After the bills are produced by the outside biller (Kubra) the CR Operator agrees the dollar amount and number of bills processed/mailed per the "Kubra Production Filter Log" provided by the vendor to the number and amount of the bills to be processed per the Orcom data file. Any differences researched and documented on an excel reconciliation sheet kept by the CR Operator
Cust Relations Director	Daily	8	Orcom requires all meters to be read regardless of whether the meter is active or unused.
IT Director	Daily	9	ITRON produces a report to the divisional office if the meter reader inadvertently or intentionally skips any reads. The hand held device will alert the meter reader if the read does not appear to be correct.
CIS Analyst	Daily	11	The CIS Operator sends all managers a listing of their "Premises Not Billed" for that days billing cycle.
Cust Service Manager	Daily	12	The customer service representative (CSR) performs a pre-audit on meter reads to verify that all meter exceptions were addressed. The meter exceptions identified and worked at this stage are premise or usage exceptions.
IT Director	Daily	13	Orcom identifies all pre-bills that have abnormally high or low dollars or if the customer is being charged for services they don't have on the "Bill Batch" report which is reviewed and discrepancies are resolved or overridden at the local office by the office CSR. The high or low usage is determined by comparing the current bill to the prior two months and the same month the prior year and identifies abnormally high or low usage if the current bill differs by the predetermined system parameters located in the Orcom table
IT Director	Daily	14	Orcom identifies unusual items in the billing system as a terminal or soft exception after the meter reading batch is posted to the Orcom system.
Cust Service Manager	Daily	15	The local CSR is required to review all terminal exceptions and provide a "Cycle Information Form" to the CIS Operator to override the exception for the valid prebills that should be billed. If the exception is not an accurate bill, the local CSR will move the exception to their division's exception batch to research, correct and resubmit to bill.
CIS Analyst	Daily	16	If the CIS Operator does not obtain a "Cycle Information Form" to override a terminal exception, the bill will not be created and will be sent to the "Division Batch Exception" which must be resolved in 5 days.
CIS Analyst	Daily	17	CIS Operator examines all "Cycle Information Forms" for appropriate documentation to clear all terminal exceptions in Orcom.
IT Director	Daily	18	Calculation of the amount billed is computer automated based on the current rates loaded into the system.
Cash Accountant	Monthly	2	Cash Accountant reconciles the monthly sales journal to the general ledger posting.
Accounting Manager	Monthly	3	General Accounting Manager reviews and approves the monthly revenue journal entry prepared by the cash accountant.
Sr Regulatory Acct	Monthly	5	Senior Regulatory Accountant (independent of billing) reconciles the rates charged during the month and prepares a FPSC filing each month for the gas and electric fuel rates billed to the customers for the month. The amount billed to the customers is reconciled to the cost of fuel for the month
Cust Service Manager	Monthly	10	All customer service managers are required to review and approve the monthly "No Bill" report that identifies all premises that have not been billed in 34 days.
Cust Service Manager	Daily	1	Company requires a deposit on electric, gas, and most propane accounts of approximately two months usage. In the case of commercial accounts, can supply a surety bond and an irrevocable letter of credit instead of a deposit.
Cust Service Manager	Daily	2	If customer purchases merchandise on credit, a credit report is run on customer prior to sale or delivery except for good-standing customers or customers who purchased a water-heater.
Cust Service Manager	Daily	3	A delinquent notice is sent to every account over 2 days past due which is 22 days from date of bill.

Responsibility	Freq	Control #	Control Description
Cust Service Manager	Daily	4	If account is greater than $30 and over 30 days from date of bill, a collector notice is issued and a collector will visit premises to receive payment or shut-off service.
Cust Relations Director	Daily	7	Bankrupt accounts are flagged and identified in Orcom by the Director of Customer Relations upon receipts of bankruptcy notices from the court.
IT Director	Daily	9	Only the Customer Relations department has access to post write-off bad debts to the system.
Accounting Manager	Monthly	5	All accounts over 90 days after account has closed are automatically written-off to bad debt batch and sent to an outside collection agency.
Cash Accountant	Monthly	6	An accounts receivable aging summary and write-off history analysis is sent to the division manager monthly. Division directors are evaluated based on achieving pre-determined aging goals.
Division Manager	Monthly	8	Managers have to review all accounts to be written-off to bad debts on a monthly basis and the division manager has to approve via email the bad debt accounts included in the bad debt batch before posting to the Orcom system by the Customer Service department.
CIS Analyst	Daily	1	CIS Analyst runs two queries prior to cash posting to verify all miscelleaneous cash assigned a valid general ledger account and merchandise down payments are tied to a valid contract in the system is (not posted to the customers ledger)
Cust Relations Director	Daily	2	Majority of all payments are sent to a central "Lockbox" at the Marianna facility in which the Company owns equipment that processes the mail payments and checks received.
IT Director	Daily	3	Cash cannot be posted until the prior days cash received per Cash Edit D report is reconciled to the System Balance in Orcom.
CIS Analyst	Daily	5	CIS Analyst receives a daily email from each location indicating the location has initiated a pending post of the cash receipts in Orcom. CIS Analyst logs the time that each location sent the email and verifies all locations have initiated a pending post in the system prior to a final cash post
CIS Analyst	Daily	6	CIS Analyst balances the cash receipts posted in Orcom for the day to the cash receipts identified in the "Daily Cash Reports" provided by each location to verify all cash received for the day was properly posted in the Orcom system.
CIS Analyst	Daily	7	CIS Analyst balances the "Cash Edit D" report that identifies all the types of cash received, to the CISBAL report to the cash receipts journal to verify the amount of cash applied to accounts receivable agrees to the cash received.
CIS Analyst	Daily	14	If money or cash is received from an unknown source or unidentifiable customer, the funds are recorded as a liability in an unidentified cash account. Customer Service can search this account by dollar and date posted when person calls to claim payment
CIS Analyst	Daily	15	Funds received on closed accounts can still be applied to the closed account and will trigger repayment back to the customer.
Accounting Manager	Daily	17	The person who receives and applies the cash is different than the person who posts the cash to the computer system who is different than the person who reconciles the bank accounts to the general ledger.
Division Manager	Daily	18	Cashier balances his/her drawer every 24 hours by matching the batch totals to the actual cash received for the past 24 hours and prepares a deposit ticket.
Cust Service Manager	Daily	19	Location supervisor reviews all deposit tickets, agrees the amount deposited to the "Daily Cash Report" total deposits, and intermediate posts each batch to remove access to batch from cashiers.
Division Manager	Daily	20	An armored car service picks up all cash received prior to the scheduled time daily, except for New Smyrna and West Florida.
Cust Service Manager	Weekly	16	Office CSM is responsible to review postings to the Unidentified Cash account and contact check writer to find proper placement for the funds and to make and file a photocopy of the check.
CIS Analyst	Monthly	4	CIS Analyst runs a month-end "Cash Receipts Journal", identifies the bad G/L's, and corrects the entries prior to forwarding to Accounting.
CIS Analyst	Monthly	8	CIS Analyst runs a month-end "Cash Receipts Journal" and agrees balances to the daily balancing worksheet.
CIS Analyst	Monthly	9	Customer statements are sent to customers indicating cumulative balance owed and the customer service department who is independent of cash receipts investigates discrepancies identified by the customer.
Cash Accountant	Monthly	10	Cash Accountant takes the month-end "Cash Receipts Journal" and verifies the totals agree to the monthly total of the daily cash reports and prepares a manual journal entry.
Accounting Manager	Monthly	11	General Accounting Manager reviews and approves the cash receipts journal entry prior to posting the journal entry.
Cash Accountant	Monthly	13	Cash Accountant reconciles the bank account which is reviewed and approved by the General Accounting Manager.
Cash Accountant	Quarterly	12	Cash accountant reconciles the accounts receivable aging to the general ledger quarterly.
HR Assistant	Daily	5	Prior to benefit payments, HR Assistant(independent from State Street, the custodian of benefit plan assets) forwards participant's retirement notice to AON. AON prepares and sends the participant a Retirement Application that details the entitled benefits and options of distributions. HR Assistant reviews the Retirement Application signed by the participant and prepares and sends the payment request to State Street for distribution process
HR Assistant	Weekly	10	Total amount paid per the Payroll Report is agreed to the checks generated.
Sr Tax Accountant	Monthly	7	The Senior Tax Accountant reconciles the payroll tax accounts monthly
Inventory Analyst	Monthly	7	The Inventory Analyst reconciles the payroll and deductions monthly, which are reviewed and approved by management monthly.
Accounting Manager	Monthly	8	Payroll related accruals are reviewed for completeness and reasonableness and approved by General Accounting Manager.
HR Assistant	Monthly	9	Payroll system uses edit checks to query the HR department to check whether all employee time reports have been submitted into the payroll system. If a persons time is missing, the computer report generated questions the HR department. The HR Assistant receives a report titled "Unmatched Employees" that identify employees not receiving a check
Sr Tax Accountant	Quarterly	11	Senior Tax Accountant reconciles the "701" computer report from the payroll system to the "HR 310" report computed with every payroll. Senior Tax Accountant makes sure amounts equal and computes the required tax deposits from these reports and agrees it to the actual payroll tax deposits and reconciles any discrepancies
CFO	Annual	1	Analytics are performed by AON annually. A meeting including the CEO, COO, CFO, and HR Director is held to discuss the projections and assumptions related to pension costs. Actual benefit costs are compared with expected benefit costs and any differences are investigated and resolved
Sr Financial Acct	Annual	2	Senior Financial Reporting Accountant compares the total contributions to the benefit plan and reconciled to GL for benefit costs recorded and accrued. The reconciliation is reviewed and approved by management monthly and approved by the CFO on a quarterly basis
Sr Financial Acct	Annual	3	Senior Financial Reporting Accountant prepares journal entry to true-up pension liability balance based on AON's projections and accrues for future funding. CFO review and signs off on the JE's.

Responsibility	Freq	Control #	Control Description
HR Assistant	Annual	4	HR Assistant prepares the "Pension Valuation Spreadsheet" to update AON(Actuary) with new hires, new terminations, and compensation information for all participants. To ensure that all participants are included correctly, HR Assistant generates payroll report and compare the amounts per this report to total W-2's reported.
GL Accountant	Annual	6	Detailed records are maintained of the liability for compensated absences, and the General Ledger Accountant reconciles it to the general ledger.
CFO	Daily	1	Company has a policy not to conduct transactions with officers or directors or affiliated companies of officers and directors.
CFO	Annual	2	Directors and officers are required to complete a D&O Questionnaire that identifies entities that the director or officer or a member of their immediate family that acts as a director or officer or owns.
CFO	Annual	3	The CEO and CFO review all D&O questionnaires for accuracy to the best of their knowledge.
CFO	Quarterly	4	The CEO and CFO review all SEC filings prior to ensure the related party transactions are appropriately presented based on their knowledge of the known related parties.
Sr Financial Acct	Quarterly	1	Senior Financial Accountant reconciles and maintains the liability reserve account to update losses and true-up the liability level.
CFO	Quarterly	2	CFO receives a letter from the Company's legal counsel that identifies all known or threatened litigation and the potential exposure of each incident.
CFO	Quarterly	3	CFO reviews and approves the general ledger entry prepared by Senior Financial Reporting Accountant comparing the journal entry to the approved reconciliation.
Cust Service Supervisor	Daily	1	Customer Service Supervisor (separate from warehouse personnel issues the merchandise) matches the quantity and items on the following documents: the tag removed from merchandise and the tag from warehouse file, the Pink Sales Contract, and completed Service Order, then she relieves the merchandise from inventory system.
Stores Supervisor	Weekly	4	Customer Service Supervisor runs a report of merchandised sold from the inventory system for the week and sends to the Stores Supervisor. Store Supervisor verifies that items listed on the report match all the merchandise issued from warehouse for the week. Any difference are immediately investigated.
Inventory Analyst	Monthly	2	Inventory Analyst (separate from warehouse personnel issues the merchandise) matches the White Sales Contracts to the Sold List generated by the Merchandise Inventory System and to the merchandise tags for the quantity and final costs and investigates any variances.
Accounting Manager	Monthly	3	Inventory Analyst prepares a journal entry to capture the quantity and final cost of merchandise issued that is reviewed and signed off by General Accounting Manager.
Accounting Manager	Monthly	5	Merchandise Inventory System generates the Inventory Available Report. Inventory Analyst uses this report and reconciles the perpetual inventory system report to GL balance and investigates any differences. Variances are recorded by the Inventory Analyst as a journal entry to update the G/L. General Accounting Manager reviews and signs off on the JE.
Division Manager	Annual	6	Full physical inventories of merchandise is performed every year by the warehouse personnel.
Division Manager	Daily	1	Warehouse personnel fills out and signs a Material Receipt for every item received indicating receipt of goods.
Office Services	Daily	4	If Office Services department placed the order, then the Office Services department will match the quantity of goods received to the invoice to the purchase order and also agree the price per the purchase order to the price per the invoice.
Division Manager	Daily	5	If an item received is on a Local Purchase Order, then the Stores Supervisor will agree the quantity of goods received to the invoice and also agree quoted to the price per the invoice.
Inventory Analyst	Daily	6	Inventory Analyst verifies the quantity received per the Material Receipt agrees to the quantity charged per the invoice and also agrees the amount charged per the invoice agrees to the voucher.
Division Manager	Daily	8	The stores supervisor maintains a Local Purchase Order Log and documents the date the voucher is prepared and date the invoice was received.
Division Manager	Daily	9	The duties of receiving the inventory are performed by the warehouse personnel, which are segregated from the duties of updating the perpetual inventory system which is performed by the IT department.
Office Services	Monthly	3	At the end of each month, Office Services department reviews all Material Receipt received but without a corresponding invoice. These items are listed as the month end supplies and material accrual for items received not invoiced and provided to the inventory analyst to accrue.
Accounting Manager	Monthly	7	The Inventory Analyst reconciles the perpetual inventory system to the general ledger each month. General Accounting Manager reviews and signs off the reconciliation.
Division Manager	Annual	2	Full physical inventories of materials and supplies are taken every other year with a partial inventory of items that constitute 70% of the value done in the other years.
Division Manager	Annual	1	Full physical inventories of materials and supplies are taken every other year with a partial inventory of items that constitute 70% of the value done in the other years.
Accounting Manager	Annual	2	Corporate Accounting randomly selects inventory items to be test counted. For full inventories, 5% of the inventory items are test counted. For partial inventories, 10% of the inventory items are test counted.
Accounting Manager	Annual	3	A Corporate Accounting staff verifies and accounts for all tags issued for the physical inventory. All tags are accounted for including voids and unused tags.
Accounting Manager	Annual	4	A Corporate Accounting staff and warehouse manager investigate large book to physical variances.
Division Manager	Annual	5	Items received during the physical inventory are added to the physical inventory documentation for inclusion with the inventory reconciliation.
Division Manager	Annual	6	Inventory is counted by individuals under the supervision and direction of the warehouse manager.
Division Manager	Annual	7	Tags are placed on all inventory items or bins to indicate they have been counted, and it is verified by the test
Accounting Manager	Annual	8	A Corporate Accounting Staff prepares the book to physical journal entry to be posted in the general ledger and perpetual inventory system. The entry is reviewed and approved by the Controller.
Division Manager	Daily	1	The person filling (warehouse personnel) the order initials the stock slip indicating the request was fulfilled and the person receiving the supplies and materials initials the stock slip indicating they received the items identified on the stock slip
Division Manager	Daily	2	The warehouse personnel cannot issue any supplies or materials unless a stock slip is created and signed by the issuer and the receiver.
Division Manager	Daily	3	Each stock slip issued is assigned a sequential number by Store Supervisor. Each morning, Store Supervisor enters prior day inventory issuance into the Inventory System accounting for the sequential numbering of stock slips and verifying the first stock slip number follows the prior days last stock slip number
IT Director	Monthly	4	Inventory System is interfaced with Infinium (G/L system) and automatically generates journal entry to capture quantity and value of the inventory issued.

Responsibility	Freq	Control #	Control Description
Accounting Manager	Monthly	5	Inventory Analyst (separate from warehouse personnel who issues the inventory) reconciles the perpetual inventory system report to the G/L balance and investigates any differences. Inventory Analyst prepares the adjustment journal entry if needed to update G/L. This adjustment JE is reviewed and signed by General Accounting Manager
IT Director	Monthly	7	Inventory System calculates cost on inventory relieved by multiplying the quantity by the average inventory cost per unit calculated by the system.
Division Manager	Annual	6	Full physical inventories of material and supplies are performed every other year with partial physical of items that constitutes 70% of the value done in other years by warehouse.
Office Services	Daily	1	All of the following documents are required by Office Services department to prepare voucher: Non-Inventory Material Receipt, Bill of Lading, Purchase Order and vendor invoices. The Office Services Department agrees the quantity and prices charged per these documents and verify they agree. If all items agree, a voucher is prepared
Office Services	Daily	7	Officer Services Manager matches the approved Purchase order to the Bill of Lading and Non-inventory Material Receipt and verifies the purchase was appropriately authorized per the Purchase Authorization Procedures.
Office Services	Daily	8	Office Services department receives vendor invoices, matches the quantity and price against the Non-Inventory Material Receipt and Bill of Lading, and investigates and reconciles any variances.
AP Analyst	Daily	9	Inventory is recorded into the computer system by the AP Analyst which is different than the person receiving the inventory.
Office Services	Weekly	2	Office Services department receives an EFT notification from the vendor that indicates the amount of cash that will be withdrawn from FPU's bank account by the vendor and reconciles the amount to be paid to all vouchers during that week to verify amount is accurate
Propane Director	Monthly	3	Each division performs an inventory balancing and prepares an End of Month Propane Inventory report which rolls inventory balance from prior month balance to current balance. This report is also reviewed and sent by the division supervisor to the Director of Propane to Inventory Analyst
Inventory Analyst	Monthly	4	Inventory Analyst converts the Gas Received portion in the End of Month Propane Inventory Report into dollars and reconciles to the G/L balance for all inventory received during the month.
Division Manager	Monthly	5	Physical inventories of propane at the tank farms are done monthly by tank farm personnel to record the ending inventory balance to use in the monthly inventory rollforward report. The inventory is also taken daily for division use.
Inventory Analyst	Annual	6	A reasonableness calculation of propane located in the tanks of metered customers is performed once a year. The Propane Delivery System runs a program that calculates the estimated balance at a given day of propane in a metered customers tank based on the prior date the tank was filled. This test validates the propane inventory in metered tanks on a given day. The variances are reconciled and errors identified by the report are investigated either individually or using a random sample and adjusted to correct value by the Inventory Analyst and a book to physical adjustment is posted in the G/L
Division Manager	Monthly	1	Physical of inventories of propane at the tank farms are done monthly by tank farm personnel to record the ending inventory balance to use in the monthly inventory rollforward report. The inventory is also taken daily for division use.
Inventory Analyst	Monthly	2	Inventory Analyst reconciles the physical count of Tank Farm inventory month and investigates and reconciles significant variances (done per monthly propane rollfoward report).
Accounting Manager	Monthly	4	Inventory Analyst prepares the book to physical journal entry to adjust the G/L balance, and the journal entry is approved/signed off on by the General Accounting Manager. The CFO's approval and sign off are also required for the annually customer premises book to physical adjustment entry in addition to the General Accounting Manager's approval. Monthly control for tanks
Division Manager	Monthly	5	Inventory read of tanks is performed by individuals who are familiar with the equipments and independent of inventory record keeping. Monthly control for tanks.
Inventory Analyst	Annual	3	A reasonableness calculation of propane located in the tanks of metered customers is performed once a year. The Propane Delivery System runs a program that calculates the estimated balance at a given day of propane in a metered customers tank based on the prior date the tank was filled. This test validates the propane inventory in metered tanks on a given day. The variances are reconciled and errors identified by the report are investigated either individually or using a random sample and adjusted to correct value by the Inventory Analyst and a book to physical adjustment is posted in the G/L
CFO	Annual	4	Inventory Analyst prepares the book to physical journal entry to adjust the G/L balance, and the journal entry is approved/signed off on by the General Accounting Manager. The CFO's approval and sign off are also required for the annually customer premises book to physical adjustment entry in addition to the General Accounting Manager's approval. Annual control for customer premises
Propane Clerk	Daily	1	Delivery Tickets are automatically stamped with the gallons disbursed by the meter on the delivery trucks when Drivers deliver propane.
Propane Clerk	Daily	2	For each truck, Propane Clerk accounts for all Delivery Tickets and reconciles the beginning read to the ending read on the trucks.
Propane Clerk	Daily	3	Propane Clerk runs a tape of all Delivery Tickets for all trucks and reconciles to the Delivery Edit Report generated by the Propane Delivery System(scheduling system).
Propane Clerk	Daily	4	Propane Clerk generates the Fills Do Not Agree (FDA) report which details all the variances between gallons delivered and meter reads as percentage, reviews and investigates unacceptable variances, i.e. >25% for tanks 120 gallon and smaller and >15% for tanks 250 gallons and larger. Findings are documented on the FDA report or on a service order
Office Services	Daily	11	Office Services Manager compares the vendor pricing to the OPIS Index provided by the Gas Logistics Manager and the destination pricing report provided by the vendor to verify if the accurate price is charged (usually the lower of the OPIS Index and destination pricing)
Propane Clerk	Daily	12	Propane is delivered by Drivers at each division, Propane Clerk accounts for all Delivery Tickets, and Inventory Analyst records inventory issuance in the G/L. Daily control for delivery
Division Manager	Monthly	5	Each division performs inventory balancing and prepares the End of Month Propane Inventory report which details the rollforward of prior month inventory balance to current month balance. This report is reviewed and forwarded by the Division Supervisor to the Inventory Analyst
Inventory Analyst	Monthly	6	Inventory Analyst summarizes all divisions End of Month Propane Inventory reports and prepares the inventory rollforward worksheet to calculate the month end G/L balance.
Accounting Manager	Monthly	7	Inventory Analyst converts the Gas Issued portion in the End of Month Propane Inventory Report into dollars and prepares a journal entry to record propane inventory issued during the month to update the G/L. The journal entry is reviewed and approved by the General Accounting Manager

Responsibility	Freq	Control #	Control Description
Division Manager	Monthly	8	Physical of inventories of propane at the tank farms are done monthly by tank farm personnel to record the ending inventory balance to use in the monthly inventory rollforward report. The inventory is also taken daily for division use.
Accounting Manager	Monthly	10	Inventory Analyst calculates total cost of inventory issued within the rollforward worksheet using the average cost per gallon and total quantity delivered. Inventory Analyst then prepares a month-end journal entry for propane issuance during the month to update G/L. The journal entry is reviewed and approved by the General Accounting Manager
Inventory Analyst	Monthly	12	Propane is delivered by Drivers at each division, Propane Clerk accounts for all Delivery Tickets, and Inventory Analyst records inventory issuance in the G/L. Monthly control for GL recording
Inventory Analyst	Annual	9	A reasonableness calculation of propane located in the tanks of metered customers is performed once a year. The Propane Delivery System runs a program that calculates the estimated balance at a given day of propane in a metered customers tank based on the prior date the tank was filled. This test validates the propane inventory in metered tanks on a given day. The variances are reconciled and errors identified by the report are investigated either individually or using a random sample and adjusted to correct value by the Inventory Analyst and a book to physical adjustment is posted in the G/L
Division Manager	Annual	1	Full physical inventories of merchandise are taken every year by warehouse personnel.
Accounting Manager	Annual	2	A test count of 5% of all inventories is done by individuals independent of the inventory count.
Accounting Manager	Annual	3	Corporate Accounting staff reconciles physical inventory and general ledger account and prepares necessary adjustments.
Accounting Manager	Annual	4	Corporate Accounting staff and warehouse manager investigate any book to physical variances.
Division Manager	Annual	5	Items received during the physical inventory are added to the physical inventory documentation for inclusion with the inventory reconciliation.
Division Manager	Annual	6	Inventory is counted by individuals under the supervision and direction of the warehouse manager.
Division Manager	Annual	7	After the inventory counting is completed, items without a "post-it" note are investigated.
Accounting Manager	Annual	8	Corporate Accounting staff prepares the book to physical journal entry to be posted in the general ledger and perpetual inventory system. The entry is reviewed and approved by the Controller.
Division Manager	Daily	1	Warehouse personnel fills out and signs a Material Receipt for every item received indicating receipt of goods.
Division Manager	Daily	2	The warehouse personnel generates a pre-numbered system tag in duplicate from the inventory system upon the receipt of each piece of merchandise inventory. One tag is placed on each piece of merchandise received, one tag is placed in the warehouse file
Office Services	Daily	7	If Office Services department placed the order, then the Office Services department will match the quantity of goods received to the invoice to the purchase order and also agree the price per the purchase order to the price per the invoice. If everything agrees, the Office Services department prepares the voucher
Division Manager	Daily	8	If an item received is on a Local Purchase Order, then the Sales Coordinator or local divisional purchaser will agree the quantity of goods received to the invoice to the purchase order and also agree the price per the purchase order to the price per the invoice. If all items agree the Sales Coordinator or local divisional purchaser prepares the voucher for payment
Inventory Analyst	Daily	9	Inventory Analyst verifies the price on the voucher agrees to the price on the invoice.
Division Manager	Daily	11	The Sales Coordinator maintains a Local Purchase Order Log and documents the date the voucher is prepared and date the invoice was received.
Division Manager	Daily	12	The duties of receiving and recording the inventory are performed by the warehouse personnel which are segregated from the duties of creating a voucher and processing the payment for the inventory.
Division Manager	Daily	13	Warehouses are equipped with alarm systems and guards.
Division Manager	Daily	14	Service Order is required prior to issuing merchandise.
Division Manager	Monthly	4	The Sales Coordinator receives a Merchandise Audit Report from the Stores Supervisor that identifies all system tags received in the period. This report is used to verify all system tags are received from the warehouse.
Accounting Manager	Monthly	5	Inventory Analyst accrues all items sold during the month that have not been paid using the Sold Report, all available inventory items that have not been paid using the Available Report, and all items sold and accrued in prior month that have not been paid. Inventory Analyst prepares the accrual journal entry, and it is reviewed and signed off by the General Accounting Manager
Accounting Manager	Monthly	10	The Inventory Analyst reconciles the perpetual merchandise inventory system to the general ledger each month. General Accounting Manager reviews and signs off on the reconciliation.
Division Manager	Annual	6	Full physical inventories of merchandise are taken at least once every year.
GL Accountant	Monthly	1	The General Ledger Accountant prints a pre-tax financial statement, detailed expense report, and balance sheet on a divisional level and sends the reports to the accounting department for review.
Sr Financial Acct	Monthly	2	The accountants responsible for each account will verify the financial statement accuracy and investigate large variances or fluctuations (over $5,000) between the current and prior period amounts. Each person is responsible to document the reason for the fluctuation on the Analysis Worksheet for his or her assigned accounts
Sr Financial Acct	Monthly	3	The Senior Financial Accountant verifies each person responsible documents on the Analysis Worksheet all the fluctuations over $5,000. She then prepares a letter that explains the variances between the current period and prior period for all fluctuations over $20,000 and distributes the letter to each person who receives the monthly financial statements (mainly directors and managers)
Accounting Manager	Monthly	4	General Accounting Manager prepares a Master Closing Schedule that identifies all items to be completed prior to the close and identifies person responsible.
GL Accountant	Monthly	5	General Ledger Accountant maintains a JE control log of all required journal entries and person responsible will electronically input date and their initials on the JE control log once the journal entry is completed and entered into the system
Accounting Manager	Monthly	6	The General Accounting Manager maintains a log of all account reconciliations that need to be performed and the person responsible. The person responsible in General Accounting to complete the reconciliation is required to input completion date on the log once the reconciliation is complete
IT Director	Monthly	7	Only the General Ledger Accountant, Cash Accountant, General Accounting Manager, CFO, Controller and Corporate Accounting Supervisor have access to post journal entries to Infinium.
Accounting Manager	Monthly	8	The Controller, General Accounting Manager or the Corporate Accounting Supervisor reviews, approves and signs-off on all journal entries prior to being entered into the system.
General Office Asst	Monthly	9	The General Office Assistant or designee obtains all journal entry forms from the General Ledger Accountant and verifies each journal entry was correctly key punched into Infinium. The General Office Assistant signs-off on the journal entry form indicating she proofed the entry in the system

Responsibility	Freq	Control #	Control Description
Accounting Manager	Daily	1	Only Controller, CFO, General Accounting Manager or Corporate Accounting Supervisor are authorized to initiate and release recurring wire transfers.
Accounting Manager	Daily	2	To set-up the wire transfer template for a transaction to be recurring wire transfer with Bank of America, it requires one authorized person to initiate and a second authorized person to release it.
Accounting Manager	Daily	3	Non-recurring wire transfers require one authorized person to initiate the transaction and a second authorized person to release it.
Accounting Manager	Daily	4	Bank of America's wire transfer web site requires log-in ID and password for each authorized individual.
Accounting Manager	Daily	6	Only Controller, CFO, General Accounting Manager or Corporate Accounting Supervisor are able to process wire transfers.
Cash Accountant	Monthly	5	Bank account is reconciled on a monthly basis with reconciling items investigated timely.
Division Manager	Monthly	1	The Division Manager reviews all monthly invoices for reasonableness. The review consists of comparisons to prior years, and considers the weather conditions throughout the current month.
Division Manager	Monthly	2	Supplier invoices are reconciled to the terms outlined in the contract in order to ensure compliance by division.
Division Manager	Monthly	3	Employee signs the material receipt form for the electricity purchased during the month.
Gas Logistics Mgr	Annual	4	Annual electricity meter testing is performed by the supplier together with a Florida Public Utilities representative present.
Office Services	Daily	1	Purchase Orders are only created from properly approved and documented Purchase Requisitions.
Office Services	Daily	2	Before Purchase Orders are sent to vendors, the Office Services Manager or designee reviews and approves each individual document.
Office Services	Daily	3	Office Services verifies the receipt is consistent with the original order by matching a copy of the original Purchase Order to the receipt.
Office Services	Daily	4	Office Services verifies billing is appropriate by matching the Purchase Order, receipt, and vendor invoice.
Office Services	Daily	5	Office Services Manager or designee reviews the vouchers and authorizes the processing of vendor payment. The Office Services Manager or designee agrees the price per the invoice to the OPIS Index and the destination pricing report to recalculate the amount charged to verify invoice is correct
Propane Director	Daily	6	Propane Director reviews the Purchase Order for accuracy.
Office Services	Daily	7	Field signs off on the material receipt form confirming the receipt of goods.
Office Services	Daily	8	Sequential Purchase Order numbers are utilized and are logged within the Purchase Order Number Log.
Office Services	Daily	9	Upon receipt, a delivery receipt is logged and provided to the district.
HR Director	Daily	2	The Company has segregation of duties in place for the following duties: hiring employees (HR Assistant), payroll check preparation (IT Programmer), and distribution of payroll checks (Employment Specialist and office assistants).
IT Director	Daily	6	The payroll master file in the computer system is only accessible by three IT programmers, the HR Director and the HR assistant.
HR Assistant	Bi-weekly	1	Set-up new employees, termination, and changes to payroll perm files such as pay rates, employee records, and deductions are done via a Personal Action Notice (PAN) form which is approved by the employees direct supervisor or manager, and either the CEO or COO
HR Assistant	Bi-weekly	3	Individual time sheets are created biweekly and are approved by the employees supervisor and sent to the HR assistant.
Sr Tax Accountant	Bi-weekly	4	Senior Tax Accountant receives a bi-weekly "Payroll Change" report that identifies every change to the payroll system that occurred that week and the pay rate changes are agreed to signed copies of the PAN Forms received from HR.
HR Assistant	Bi-weekly	7	The payroll system generates a "Biweekly Unmatched Employee" report that identifies all employees that have less then 80 hours if full time or no time in system. This report is reviewed by HR Assistant to verify all employees on list have had their time for the period recorded correctly
HR Assistant	Bi-weekly	8	Set-up and changes to payroll perm files such as pay rates, new hires, and additional vacation are done via a Personal Action Notice (PAN) form. Based on the "PAN Form Authorization Table", PAN is approved by the employees direct supervisor or manager, and either the CEO or COO. Deductions are done via a PAN and employee signs or submits appropriate documents
HR Assistant	Bi-weekly	9	HR Assistant reviews and approves (via email or telephone call) the payroll report prepared by the IT Programmer prior to checks being cut. HR Assistant during her review examines the report to verify nothing looks unusual and ties the total hours per the report to the hour log used to enter the payroll
HR Assistant	Bi-weekly	10	Company utilizes "Positive Pay" with Bank of America which only allows checks to clear the bank account if FPU notifies the bank ahead of time and the amount being paid agrees. HR Assistant provides an electronic file to the bank with the check numbers used and the amount of each check
IT Director	Bi-weekly	11	HR Assistant provides the IT programmer a total of the hours worked by division for the pay period as a control total for the programmer to agree to after the information is processed in the system and ready for checks to be prepared.
HR Director	Bi-weekly	19	Total amount paid per the Payroll Report is agreed to the checks generated
HR Assistant	Weekly	5	Person who enters timesheets into the payroll system creates a payroll log that identifies the total number of hours worked for that department. This control total is agreed to the Payroll Edit Report run from the payroll system by the HR Assistant to verify total hours per timesheets agree to total hours in the computer system
HR Director	Weekly	13	Manual checks are prepared infrequent mainly for employee terminations and bonus payments once a year.
HR Director	Weekly	14	Manual payroll checks require an actual signature by an authorized check signer who examines the supporting documentation indicating why a manual check is required and the amount to be paid.
Sr Tax Accountant	Monthly	12	Senior Tax Accountant reconciles monthly payroll bank account.
Cash Accountant	Monthly	12	Cash Accountant computes the outstanding checks per G/L and agrees the amount to payroll bank reconciliation.
Sr Tax Accountant	Monthly	16	The Senior Tax Accountant reconciles the payroll tax accounts monthly
Inventory Analyst	Monthly	16	The Inventory Analyst reconciles the payroll and deductions monthly.
Accounting Manager	Monthly	17	Payroll related accruals are reviewed for completeness and reasonableness and approved by General Accounting Manager.
HR Assistant	Monthly	18	Payroll system uses edit checks to query the HR department to check whether all employee time reports have been submitted into the payroll system. If a persons time is missing, the computer report generated questions the HR department. The HR Assistant receives a report titled "Unmatched Employees" that identify employees not receiving a check
Sr Tax Accountant	Quarterly	20	Senior Tax Accountant reconciles the "701" computer report from the payroll system to the "HR 310" report computed with every quarter. Senior Tax Accountant makes sure amounts equal and computes the required tax deposits from these reports and agrees it to the actual payroll tax deposits and reconciles any discrepancies

Responsibility	Freq	Control #	Control Description
GL Accountant	Annual	15	Detailed records are maintained of the liability for compensated absences, and the General Ledger Accountant reconciles it to the general ledger.
Gas Logistics Mgr	Daily	1	When additional gas is needed, the Gas Logistics Manager contacts suppliers with requests. The request is made either over the phone or via e-mail. Only the Gas Logistics Manager is authorized to purchase gas.
Gas Logistics Mgr	Daily	2	When additional gas is purchased, the gas must be scheduled with Florida Gas Transmission (FGT) on the pipeline. To do this, the Gas Logistics Manager contacts FGT via an online scheduling system. The system is password protected and only the Gas Logistics Manager is authorized to access the system.
Gas Logistics Mgr	Daily	4	Each day, the Gas Logistics Manager downloads a report from Florida Gas Transmission Company (FGT) detailing the gas that is scheduled to be delivered for that day. This report is then reconciled to the amount of gas purchased for the day
Gas Logistics Mgr	Daily	5	A reconciliation of FPU's records to the invoice is performed by the Gas Logistics Manager. Exceptions are followed up with the supplier.
AP Analyst	Monthly	3	Payments are made via a wire transfer which requires the approval from a person on the listing of authorized wire transfer personnel.
Gas Logistics Mgr	Monthly	6	Each monthly invoice is reviewed and approved by the Gas Logistics Manager to ensure the amounts of natural gas and capacity usages are appropriate.
Office Services	Monthly	7	A copy of each voucher packet is retained by the Procurement Department for their records.
Gas Logistics Mgr	Monthly	8	The Gas Logistics Manager runs reports detailing FPU's capacity and natural gas usage for the month. These reports are reviewed to gauge forecast accuracy and cost effectiveness of capacity and natural gas procurement.
AP Analyst	Daily	1	Vendor invoices are processed by A/P Analyst independent of purchasing, receiving, shipping, that are done at division level or in Office Services.
Office Services	Daily	2	Office Services Assistant or designee compares invoices to approved purchase orders and receiving reports, and check mathematical accuracy of invoices.
Sr Construction Acct	Daily	5	Improvement Requisition (IR) form is required for all capital expenditures over $2,500 that will be constructed and has to be approved based on the predetermined authorization table.
Division Manager	Daily	6	Purchase Requisitions (PR) are approved by Local or Division Managers based on a predetermined authorization table for all capital expenditures purchased and not constructed.
AP Analyst	Daily	7	A/P Analyst receives all vouchers and invoices prior to payment and verifies the voucher has been properly approved based on the predetermined authorization limits.
Sr Construction Acct	Daily	8	Senior Construction Accountant assigns every IR a sequential five-digit number which represents the sub-ledger account in the G/L and is used through out all accounting and reporting functions, such as A/P, fixed asset recording, and expenditures
Accounting Manager	Daily	13	Controller, General Accounting Manager, Office Services Manager, CFO or Corporate Accounting Supervisor reviews all expenditures over $500 for proper coding in the general ledger.
Accounting Manager	Daily	14	CFO, Controller, General Accounting Manager, Office Services Manager or Corporate Accounting Supervisor reviews G/L coding on all vouchers or Purchase Requisitions over $500 to ensure proper G/L classification.
Sr Construction Acct	Daily	16	All assets designated as taggable are assigned a pre-numbered tag to be attached to the asset and the number is included in the fixed asset system.
IT Director	Daily	18	Access to fixed asset system (Infinium) is limited to the following authorized individuals: Senior Construction Accountant, General Accounting Manager, Part-time Accountant, CFO, Senior Project Accountant, Controller and Corporate Accounting Supervisor
Sr Construction Acct	Monthly	4	Senior Construction Accountant maintains log for on going capital projects and monitors expenditure against budget per Improvement Requisition form. All project variances are required to have an IR Revision form completed and approved by the division manager if the variance exceeds 15% and $1,000 on a project basis or 10% on a material variance. Management holds Division Managers accountable for capital expenditure variances
Sr Construction Acct	Monthly	9	Senior Construction Accountant analyzes all open IR's based on actual expenditures compared to budgeted expenditures on a monthly basis.
Sr Construction Acct	Monthly	10	Division managers receive a report indicating all open IR's for the division and the progress on the construction comparing budgeted expenditures to actual expenditures. They are required to investigate, respond, and approve any significant variances via Revision form on closed IR's.
Sr Construction Acct	Monthly	11	All project variances are required to have an IR Revision form completed and approved by the division manager if the variance exceeds 15% and $1,000 on a project basis or 10% on a material variance.
Sr Construction Acct	Monthly	12	Senior Construction Accountant reconciles the detailed fixed asset costs in Infinium (fixed asset computer system) to the general ledger on a monthly basis.
Accounting Manager	Monthly	15	General Accounting staff performs monthly expense account analysis and investigates any variances over $5,000.
Division Manager	Monthly	17	Division Manager's notify Senior Construction Accountant once projects are completed.
Accounting Manager	Monthly	19	Depreciation is automatically computed by the Report Writer. Depreciation journal entry is recorded by Senior Construction Accountant and approved by General Accounting Manager. Reconciliation is done within Infinium when the journal is recorded to make sure that the depreciation amount is accurate. General Accounting Manager reviews this reconciliation before she signs off on the journal entry
Sr Construction Acct	Monthly	21	Senior Construction Accountant reconciles the change in the accumulated depreciation account in the general ledger on a monthly basis.
Sr SEC Accountant	Quarterly	22	Journal entry prepared by Senior SEC Accountant or Senior Project Accountant to reclassify retirement obligation from accumulated depreciation is approved by the Controller via her review of the top level journal entries in the financial statement preparation process
Division Manager	Annual	3	Division Manager approves budgets for yearly capital expenditures.
Sr Project Accountant	Five-Year	20	Composite depreciation rates are assigned by the FPSC via a depreciation study.
GL Accountant	Quarterly	1	Company's environmental attorney's provide an email to the COO, CFO, G/L Accountant, and General Accounting Manager that identifies a projected range of environmental liabilities by case.
GL Accountant	Quarterly	2	C.F.O. or Controller approves the environmental worksheet prepared by the G/L Accountant. The environmental liability is recorded as management's best estimate.
GL Accountant	Quarterly	3	General Accounting Manager reviews and approves the general ledger journal entry prepared by the G/L Accountant after comparing the journal entry to the approved environmental worksheet.
GL Accountant	Monthly	4	GL Accountant reconciles the environmental liability and asset account on a monthly basis.
AP Analyst	Daily	1	Segregation of Duties - AP Analyst independent of purchasing, receiving, and shipping process vendor invoices. Purchasing, receiving and shipping process are done at division level or in Office Services.

Responsibility	Freq	Control #	Control Description
AP Analyst	Daily	2	AP Analyst reviews all vouchers for required authorization and approvals according to the authorization levels contained in the "Authorization Procedure" and Routine Recurring or Recurring Utility payment list.
Accounting Manager	Daily	3	General Accounting Manager audits random vouchers for proper approval and invoice is stamped with "Entered" prior to approving "Cash Requirements Report".
Division Manager	Daily	4	Managers at a divisional level compare quantities and prices on the invoices to approved purchase orders and receiving reports and check the mathematical accuracy of the invoice prior to approving the voucher for payment.
AP Analyst	Daily	5	AP analyst stamps "entered" and records the date on each invoice recorded into the system to prevent duplicate payments.
AP Analyst	Daily	6	AP analyst runs a tape on invoices entered into the computer system and agrees the total to the AP system generated "session batch" report.
IT Director	Daily	7	System alerts user when an invoice number, invoice date, and amount have already been entered into the computer system to prevent duplicate payments.
General Office Asst	Daily	8	General Office Assistant or designee compares the items entered into the computer system to the supporting documentation for entry accuracy such as the name of the vendor, the invoice number, the due date, and the invoice amount
Accounting Manager	Daily	9	CFO, Controller, General Accounting Manager, Office Services Manager or the Corporate Accounting Supervisor reviews G/L coding on all vouchers or PO's over $500 to ensure proper G/L classification
AP Analyst	Daily	10	All checks are printed by computer through the accounts payable system. No handwritten checks are allowed.
AP Analyst	Daily	13	Vouchers are required to be approved in writing. Level of approval is dictated by FPU's authorization schedule included in the "Authorization Procedure."
AP Analyst	Daily	16	AP Analyst who processes the disbursements does not create nor approve vouchers paid via check except for 1099 and check orders, and some items automatically deducted from account – interest payments, loan reductions, void payments
AP Analyst	Weekly	14	Checks above $2,500 require the Controller's, CFO's, COO's, or Corporate Accounting Supervisor's signature in addition to the computer-printed CEO's signature included on the checks.
General Office Asst	Weekly	15	Signed checks are mailed by the General Office Assistant or designee, who is independent of AP Analyst who processes accounts payable.
Cash Accountant	Monthly	11	The Bank of America Operating Account is reconciled monthly by the Cash Accountant and all reconciling items are investigated and cleared timely by Cash Accountant, or the Cash Accountant will make sure that the responsible person resolves the discrepancies
Accounting Manager	Monthly	12	General Accounting Manager reviews and signs off on the bank reconciliation.
Inventory Analyst	Monthly	17	Inventory Analyst receives all purchase order logs and departmental local purchase order (LPO) logs at the end of each month and investigates all items over $1,000 issued in the current month or items accrued at the end of the prior month to determine if they need to be accrued at the end of the current month
AP Analyst	Monthly	18	AP Analyst reconciles accounts payable subsidiary ledger to the general ledger and differences are resolved timely. This reconciliation is reviewed and signed off by General Accounting Manager.
Office Services	Daily	1	If purchase is initiated through a formal purchase order, then Office Services reconciles the Purchase Order, receipt, and invoice in order to verify that the billed amount is appropriate.
Division Manager	Daily	2	If purchase is initiated through a local purchase order (LPO), then Voucher Auditor will reconcile LPO, receipt, and invoice in order to verify that the billed amount is appropriate. The Division Manager or authorized personnel approve the voucher for payment
Office Services	Daily	3	For high dollar value purchases, Division Manager and / or Executive approval is necessary on the purchase requisition. The level of approval is dictated by FPU's authorization schedule.
Division Manager	Daily	4	The Local Manager authorizes each voucher packet for payment processing.
Office Services	Daily	5	Office Services Manager reviews each Purchase Order for appropriateness before sending to the vendor.
Office Services	Daily	6	Office Services verifies the receipt is consistent with the original Purchase Order (open Purchase Orders in the active Purchase Order file) by matching the receipt to a copy of the Purchase Order.
Office Services	Daily	7	Office Services verifies billing is appropriate by matching the Purchase Order, receipt form, and vendor invoice.
Office Services	Daily	8	Office Services Manager or designate reviews the vouchers and authorizes the processing of payment.
Division Manager	Daily	9	Goods received are inspected for quality and completeness before being accepted.
Division Manager	Daily	10	Division or Office Service Manager reconciles the Purchase Order, receipt, and invoice in order to verify that the billed amount is appropriate.
Division Manager	Daily	11	Upon receipt, deliveries are verified to be complete by comparing the receipt to the Purchase Order.
Division Manager	Daily	12	The field signs off on the material receipt form authorizing their receipt.
Division Manager	Daily	13	Local Purchase Order Logs are kept by each division to record the local Purchase Orders issued. Local Purchase Orders are also sequentially numbered.
Office Services	Daily	14	Purchase Order numbers are sequential and are logged within the Purchase Order Log.
Office Services	Daily	15	Most vendor invoices are directed through Office Services and some subsequently forwarded to the appropriate Division or Department.
Division Manager	Monthly	3	Senior Management are highly involved in the monthly reporting process as a mean to ensure that all transactions are properly reported.
Accounting Manager	Quarterly	2	Division directors and other senior management team members are required to sign a statement stating that all business transactions to their knowledge are accurately disclosed in the financial statements.
Accounting Manager	Quarterly	4	Controller, Corporate Accounting Supervisor, and Senior SEC Reporting Accountant reviews new pronouncement and attend training courses to ensure financial statements are properly prepared with current regulations.
CFO	Quarterly	5	Controller, CEO and CFO reviews all 10Q an 10K filings to verify that all business transactions to their knowledge are accurately disclosed in the financial statements.
Accounting Manager	Quarterly	6	Company Attorney sends a report to the CFO listing any known and/or anticipated liabilities the Company is involved.
Division Manager	Annual	1	Division director's review of the annual financial statements for the appropriate reporting of all transactions is aided by their detailed and thorough understanding of all significant business transactions. Events known to exist, but not reported are identified during management's financial statement review, and subsequently reported to Accounting for recording, adjustment, or re-classification
Sr SEC Accountant	Monthly	1	Senior SEC Accountant Reconciles fuel purchases per the general ledger to the invoices or summary reports provided by the fuel vendor.
Sr SEC Accountant	Monthly	3	Senior SEC Accountant reconciles the roll-forward of monthly fuel purchases, company fuel usage, and fuel sales included in the unbilled receivable calculation to the YTD general ledger balance.

Responsibility	Freq	Control #	Control Description
Sr SEC Accountant	Monthly	5	Senior SEC Accountant reconciles the unbilled revenues and receivable to the general ledger monthly.
Sr SEC Accountant	Monthly	6	The monthly unbilled calculation is reviewed and approved monthly by an accounting manager. The General Manager of South Florida reviews the monthly calculation and sign off, physically or electronically, on a quarterly
Sr SEC Accountant	Annual	2	Senior SEC Accountant tests the accuracy of the unbilled receivable computation annually by utilizing another unbilled receivable computation as a check. On an annual basis, the Senior SEC Accountant will receive a computer generated usage and billing report from the IT department for a given month by division by cycle. The usage and billing report is translated into revenue and usage by day. The daily rate is then multiplied by the number of days unbilled in the month to estimate the unbilled receivable and test the accuracy of the monthly-unbilled calculation
Sr SEC Accountant	Annual	4	The annual test calculation validates the accuracy of the billing rate used within the monthly computation.
Sr SEC Accountant	Quarterly	1	Senior SEC Reporting Accountant prepares the quarter-end closing journal entry by utilizing a standard quarter-end closing template that identifies all the typical entries that need to be recorded.
Accounting Manager	Quarterly	2	Controller, Corporate Accounting Supervisor, and Senior SEC Reporting Accountant review new pronouncements and attend training courses to verify the financial statements are properly prepared with the current regulations.
Sr SEC Accountant	Quarterly	3	Senior SEC Reporting Accountant compares the quarter financial statements to the monthly financial statements to verify the amounts for the quarter were downloaded properly.
Accounting Manager	*Quarterly*	4	*Senior SEC Reporting Accountant prepares a reference copy* of the filing and references all numbers in the filing to the supporting documentation that is attached with the reference copy. All statement figures are referenced via linked
Accounting Manager	Quarterly	5	Senior SEC Reporting Accountant publishes the draft of the filing on the P: drive and notifies the Controller and CFO it is ready for review. CEO, CFO and Controller review and approve the filing.
Accounting Manager	Quarterly	6	Every filing is sent to the Company's SEC attorney for review and comments prior to it being finalized.
Sr SEC Accountant	Quarterly	7	Senior SEC Reporting Accountant collects all comments on the filing, makes changes utilizing the track changes feature in Microsoft Word and re-sends the reviewers a redlined version identifying what has changed in the filing.
CFO	Quarterly	8	Board of Directors and the audit committee review a draft of the filing prior to it being finalized.
HR Director	Annual	N/A	The company possesses a Code of Ethics, which was adapted to incorporate various industry and company-specific issues FPU is subject to. FPU Board of Directors approved the Code of Ethics on 06/03/03. All employees are required to review and sign the Code of Ethics. The document is also posted on the website and accessible to all FPU employees
HR Director	Annual	N/A	Policies governing fair contractual relations with suppliers are addressed as a subsection within the company's Code of Ethics policy.
Accounting Manager	Annual	N/A	As a part of the Code of Ethics, a Whistle Blower Program is in place for employees to report to the Audit Committee any known or suspected activities that may improperly affect financial statements or compromise the Company's Ethics Policy
HR Director	Annual	N/A	The Director of HR (Wayne Bonn) has been effectively designated as Chief Ethics Officer. However, over-arching responsibility for ethics compliance has been delegated to all senior management personnel.
Accounting Manager	Annual	N/A	There is an internal audit function that performs compliance-based audits.
HR Director	Annual	N/A	Violations are thoroughly investigated with any necessary disciplinary actions carried out by HR.
HR Director	Annual	N/A	FPU Employees are required to re-confirm their adherence to the Code of Ethics policy by signing the Code every year.
HR Director	Annual	N/A	Code of Ethics is formally addressed by the Board of Directors annually.
HR Director	Annual	N/A	Comprehension of the company's corporate ethics policy is an integral part of the company's new employee orientation program. FPU has created an acknowledgement form, which asks new employees to sign and attest that they have read and understand FPU's corporate ethics policy.
CFO	Annual	N/A	Regular reviews are performed by the CFO and associated office personnel. Disclosure controls surrounding the integrity, reliability and transparency of financial reporting appear adequate. Disclosure control documents surrounding FPU's assumption of liabilities is adequately maintained.
HR Director	Annual	N/A	The company has designated a PR person who is the only authorized person to speak with outsiders on various company sensitive issues. Other company employees are not ~~executive~~ allowed to speak publicly on FPU matters unless they get approval from executives.
Accounting Manager	Annual	N/A	Legal review is performed prior to the filling of such documents, as the company's 10-K and 10-Q, prior to filing with the SEC.
Accounting Manager	Annual	N/A	The Audit Committee does adequately and timely review FPU's quarterly financial reporting and 8-K reports prior to public release.
CFO	Annual	N/A	Board of Directors assesses annual FPU management performance targets for reasonableness prior to formal approval.
CFO	Annual	N/A	Compensation Committee conducts reviews regarding the potential impact incentive compensation structures could have on the fiduciary responsibilities of senior management.
IT Director	Annual	N/A	IT disaster recovery plan is defined. Hurricane recovery plan is in place.
CFO	Annual	N/A	Corporate Articles of Incorporation & Company By-laws exist
CFO	Annual	N/A	Audit Committee and Nomination Committee charter exist and are utilized. Information on the Compensation Committee (as well as the Audit and Nomination Committees) is contained in the company's proxy statement.
CFO	Annual	N/A	Nomination Committee does adhere to formal guidelines in order to ascertain director independence prior to nomination.
CFO	Annual	N/A	Ethics policy covers Board of Directors independence. Board of Directs are required to complete the "Directors and Officers Questionnaire" which discusses the independence of board members. CFO and CEO review questionnaires for accuracy to the best of their knowledge. The primary monitoring control utilized with respect to changes in the status of board member independence is self-reporting
CFO	Annual	N/A	Board of Directors meets quarterly on the first Tuesday. Meeting calendar for Board of Directors is formally set and agreed upon in advance of each quarterly meeting. Dates are scheduled and managed within Outlook.
CFO	Annual	N/A	Independent directors have the ability to provide input at all meeting attended.
HR Director	Annual	N/A	Director compensation is reviewed and benchmarked against a peer group analysis (i.e. similar industry, size, number of employees, sales, debt/equity ratio, etc.).
CFO	Annual	N/A	Audit committee meets quarterly. Meeting calendar for Audit committee is formally set and agreed upon one year in advance. Dates are scheduled and managed within Outlook.
CFO	Annual	N/A	Independent audit directors do have input into the formation of agendas for all meetings.

Responsibility	Freq	Control #	Control Description
HR Director	Annual	N/A	Audit director compensation is reviewed and benchmarked against a peer group analysis (i.e. similar industry, size, number of employees, sales, debt/equity ratio, etc.).
CFO	Annual	N/A	Agenda is generally deemed to be comprehensive in scope and all recurring activities, which need to be addressed by the Board are done so within the quarterly agenda.
CFO	Annual	N/A	All relevant issues/information needed is followed up on informally and in a timely manner.
CFO	Annual	N/A	Crowe Chizek serves as the company's internal audit function. Crowe Chizek attends quarterly audit committee meetings at the request of the audit committee, and private sessions, without management present, occur at each meeting
CFO	Annual	N/A	Any Audit Committee concerns (when expressed) are directly handled by the External or Internal Auditors of the firm. Review of work completed by auditors is conducted by Audit Committee.
HR Director	Annual	N/A	Compensation Committee handles the review and approval of compensation plans for all FPU executive officers and the Board of Directors members themselves. All compensation plans are reviewed and approved by the Compensation Committee
HR Director	Annual	N/A	Executive officer and Board of Directors members' compensation are benchmarked appropriately against peer companies with comparable performance annually.
HR Director	Annual	N/A	Compensation plans are reviewed to ensure alignment between compensation incentives and desired fiduciary responsibilities is achieved.
HR Director	Annual	N/A	Position descriptions which detail skills, minimum education and competency requirements are developed by Department Heads for all position vacancies (for both internal and external positions).
HR Director	Annual	N/A	FPU requires all personnel with financial accounting and reporting responsibilities to have commensurate credentials and experience. HR verifies that aforementioned individuals have required background.
HR Director	Annual	N/A	Position descriptions (Job Summary, Duties & Responsibilities) are clearly delineated within job description documents to ensure appropriate targeting of applicant pool.
HR Director	Annual	N/A	Criteria for employee advancement are clearly defined and pendent upon the following criteria: 1) Vacancy 2) Appropriate Skill/Experience Set For Position& 3) Performance Merit.
HR Director	Annual	N/A	The company does have an Employee Tuition Assistance Program to potentially increase employees business competence.
CFO	Annual	N/A	Outlook is utilized to physically record and capture all necessary, recurring financial reporting requirements. FPU financial reporting schedule is built around SEC filing requirement deadlines and regular month-end closings. Audit committee intermittently reviews total process (from monthly calendarized close to filings) to ensure all reporting needs are being met
CFO	Annual	N/A	Accountability for preparation of all financial reporting output has been delegated to CFO (George Bachman) and Controller (Cheryl Martin). Output is regularly reviewed by Audit Committee, prior to formal publication.
CFO	Annual	N/A	Review protocols for all financial reports issued are regularly examined by both management and FPU's external auditor.
Accounting Manager	Annual	N/A	Variance analysis on financial reports is regularly performed by management and linked to a subsequent assessment of corrective actions / process deficiencies.
CFO	Annual	N/A	Audit committee regularly reviews quality of reported earnings. Audit committee meets quarterly and reviews all financial / company filings for accuracy and quality, prior to publication.
CFO	Annual	N/A	Relevant risks are reviewed on an on-going basis by management.
CFO	Annual	N/A	Disclosure controls process is regularly assessed as part of traditional SEC filing process. Accounting impacts from significant business changes regularly reviewed by executive management and are addressed within financials.
Accounting Manager	Annual	N/A	Needs assessment for all departments is at least annually performed and budget is appropriately allocated to address those needs.
Accounting Manager	Annual	N/A	FPU has an internal audit function, which focuses its efforts on evaluating and improving internal controls.
Accounting Manager	Annual	N/A	Occasionally controls assessment is performed by accounting when process deficiency is suspected.
CFO	Annual	N/A	Process is completed on an ad-hoc basis. If "fix" is easy, then usually done ASAP. However, if it is more complicated, cost – benefit analysis is first performed, prior to audit comment solution implementation. In general, Audit Committee directs timetable and appropriate responses to audit comments
Accounting Manager	Annual	N/A	Internal audit performs control assessments and provide recommendation.
Accounting Manager	Annual	N/A	Pertinent accounting estimates and judgments are reviewed by the Audit Committee, prior to formal publication of financial reports.
Accounting Manager	Annual	N/A	Consultation of accounting estimates and assumptions are discussed in advance with the auditor, when deemed necessary.
Accounting Manager	Annual	N/A	Comparison / benchmarking against peer companies is regularly performed (primarily through utilization of 10-K filings on accounting issues upon which management is unsure).
CFO	Annual	N/A	Quality of earnings is regularly reviewed by the Audit committee as part of its quarterly meeting and also reviewed by External Auditor.
CEO	Annual	N/A	Management appropriately balances long-term and short-term strategic objectives. Corporate strategic plan growth, customer segmentation and retention program are regularly reviewed within semi annual goals meeting. All goals are also reviewed informally on a quarterly basis by management. Board of Directors provides feedback on the development of reasonable goals/targets and sign offs on all management strategic goals
HR Director	Annual	N/A	Review of organization structure alignment with long/strategic objectives is regularly conducted within Board of Directors meetings and by executive management on an as need basis.
Accounting Manager	Annual	N/A	Monthly and quarterly internal reporting documentation is aligned with over-arching organizational structure and is intermittently reviewed by management and Audit Committee to ensure alignment.
Accounting Manager	Annual	N/A	Finance/Accounting roles at FPU subsidiary units are clearly delineated and well defined as to scope.
CFO	Annual	N/A	Operating managers at divisional locations are held accountable for meeting required financial reporting and performance requirements.
CFO	Annual	N/A	Corporate management regularly discusses financial reporting and performance requirements with applicable process owners of divisional units. Occasional direct meetings are made, as needed.
HR Director	Annual	N/A	Organization structure is regularly (though informally) considered by management on an on-going basis prior to significant policy changes, corporate events and/or major acquisitions. Board of Directors also intermittently directs management on organization structure on an as needed basis
Accounting Manager	Annual	N/A	Appropriate authority and authorization limits for transactions have been clearly communicated and are formally documented.

Responsibility	Freq	Control #	Control Description
Accounting Manager	Annual	N/A	Signatory approvals (especially for JE and vouchers) require appropriate management approval prior to execution of the related transactions.
HR Director	Annual	N/A	Appropriate competency in order to effectively carry out associated decisions/transactions is established through formal HR and Management review/processes (see previous associated comments of this subject).
HR Director	Annual	N/A	Segregation of duties is reviewed in terms of creation of job duties / descriptions during hiring process. The segregation of duties is also reviewed in the documentation of internal controls included in the Section 404 compliance documentation
CFO	Annual	N/A	All process owners with appropriate authority and responsibility are involved within the process. Managers are delegated and accountable for their part of the process.
HR Director	Annual	N/A	Historically, FPU has had very little turnover and full-time employees generally do not work excessive overtime (if at all). Given the seasonal component of the business contract labor is generally used to meet peak labor demands. Also, given the size of the company excessive turnover issues would be readily visible
HR Director	Annual	N/A	HR creates written position description based upon needs/core competencies to successfully carry out responsibilities of the position.
HR Director	Annual	N/A	HR creates a detailed HR policy manual, which details various guidelines, traits and behaviors to look for in potential candidates.
HR Director	Annual	N/A	The HR policy / procedures manual also includes formalized and well-defined consequences for violation of FPU policies on significant items.
HR Director	Annual	N/A	The HR policy/procedures manual is approved by senior management team.
HR Director	Annual	N/A	All employees are required to acknowledge receipt of the manual. HR Director collects the written receipts.
HR Director	Annual	N/A	When hiring a new employee, HR performs the following background checks: Criminal, Driving, Education (for degreed candidates), Credit, and Drugs.
HR Director	Annual	N/A	Formal performance evaluations are conducted at least every 12 months. Approval of performance categorization requires two levels of approval and is then communicated/reviewed with employee.
HR Director	Annual	N/A	In addition, a 360-degree evaluation is encouraged.
HR Director	Annual	N/A	Criteria for advancement are clearly defined and communicated to employees through: Position descriptions and Performance/Merit evaluation process.
HR Director	Annual	N/A	HR performs formal, independent review of all complaints and effectively acts as arbiter to both sides and assesses any allegations. Appropriate disciplinary action is reviewed by supervisor and manager of employee and HR.

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RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower.msg	78 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Regarding Schedule.msg	24 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Revised C-11.msg	82 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Revised Exhibit 1.msg	54 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised Exhibit 2 Revised Testimony.msg	239 KB	Outlook Item	10/16/2007 1:32 PM	Files Currently on the CD
Revised NPV - Fisherman's Cove.msg	341 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
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River Oaks (89).msg	697 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
River Oaks.msg	561 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Short-term debt.msg	32 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
ST interest expense in 2006 compared to 2005.msg	26 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
st.msg	23 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Standardized Cost Estimation Spreadsheet.msg	200 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Standby Rate Information.msg	609 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
Sugar Mill Gardens.msg	1,797 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
SUMMER GLENN REGULATED 15 YEAR2 xls.msg	379 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD
SummerGlen.msg	1,624 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
testimony.msg	24 KB	Outlook Item	10/16/2007 1:34 PM	Files Currently on the CD
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Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
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updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

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Thursday, Apr 10, 2008 09:07 AM

Clara Leider

From: Lundgren April

Sent: Monday, June 04, 2007 7:31 AM

To: Jaeger Melanie; Khojasteh Mehrdad; Martin Cheryl; Napier Michelle; Myers Don; Cutshaw Mark; Kitner Don; Kennedy Barry; Wilson Audra; Cox Doreen; Bachman George; Knowles Terry; Young Curtis; Petty Julie; Oakes Kathi; Hughley Stephanie; Snyder Chris; Arthur Pam; Santaella Mary; Matthew Cherie; Palacios Cindy; Bhatia Nadira; Serraes John; Rance Donna; Jones Tanzanika; Wade Sharon; Allen Robin; Bonn Wayne; Grimeson Bill; Lundgren April; Mesite Jim; English Jack

Attachments: Internal Controls Master Checklist.xls

Hi Everyone!

As many of you are aware, the Company has specific internal controls that must be performed on a regular basis. Additionally, we need to be able to provide documentation to show we have complied with our internal controls requirements. Therefore, I am attaching a checklist of our company's internal controls. Please review the file and let me know if you have been assigned any items that need to be reassigned, and who the responsible individual should be. Also, if you are responsible for an item, but the control needs to be modified to reflect practice please send me your revisions (track the changes so I can clearly see what has been revised). To help make it easier for review, you can click the arrow next to "Responsibility" in cell A3 and select your position to view only the internal control requirements specific to your position.

Thanks for your help!

Thank you,
April Lundgren
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Internal Controls Checklist

Responsibility	Freq	Control #	Control Description
Cash Accountant	Daily	4	Cash is disbursed from a limited number of bank accounts, inter-company account transfers are minimized; and inactive accounts are closed timely.
Cash Accountant	Monthly	1	The Cash Accountant who is independent of the cash disbursements function prepares bank account reconciliations monthly.
Accounting Manager	Monthly	2	The General Accounting Manager reviews, approves and signs off on all bank reconciliations monthly except for payroll account and returns.
Division Manager	Monthly	3	Expense account balances are compared to current and prior year amounts; large variances are investigated by Division Managers who are held accountable to the budget by management.
Cash Accountant	Daily	4	Borrowings and repayments to the line of credit (LOC) are done automatically by Bank of America on a daily basis, based on daily cash requirements.
Cash Accountant	Monthly	2	Cash is reconciled monthly by the Cash Accountant and all reconciling items are investigated and cleared timely.
Cash Accountant	Monthly	5	The Cash Accountant records the borrowings on the LOC per the bank statement. The General Ledger Accountant reconciles LOC per bank statement to the general ledger.
Cash Accountant	Monthly	6	LOC Interest is automatically withdrawn from the bank account monthly and the Cash Accountant reconciles the bank accounts monthly.
GL Accountant	Monthly	8	General Ledger Accountant performs a reconciliation of accrued interest each month that is reviewed and approved by the General Accounting Manager.
Cash Accountant	Monthly	9	Bank notifies Company when the interest is due on the long-term debt. The interest is paid via a wire transfer.
GL Accountant	Quarterly	7	General Leger Accountant analyzes the monthly interest expense based on current borrowings and verifies the interest charged and recorded is reasonable.
Financial Analyst	Quarterly	10	The financial analyst calculates the Company's compliance with the debt covenants and the CFO reviews and approves the calculation.
CFO	Annual	1	The Board of Directors are required to approve all financing to be obtained by the Company.
CFO	Annual	3	The CFO is the only person able to initiate and create a letter of credit with the bank.
IT Director	Daily	10	Only Customer Relations Director, Customer Information Systems Manager, IT Director, CFO and Business Systems Analyst have access to the customer rate master file in ORCOM
Sr Regulatory Acct	Monthly	1	There is a set formula to the price structure: Selling Price is fuel rate plus base rate plus conservation. This formula is consistently used each year.
Sr Regulatory Acct	Monthly	5	Projected over/under recovery is monitored and updated from actual monthly billings and cost by Senior Regulatory Accountant on a monthly basis and filed with the commission
Sr Regulatory Acct	Annual	3	Senior Regulatory Accountant calculates the fuel price to be charged for the year based on the annual electricity contract. The annual electric contract fixes the price of electricity for the entire year and therefore the rates are only updated once a year
Sr Regulatory Acct	Annual	4	Fuel rate for the following year are prepared by Senior Regulatory Accountant in August or September in a given year using budgeted information on usage and cost, and it is filed with the Commission. In early November or December, the Commission approves the monthly projected rates for the following year. These rates are used for billing customers in the following year
Sr Regulatory Acct	Annual	6	After the projected rates for the following year is approved by the Commission, Senior Regulatory Accountant prepares an e-mail to notify Customer Relations Department of new approved rate per the commission.
Cust Relations Director	Annual	7	Customer Relations Director inputs the rate change in the ORCOM (billing system).
Cust Information Mgr	Annual	8	Customer Information Manager verifies the rate in ORCOM agrees to the new rate communicated by the Senior Regulatory Accountant and approves the entry.
Sr Regulatory Acct	Annual	9	The Fuel Rate Memo is sent out to each division by Senior Regulatory Accountant once the PPA is determined, so each division is aware of the current rate.
CIS Analyst	Annual	11	FPU establishes an annual fixed billing meter reading schedule and distributes the schedule to the local offices. The schedule identifies the exact dates when the rate will change which is effective on the "read date" of cycle 1 of each January
Cust Relations Director	Annual	12	Customer Relations Director ensures that the Senior Regulatory Accountant has submitted the rate change form each year prior to the scheduled effective date.
CIS Manager	Annual	13	CIS Manager verifies the rate change entry in ORCOM was completed by the required effective date. CIS Manager's review is documented by signing and dating the Fuel Adjustment Form Electric.
Accounting Manager	As Req	2	Base Rate is determined by the Commission, and it is only changed when a new rate study is done.
Gas Logistics Mgr	Daily	3	FPU currently limits propane purchases to two main vendors: INERGY and DYNEGY.
IT Director	Daily	6	Only Customer Relations Director, Customer Information Manager, IT Director, CFO, and Business Systems Analyst have access to the customer rate master file in ORCOM
Propane Director	Monthly	1	Director of Propane sends out the ORCOM Propane Rates and Propane Rates Quick Reference to each division, marketing staff and customer relations department once the price is determined, so each propane related personnel is aware of the current rate
Propane Director	Monthly	2	Propane Gas Adjustment Form to change the price charged per unit of propane is prepared and signed off by Director of Propane.
Cust Relations Director	Monthly	4	Customer Relations Director signs off on the Propane Gas Adjustment Form and inputs the rate change in ORCOM (billing system).
Cust Information Mgr	Monthly	5	Customer Information Manager verifies the rate in ORCOM agrees to the amount indicated on the Propane Gas Adjustment Form and approves the entry.
CIS Analyst	Monthly	7	FPU establishes an annual fixed billing meter readingp schedule and distributes the schedule to the local offices. The schedule identifies the exact dates when the rate will change which is effective on the "read date" of cycle 1 of each month for metered propane and the "billed date" of cycle 1 of each month for bulk propane.
Cust Relations Director	Monthly	8	Customer Relations Director ensures that the Director of Propane has submitted the rate change form each month prior to the scheduled effective date.
CIS Manager	Monthly	9	CIS Manager verifies the rate change entry in ORCOM was completed by the required effective date. CIS Manager's review is documented by signing and dating the Propane Gas Adjustment Form.
IT Director	Daily	11	Only Customer Relations Director, Customer Information Systems Manager, IT Director, CFO, and Business Systems Analyst have access to the customer rate master file in ORCOM

Responsibility	Freq	Control #	Control Description
Sr Regulatory Acct	Monthly	1	There is a set formula to the price structure: Selling Price is PGA plus Base Rate plus conservation plus AEP and surcharges where applicable. This formula is consistently used each year.
Sr Regulatory Acct	Monthly	3	Projected over/under recovery is monitored and updated from actual monthly billings and cost by Senior Regulatory Accountant on a monthly basis and filed with the commission
Gas Logistics Mgr	Monthly	4	PGA is compared with market rate each month for reasonableness check by Gas Logistics Manager and documented on the Projected Rate Sheet.
Gas Logistics Mgr	Monthly	5	Gas Logistics Manager determines the PGA for forward months based on the Projected Rate Sheet prepared by Senior Regulatory Accountant which details budget and accounting projections and updates for current market conditions
Gas Logistics Mgr	Monthly	7	Gas Logistics Manager prepares and signs off on the Natural Gas Rate Adjustment form and submits to Customer Relations Department.
Cust Relations Director	Monthly	8	Customer Relations Director signs off on the Natural Gas Rate Adjustment form and inputs the rate change in ORCOM (billing system).
Cust Information Mgr	Monthly	9	Customer Information Manager verifies the rate in ORCOM agrees to the approved Natural Gas Rate Adjustment form and approves the entry.
Gas Logistics Mgr	Monthly	10	The PGA Sheet is sent out to each natural gas division by Gas Logistics Manager once the PGA is determined for each month, so each division is aware of the current rate. The PGA Sheet includes current rate and historical data.
CIS Analyst	Monthly	12	FPU establishes an annual fixed billing meter reading schedule and distributes the schedule to the local offices. The schedule identifies the exact dates when the rate will change which is effective on the "read date" of cycle 1 of each month
Cust Relations Director	Monthly	13	Customer Relations Director ensures that the Gas Logistics Manager has submitted the rate change form each month prior to the scheduled effective date.
CIS Manager	Monthly	14	CIS Manager verifies the rate change entry in ORCOM was completed by the required effective date. CIS Manager's review is documented by signing and dating the Natural Gas Adjustment Form.
Sr Regulatory Acct	Annual	6	Rate projections for the following year are prepared by Senior Regulatory Accountant in August or September in a given year, and it is filed with the Commission. In early November or December, the Commission approves the monthly projected rates for the following year. These rates are used as parameters for billing customers in the following year. The Company is not allowed to exceed the rates approved by the Commission unless special approval is received
Accounting Manager	As Req	2	Base Rate is determined by the Commission, and it is only changed when a new rate study is done.
CIS Analyst	Daily	1	After every posting to the computer system, Orcom will produce a CISBAL Report (Customer Information Balance/Accounts Receivable Balancing Report). The CIS Analyst agrees and balances the amounts that are identified in the CISBAL Report to the PR2 Report (lists all accounts billed for the day by utility) and the Sales Journal (lists all posting by GL account), all variances are identified and corrected timely
IT Director	Daily	4	Access to the "Customer Control Files" is limited to the Director of Customer Relations, CIS Manager, CFO, Business System Analyst and IT Director.
IT Director	Daily	6	Orcom system produces daily routes and meters to be read which is loaded on the hand held devices.
Cust Relations Operator	Daily	7	After the bills are produced by the outside biller (Kubra) the CR Operator agrees the dollar amount and number of bills processed/mailed per the "Kubra Production Filter Log" provided by the vendor to the number and amount of the bills to be processed per the Orcom data file. Any differences researched and documented on an excel reconciliation sheet kept by the CR Operator
Cust Relations Director	Daily	8	Orcom requires all meters to be read regardless of whether the meter is active or unused.
IT Director	Daily	9	ITRON produces a report to the divisional office if the meter reader inadvertently or intentionally skips any reads. The hand held device will alert the meter reader if the read does not appear to be correct.
CIS Analyst	Daily	11	The CIS Operator sends all managers a listing of their "Premises Not Billed" for that days billing cycle.
Cust Service Manager	Daily	12	The customer service representative (CSR) performs a pre-audit on meter reads to verify that all meter exceptions were addressed. The meter exceptions identified and worked at this stage are premise or usage exceptions.
IT Director	Daily	13	Orcom identifies all pre-bills that have abnormally high or low dollars or if the customer is being charged for services they don't have on the "Bill Batch" report which is reviewed and discrepancies are resolved or overridden at the local office by the office CSR. The high or low usage is determined by comparing the current bill to the prior two months and the same month the prior year and identifies abnormally high or low usage if the current bill differs by the predetermined system parameters located in the Orcom table
IT Director	Daily	14	Orcom identifies unusual items in the billing system as a terminal or soft exception after the meter reading batch is posted to the Orcom system.
Cust Service Manager	Daily	15	The local CSR is required to review all terminal exceptions and provide a "Cycle Information Form" to the CIS Operator to override the exception for the valid prebills that should be billed. If the exception is not an accurate bill, the local CSR will move the exception to their division's exception batch to research, correct and resubmit to bill.
CIS Analyst	Daily	16	If the CIS Operator does not obtain a "Cycle Information Form" to override a terminal exception, the bill will not be created and will be sent to the "Division Batch Exception" which must be resolved in 5 days.
CIS Analyst	Daily	17	CIS Operator examines all "Cycle Information Forms" for appropriate documentation to clear all terminal exceptions in Orcom.
IT Director	Daily	18	Calculation of the amount billed is computer automated based on the current rates loaded into the system.
Cash Accountant	Monthly	2	Cash Accountant reconciles the monthly sales journal to the general ledger posting.
Accounting Manager	Monthly	3	General Accounting Manager reviews and approves the monthly revenue journal entry prepared by the cash accountant.
Sr Regulatory Acct	Monthly	5	Senior Regulatory Accountant (independent of billing) reconciles the rates charged during the month and prepares a FPSC filing each month for the gas and electric fuel rates billed to the customers for the month. The amount billed to the customers is reconciled to the cost of fuel for the month
Cust Service Manager	Monthly	10	All customer service managers are required to review and approve the monthly "No Bill" report that identifies all premises that have not been billed in 34 days.
Cust Service Manager	Daily	1	Company requires a deposit on electric, gas, and most propane accounts of approximately two months usage. In the case of commercial accounts, can supply a surety bond and an irrevocable letter of credit instead of a deposit.
Cust Service Manager	Daily	2	If customer purchases merchandise on credit, a credit report is run on customer prior to sale or delivery except for good-standing customers or customers who purchased a water-heater.
Cust Service Manager	Daily	3	A delinquent notice is sent to every account over 2 days past due which is 22 days from date of bill.

Responsibility	Freq	Control #	Control Description
Cust Service Manager	Daily	4	If account is greater than $30 and over 30 days from date of bill, a collector notice is issued and a collector will visit premises to receive payment or shut-off service.
Cust Relations Director	Daily	7	Bankrupt accounts are flagged and identified in Orcom by the Director of Customer Relations upon receipts of bankruptcy notices from the court.
IT Director	Daily	9	Only the Customer Relations department has access to post write-off bad debts to the system.
Accounting Manager	Monthly	5	*All accounts over 90 days after account has closed are automatically written-off to bad debt batch and sent to an* outside collection agency.
Cash Accountant	Monthly	6	An accounts receivable aging summary and write-off history analysis is sent to the division manager monthly. Division directors are evaluated based on achieving pre-determined aging goals.
Division Manager	Monthly	8	Managers have to review all accounts to be written-off to bad debts on a monthly basis and the division manager has to approve via email the bad debt accounts included in the bad debt batch before posting to the Orcom system by the Customer Service department.
CIS Analyst	Daily	1	CIS Analyst runs two queries prior to cash posting to verify all miscelleaneous cash assigned a valid general ledger account and merchandise down payments are tied to a valid contract in the system is (not posted to the customers ledger)
Cust Relations Director	Daily	2	Majority of all payments are sent to a central "Lockbox" at the Marianna facility in which the Company owns equipment that processes the mail payments and checks received.
IT Director	Daily	3	Cash cannot be posted until the prior days cash received per Cash Edit D report is reconciled to the System Balance in Orcom.
CIS Analyst	Daily	5	CIS Analyst receives a daily email from each location indicating the location has initiated a pending post of the cash receipts in Orcom. CIS Analyst logs the time that each location sent the email and verifies all locations have initiated a pending post in the system prior to a final cash post
CIS Analyst	Daily	6	CIS Analyst balances the cash receipts posted in Orcom for the day to the cash receipts identified in the "Daily Cash Reports" provided by each location to verify all cash received for the day was properly posted in the Orcom system.
CIS Analyst	Daily	7	CIS Analyst balances the "Cash Edit D" report that identifies all the types of cash received, to the CISBAL report to the cash receipts journal to verify the amount of cash applied to accounts receivable agrees to the cash received.
CIS Analyst	Daily	14	If money or cash is received from an unknown source or unidentifiable customer, the funds are recorded as a liability in an unidentified cash account. Customer Service can search this account by dollar and date posted when person calls to claim payment
CIS Analyst	Daily	15	Funds received on closed accounts can still be applied to the closed account and will trigger repayment back to the customer.
Accounting Manager	Daily	17	The person who receives and applies the cash is different than the person who posts the cash to the computer system who is different than the person who reconciles the bank accounts to the general ledger.
Division Manager	Daily	18	Cashier balances his/her drawer every 24 hours by matching the batch totals to the actual cash received for the past 24 hours and prepares a deposit ticket.
Cust Service Manager	Daily	19	Location supervisor reviews all deposit tickets, agrees the amount deposited to the "Daily Cash Report" total deposits, and intermediate posts each batch to remove access to batch from cashiers.
Division Manager	Daily	20	An armored car service picks up all cash received prior to the scheduled time daily, except for New Smyrna and West Florida.
Cust Service Manager	Weekly	16	Office CSM is responsible to review postings to the Unidentified Cash account and contact check writer to find proper placement for the funds and to make and file a photocopy of the check.
CIS Analyst	Monthly	4	CIS Analyst runs a month-end "Cash Receipts Journal", identifies the bad G/L's, and corrects the entries prior to forwarding to Accounting.
CIS Analyst	Monthly	8	CIS Analyst runs a month-end "Cash Receipts Journal" and agrees balances to the daily balancing worksheet.
CIS Analyst	Monthly	9	Customer statements are sent to customers indicating cumulative balance owed and the customer service department who is independent of cash receipts investigates discrepancies identified by the customer.
Cash Accountant	Monthly	10	Cash Accountant takes the month-end "Cash Receipts Journal" and verifies the totals agree to the monthly total of the daily cash reports and prepares a manual journal entry.
Accounting Manager	Monthly	11	General Accounting Manager reviews and approves the cash receipts journal entry prior to posting the journal entry.
Cash Accountant	Monthly	13	Cash Accountant reconciles the bank account which is reviewed and approved by the General Accounting Manager.
Cash Accountant	Quarterly	12	Cash accountant reconciles the accounts receivable aging to the general ledger quarterly.
HR Assistant	Daily	5	Prior to benefit payments, HR Assistant(independent from State Street, the custodian of benefit plan assets) forwards *participant's retirement notice to AON. AON prepares and sends the participant a Retirement Application* that details the entitled benefits and options of distributions. HR Assistant reviews the Retirement Application signed by the participant and prepares and sends the payment request to State Street for distribution process
HR Assistant	Weekly	10	Total amount paid per the Payroll Report is agreed to the checks generated.
Sr Tax Accountant	Monthly	7	The Senior Tax Accountant reconciles the payroll tax accounts monthly
Inventory Analyst	Monthly	7	The Inventory Analyst reconciles the payroll and deductions monthly, which are reviewed and approved by management monthly.
Accounting Manager	Monthly	8	Payroll related accruals are reviewed for completeness and reasonableness and approved by General Accounting Manager.
HR Assistant	Monthly	9	Payroll system uses edit checks to query the HR department to check whether all employee time reports have been submitted into the payroll system. If a persons time is missing, the computer report generated questions the HR department. The HR Assistant receives a report titled "Unmatched Employees" that identify employees not receiving a check
Sr Tax Accountant	Quarterly	11	Senior Tax Accountant reconciles the "701" computer report from the payroll system to the "HR 310" report computed with every payroll. Senior Tax Accountant makes sure amounts equal and computes the required tax deposits from these reports and agrees it to the actual payroll tax deposits and reconciles any discrepancies
CFO	Annual	1	Analytics are performed by AON annually. A meeting including the CEO, COO, CFO, and HR Director is held to discuss the projections and assumptions related to pension costs. Actual benefit costs are compared with expected benefit costs and any differences are investigated and resolved
Sr Financial Acct	Annual	2	Senior Financial Reporting Accountant compares the total contributions to the benefit plan and reconciled to GL for benefit costs recorded and accrued. The reconciliation is reviewed and approved by management monthly and approved by the CFO on a quarterly basis
Sr Financial Acct	Annual	3	Senior Financial Reporting Accountant prepares journal entry to true-up pension liability balance based on AON's projections and accrues for future funding. CFO review and signs off on the JE's.

Responsibility	Freq	Control #	Control Description
HR Assistant	Annual	4	HR Assistant prepares the "Pension Valuation Spreadsheet" to update AON(Actuary) with new hires, new terminations, and compensation information for all participants. To ensure that all participants are included correctly, HR Assistant generates payroll report and compare the amounts per this report to total W-2's reported.
GL Accountant	Annual	6	Detailed records are maintained of the liability for compensated absences, and the General Ledger Accountant reconciles it to the general ledger.
CFO	Daily	1	Company has a policy not to conduct transactions with officers or directors or affiliated companies of officers and directors.
CFO	Annual	2	Directors and officers are required to complete a D&O Questionnaire that identifies entities that the director or officer or a member of their immediate family that acts as a director or officer or owns.
CFO	Annual	3	The CEO and CFO review all D&O questionnaires for accuracy to the best of their knowledge.
CFO	Quarterly	4	The CEO and CFO review all SEC filings prior to ensure the related party transactions are appropriately presented based on their knowledge of the known related parties.
Sr Financial Acct	Quarterly	1	Senior Financial Accountant reconciles and maintains the liability reserve account to update losses and true-up the liability level.
CFO	Quarterly	2	CFO receives a letter from the Company's legal counsel that identifies all known or threatened litigation and the potential exposure of each incident.
CFO	Quarterly	3	CFO reviews and approves the general ledger entry prepared by Senior Financial Reporting Accountant comparing the journal entry to the approved reconciliation.
Cust Service Supervisor	Daily	1	Customer Service Supervisor (separate from warehouse personnel issues the merchandise) matches the quantity and items on the following documents: the tag removed from merchandise and the tag from warehouse file, the Pink Sales Contract, and completed Service Order, then she relieves the merchandise from inventory system
Stores Supervisor	Weekly	4	Customer Service Supervisor runs a report of merchandised sold from the inventory system for the week and sends to the Stores Supervisor. Store Supervisor verifies that items listed on the report match all the merchandise issued from warehouse for the week. Any difference are immediately investigated
Inventory Analyst	Monthly	2	Inventory Analyst (separate from warehouse personnel issues the merchandise) matches the White Sales Contracts to the Sold List generated by the Merchandise Inventory System and to the merchandise tags for the quantity and final costs and investigates any variances
Accounting Manager	Monthly	3	Inventory Analyst prepares a journal entry to capture the quantity and final cost of merchandise issued that is reviewed and signed off by General Accounting Manager.
Accounting Manager	Monthly	5	Merchandise Inventory System generates the Inventory Available Report. Inventory Analyst uses this report and reconciles the perpetual inventory system report to GL balance and investigates any differences. Variances are recorded by the Inventory Analyst as a journal entry to update the G/L. General Accounting Manager reviews and signs off on the JE
Division Manager	Annual	6	Full physical inventories of merchandise is performed every year by the warehouse personnel.
Division Manager	Daily	1	Warehouse personnel fills out and signs a Material Receipt for every item received indicating receipt of goods.
Office Services	Daily	4	If Office Services department placed the order, then the Office Services department will match the quantity of goods received to the invoice to the purchase order and also agree the price per the purchase order to the price per the invoice
Division Manager	Daily	5	If an item received is on a Local Purchase Order, then the Stores Supervisor will agree the quantity of goods received to the invoice and also agree quoted to the price per the invoice.
Inventory Analyst	Daily	6	Inventory Analyst verifies the quantity received per the Material Receipt agrees to the quantity charged per the invoice and also agrees the amount charged per the invoice agrees to the voucher.
Division Manager	Daily	8	The stores supervisor maintains a Local Purchase Order Log and documents the date the voucher is prepared and date the invoice was received.
Division Manager	Daily	9	The duties of receiving the inventory are performed by the warehouse personnel, which are segregated from the duties of updating the perpetual inventory system which is performed by the IT department.
Office Services	Monthly	3	At the end of each month, Office Services department reviews all Material Receipt received but without a corresponding invoice. These items are listed as the month end supplies and material accrual for items received not invoiced and provided to the inventory analyst to accrue
Accounting Manager	Monthly	7	The Inventory Analyst reconciles the perpetual inventory system to the general ledger each month. General Accounting Manager reviews and signs off the reconciliation.
Division Manager	Annual	2	Full physical inventories of materials and supplies are taken every other year with a partial inventory of items that constitute 70% of the value done in the other years.
Division Manager	Annual	1	Full physical inventories of materials and supplies are taken every other year with a partial inventory of items that constitute 70% of the value done in the other years.
Accounting Manager	Annual	2	Corporate Accounting randomly selects inventory items to be test counted. For full inventories, 5% of the inventory items are test counted. For partial inventories, 10% of the inventory items are test counted.
Accounting Manager	Annual	3	A Corporate Accounting staff verifies and accounts for all tags issued for the physical inventory. All tags are accounted for including voids and unused tags.
Accounting Manager	Annual	4	A Corporate Accounting staff and warehouse manager investigate large book to physical variances.
Division Manager	Annual	5	Items received during the physical inventory are added to the physical inventory documentation for inclusion with the inventory reconciliation.
Division Manager	Annual	6	Inventory is counted by individuals under the supervision and direction of the warehouse manager.
Division Manager	Annual	7	Tags are placed on all inventory items or bins to indicate they have been counted, and it is verified by the test
Accounting Manager	Annual	8	A Corporate Accounting Staff prepares the book to physical journal entry to be posted in the general ledger and perpetual inventory system. The entry is reviewed and approved by the Controller.
Division Manager	Daily	1	The person filling (warehouse personnel) the order initials the stock slip indicating the request was fulfilled and the person receiving the supplies and materials initials the stock slip indicating they received the items identified on the stock slip.
Division Manager	Daily	2	The warehouse personnel cannot issue any supplies or materials unless a stock slip is created and signed by the issuer and the receiver.
Division Manager	Daily	3	Each stock slip issued is assigned a sequential number by Store Supervisor. Each morning, Store Supervisor enters prior day inventory issuance into the Inventory System accounting for the sequential numbering of stock slips and verifying the first stock slip number follows the prior days last stock slip number
IT Director	Monthly	4	Inventory System is interfaced with Infinium (G/L system) and automatically generates journal entry to capture quantity and value of the inventory issued.

Responsibility	Freq	Control #	Control Description
Accounting Manager	Monthly	5	Inventory Analyst (separate from warehouse personnel who issues the inventory) reconciles the perpetual inventory system report to the G/L balance and investigates any differences. Inventory Analyst prepares the adjustment journal entry if needed to update G/L. This adjustment JE is reviewed and signed by General Accounting Manager
IT Director	Monthly	7	Inventory System calculates cost on inventory relieved by multiplying the quantity by the average inventory cost per unit calculated by the system.
Division Manager	Annual	6	Full physical inventories of material and supplies are performed every other year with partial physical of items that constitutes 70% of the value done in other years by warehouse.
Office Services	Daily	1	All of the following documents are required by Office Services department to prepare voucher: Non-Inventory *Material Receipt, Bill of Lading, Purchase Order and vendor invoices.* The Office Services Department agrees the quantity and prices charged per these documents and verify they agree. If all items agree, a voucher is prepared
Office Services	Daily	7	Officer Services Manager matches the approved Purchase order to the Bill of Lading and Non-inventory Material Receipt and verifies the purchase was appropriately authorized per the Purchase Authorization Procedures.
Office Services	Daily	8	Office Services department receives vendor invoices, matches the quantity and price against the Non-Inventory Material Receipt and Bill of Lading, and investigates and reconciles any variances.
AP Analyst	Daily	9	Inventory is recorded into the computer system by the AP Analyst which is different than the person receiving the inventory.
Office Services	Weekly	2	Office Services department receives an EFT notification from the vendor that indicates the amount of cash that will be withdrawn from FPU's bank account by the vendor and reconciles the amount to be paid to all vouchers during that week to verify amount is accurate
Propane Director	Monthly	3	Each division performs an inventory balancing and prepares an End of Month Propane Inventory report which rolls inventory balance from prior month balance to current balance. This report is also reviewed and sent by the division supervisor to the Director of Propane to Inventory Analyst
Inventory Analyst	Monthly	4	Inventory Analyst converts the Gas Received portion in the End of Month Propane Inventory Report into dollars and reconciles to the G/L balance for all inventory received during the month.
Division Manager	Monthly	5	Physical inventories of propane at the tank farms are done monthly by tank farm personnel to record the ending inventory balance to use in the monthly inventory rollforward report. The inventory is also taken daily for division use.
Inventory Analyst	Annual	6	A reasonableness calculation of propane located in the tanks of metered customers is performed once a year. The *Propane Delivery System runs a program that calculates the estimated balance at a given day of propane in a* metered customers tank based on the prior date the tank was filled. This test validates the propane inventory in metered tanks on a given day. The variances are reconciled and errors identified by the report are investigated either individually or using a random sample and adjusted to correct value by the Inventory Analyst and a book to physical adjustment is posted in the G/L
Division Manager	Monthly	1	Physical of inventories of propane at the tank farms are done monthly by tank farm personnel to record the ending inventory balance to use in the monthly inventory rollforward report. The inventory is also taken daily for division use.
Inventory Analyst	Monthly	2	Inventory Analyst reconciles the physical count of Tank Farm inventory month and investigates and reconciles significant variances (done per monthly propane rollfoward report).
Accounting Manager	Monthly	4	Inventory Analyst prepares the book to physical journal entry to adjust the G/L balance, and the journal entry is approved/signed off on by the General Accounting Manager. The CFO's approval and sign off are also required for the annually customer premises book to physical adjustment entry in addition to the General Accounting Manager's approval. Monthly control for tanks
Division Manager	Monthly	5	Inventory read of tanks is performed by individuals who are familiar with the equipments and independent of inventory record keeping. Monthly control for tanks.
Inventory Analyst	Annual	3	A reasonableness calculation of propane located in the tanks of metered customers is performed once a year. The Propane Delivery System runs a program that calculates the estimated balance at a given day of propane in a metered customers tank based on the prior date the tank was filled. This test validates the propane inventory in metered tanks on a given day. The variances are reconciled and errors identified by the report are investigated either individually or using a random sample and adjusted to correct value by the Inventory Analyst and a book to physical adjustment is posted in the G/L
CFO	Annual	4	Inventory Analyst prepares the book to physical journal entry to adjust the G/L balance, and the journal entry is approved/signed off on by the General Accounting Manager. The CFO's approval and sign off are also required for the annually customer premises book to physical adjustment entry in addition to the General Accounting Manager's approval. Annual control for customer premises
Propane Clerk	Daily	1	*Delivery Tickets are automatically stamped with the gallons disbursed by the meter on the delivery trucks when* Drivers deliver propane.
Propane Clerk	Daily	2	For each truck, Propane Clerk accounts for all Delivery Tickets and reconciles the beginning read to the ending read on the trucks.
Propane Clerk	Daily	3	Propane Clerk runs a tape of all Delivery Tickets for all trucks and reconciles to the Delivery Edit Report generated by the Propane Delivery System(scheduling system).
Propane Clerk	Daily	4	Propane Clerk generates the Fills Do Not Agree (FDA) report which details all the variances between gallons delivered and meter reads as percentage, reviews and investigates unacceptable variances, i.e. >25% for tanks 120 gallon and smaller and >15% for tanks 250 gallons and larger. Findings are documented on the FDA report or on a service order
Office Services	Daily	11	Office Services Manager compares the vendor pricing to the OPIS Index provided by the Gas Logistics Manager and the destination pricing report provided by the vendor to verify if the accurate price is charged (usually the lower of the OPIS Index and destination pricing)
Propane Clerk	Daily	12	Propane is delivered by Drivers at each division, Propane Clerk accounts for all Delivery Tickets, and Inventory Analyst records inventory issuance in the G/L. Daily control for delivery
Division Manager	Monthly	5	Each division performs inventory balancing and prepares the End of Month Propane Inventory report which details the rollforward of prior month inventory balance to current month balance. This report is reviewed and forwarded by the Division Supervisor to the Inventory Analyst
Inventory Analyst	Monthly	6	Inventory Analyst summarizes all divisions End of Month Propane Inventory reports and prepares the inventory rollforward worksheet to calculate the month end G/L balance.
Accounting Manager	Monthly	7	Inventory Analyst converts the Gas Issued portion in the End of Month Propane Inventory Report into dollars and prepares a journal entry to record propane inventory issued during the month to update the G/L. The journal entry is reviewed and approved by the General Accounting Manager

Responsibility	Freq	Control #	Control Description
Division Manager	Monthly	8	Physical of inventories of propane at the tank farms are done monthly by tank farm personnel to record the ending inventory balance to use in the monthly inventory rollforward report. The inventory is also taken daily for division use.
Accounting Manager	Monthly	10	Inventory Analyst calculates total cost of inventory issued within the rollforward worksheet using the average cost per gallon and total quantity delivered. Inventory Analyst then prepares a month-end journal entry for propane issuance during the month to update G/L. The journal entry is reviewed and approved by the General Accounting Manager
Inventory Analyst	Monthly	12	Propane is delivered by Drivers at each division, Propane Clerk accounts for all Delivery Tickets, and Inventory Analyst records inventory issuance in the G/L. Monthly control for GL recording
Inventory Analyst	Annual	9	A reasonableness calculation of propane located in the tanks of metered customers is performed once a year. The Propane Delivery System runs a program that calculates the estimated balance at a given day of propane in a metered customers tank based on the prior date the tank was filled. This test validates the propane inventory in metered tanks on a given day. The variances are reconciled and errors identified by the report are investigated either individually or using a random sample and adjusted to correct value by the Inventory Analyst and a book to physical adjustment is posted in the G/L
Division Manager	Annual	1	Full physical inventories of merchandise are taken every year by warehouse personnel.
Accounting Manager	Annual	2	A test count of 5% of all inventories is done by individuals independent of the inventory count.
Accounting Manager	Annual	3	Corporate Accounting staff reconciles physical inventory and general ledger account and prepares necessary adjustments.
Accounting Manager	Annual	4	Corporate Accounting staff and warehouse manager investigate any book to physical variances.
Division Manager	Annual	5	Items received during the physical inventory are added to the physical inventory documentation for inclusion with the inventory reconciliation.
Division Manager	Annual	6	Inventory is counted by individuals under the supervision and direction of the warehouse manager.
Division Manager	Annual	7	After the inventory counting is completed, items without a "post-it" note are investigated.
Accounting Manager	Annual	8	Corporate Accounting staff prepares the book to physical journal entry to be posted in the general ledger and perpetual inventory system. The entry is reviewed and approved by the Controller.
Division Manager	Daily	1	Warehouse personnel fills out and signs a Material Receipt for every item received indicating receipt of goods.
Division Manager	Daily	2	The warehouse personnel generates a pre-numbered system tag in duplicate from the inventory system upon the receipt of each piece of merchandise inventory. One tag is placed on each piece of merchandise received, one tag is placed in the warehouse file
Office Services	Daily	7	If Office Services department placed the order, then the Office Services department will match the quantity of goods received to the invoice to the purchase order and also agree the price per the purchase order to the price per the invoice. If everything agrees, the Office Services department prepares the voucher
Division Manager	Daily	8	If an item received is on a Local Purchase Order, then the Sales Coordinator or local divisional purchaser will agree the quantity of goods received to the invoice to the purchase order and also agree the price per the purchase order to the price per the invoice. If all items agree the Sales Coordinator or local divisional purchaser prepares the voucher for payment
Inventory Analyst	Daily	9	Inventory Analyst verifies the price on the voucher agrees to the price on the invoice.
Division Manager	Daily	11	The Sales Coordinator maintains a Local Purchase Order Log and documents the date the voucher is prepared and date the invoice was received.
Division Manager	Daily	12	The duties of receiving and recording the inventory are performed by the warehouse personnel which are segregated from the duties of creating a voucher and processing the payment for the inventory.
Division Manager	Daily	13	Warehouses are equipped with alarm systems and guards.
Division Manager	Daily	14	Service Order is required prior to issuing merchandise.
Division Manager	Monthly	4	The Sales Coordinator receives a Merchandise Audit Report from the Stores Supervisor that identifies all system tags received in the period. This report is used to verify all system tags are received from the warehouse.
Accounting Manager	Monthly	5	Inventory Analyst accrues all items sold during the month that have not been paid using the Sold Report, all available inventory items that have not been paid using the Available Report, and all items sold and accrued in prior month that have not been paid. Inventory Analyst prepares the accrual journal entry, and it is reviewed and signed off by the General Accounting Manager
Accounting Manager	Monthly	10	The Inventory Analyst reconciles the perpetual merchandise inventory system to the general ledger each month. General Accounting Manager reviews and signs off on the reconciliation.
Division Manager	Annual	6	Full physical inventories of merchandise are taken at least once every year.
GL Accountant	Monthly	1	The General Ledger Accountant prints a pre-tax financial statement, detailed expense report, and balance sheet on a divisional level and sends the reports to the accounting department for review.
Sr Financial Acct	Monthly	2	The accountants responsible for each account will verify the financial statement accuracy and investigate large variances or fluctuations (over $5,000) between the current and prior period amounts. Each person is responsible to document the reason for the fluctuation on the Analysis Worksheet for his or her assigned accounts
Sr Financial Acct	Monthly	3	The Senior Financial Accountant verifies each person responsible documents on the Analysis Worksheet all the fluctuations over $5,000. She then prepares a letter that explains the variances between the current period and prior period for all fluctuations over $20,000 and distributes the letter to each person who receives the monthly financial statements (mainly directors and managers)
Accounting Manager	Monthly	4	General Accounting Manager prepares a Master Closing Schedule that identifies all items to be completed prior to the close and identifies person responsible.
GL Accountant	Monthly	5	General Ledger Accountant maintains a JE control log of all required journal entries and person responsible will electronically input date and their initials on the JE control log once the journal entry is completed and entered into the system
Accounting Manager	Monthly	6	The General Accounting Manager maintains a log of all account reconciliations that need to be performed and the person responsible. The person responsible in General Accounting to complete the reconciliation is required to input completion date on the log once the reconciliation is complete
IT Director	Monthly	7	Only the General Ledger Accountant, Cash Accountant, General Accounting Manager, CFO, Controller and Corporate Accounting Supervisor have access to post journal entries to Infinium.
Accounting Manager	Monthly	8	The Controller, General Accounting Manager or the Corporate Accounting Supervisor reviews, approves and signs-off on all journal entries prior to being entered into the system.
General Office Asst	Monthly	9	The General Office Assistant or designee obtains all journal entry forms from the General Ledger Accountant and verifies each journal entry was correctly key punched into Infinium. The General Office Assistant signs-off on the journal entry form indicating she proofed the entry in the system

Responsibility	Freq	Control #	Control Description
Accounting Manager	Daily	1	Only Controller, CFO, General Accounting Manager or Corporate Accounting Supervisor are authorized to initiate and release recurring wire transfers.
Accounting Manager	Daily	2	To set-up the wire transfer template for a transaction to be recurring wire transfer with Bank of America, it requires one authorized person to initiate and a second authorized person to release it.
Accounting Manager	Daily	3	Non-recurring wire transfers require one authorized person to initiate the transaction and a second authorized person to release it.
Accounting Manager	Daily	4	Bank of America's wire transfer web site requires log-in ID and password for each authorized individual.
Accounting Manager	Daily	6	Only Controller, CFO, General Accounting Manager or Corporate Accounting Supervisor are able to process wire transfers.
Cash Accountant	Monthly	5	Bank account is reconciled on a monthly basis with reconciling items investigated timely.
Division Manager	Monthly	1	The Division Manager reviews all monthly invoices for reasonableness. The review consists of comparisons to prior years, and considers the weather conditions throughout the current month.
Division Manager	Monthly	2	Supplier invoices are reconciled to the terms outlined in the contract in order to ensure compliance by division.
Division Manager	Monthly	3	Employee signs the material receipt form for the electricity purchased during the month.
Gas Logistics Mgr	Annual	4	Annual electricity meter testing is performed by the supplier together with a Florida Public Utilities representative present.
Office Services	Daily	1	Purchase Orders are only created from properly approved and documented Purchase Requisitions.
Office Services	Daily	2	Before Purchase Orders are sent to vendors, the Office Services Manager or designee reviews and approves each individual document.
Office Services	Daily	3	Office Services verifies the receipt is consistent with the original order by matching a copy of the original Purchase Order to the receipt.
Office Services	Daily	4	Office Services verifies billing is appropriate by matching the Purchase Order, receipt, and vendor invoice.
Office Services	Daily	5	Office Services Manager or designee reviews the vouchers and authorizes the processing of vendor payment. The Office Services Manager or designee agrees the price per the invoice to the OPIS Index and the destination pricing report to recalculate the amount charged to verify invoice is correct
Propane Director	Daily	6	Propane Director reviews the Purchase Order for accuracy.
Office Services	Daily	7	Field signs off on the material receipt form confirming the receipt of goods.
Office Services	Daily	8	*Sequential Purchase Order numbers are utilized and are logged within the Purchase Order Number Log.*
Office Services	Daily	9	Upon receipt, a delivery receipt is logged and provided to the district.
HR Director	Daily	2	The Company has segregation of duties in place for the following duties: hiring employees (HR Assistant), payroll check preparation (IT Programmer), and distribution of payroll checks (Employment Specialist and office assistants).
IT Director	Daily	6	The payroll master file in the computer system is only accessible by three IT programmers, the HR Director and the HR assistant.
HR Assistant	Bi-weekly	1	Set-up new employees, termination, and changes to payroll perm files such as pay rates, employee records, and deductions are done via a Personal Action Notice (PAN) form which is approved by the employees direct supervisor or manager, and either the CEO or COO
HR Assistant	Bi-weekly	3	Individual time sheets are created biweekly and are approved by the employees supervisor and sent to the HR assistant.
Sr Tax Accountant	Bi-weekly	4	Senior Tax Accountant receives a bi-weekly "Payroll Change" report that identifies every change to the payroll system that occurred that week and the pay rate changes are agreed to signed copies of the PAN Forms received from HR.
HR Assistant	Bi-weekly	7	The payroll system generates a "Biweekly Unmatched Employee" report that identifies all employees that have less then 80 hours if full time or no time in system. This report is reviewed by HR Assistant to verify all employees on list have had their time for the period recorded correctly
HR Assistant	Bi-weekly	8	Set-up and changes to payroll perm files such as pay rates, new hires, and additional vacation are done via a Personal Action Notice (PAN) form. Based on the "PAN Form Authorization Table", PAN is approved by the employees direct supervisor or manager, and either the CEO or COO. Deductions are done via a PAN and employee signs or submits appropriate documents
HR Assistant	Bi-weekly	9	HR Assistant reviews and approves (via email or telephone call) the payroll report prepared by the IT Programmer prior to checks being cut. HR Assistant during her review examines the report to verify nothing looks unusual and ties the total hours per the report to the hour log used to enter the payroll
HR Assistant	Bi-weekly	10	Company utilizes "Positive Pay" with Bank of America which only allows checks to clear the bank account if FPU notifies the bank ahead of time and the amount being paid agrees. HR Assistant provides an electronic file to the bank with the check numbers used and the amount of each check
IT Director	Bi-weekly	11	HR Assistant provides the IT programmer a total of the hours worked by division for the pay period as a control total for the programmer to agree to after the information is processed in the system and ready for checks to be prepared.
HR Director	Bi-weekly	19	Total amount paid per the Payroll Report is agreed to the checks generated
HR Assistant	Weekly	5	Person who enters timesheets into the payroll system creates a payroll log that identifies the total number of hours worked for that department. This control total is agreed to the Payroll Edit Report run from the payroll system by the HR Assistant to verify total hours per timesheets agree to total hours in the computer system
HR Director	Weekly	13	Manual checks are prepared infrequent mainly for employee terminations and bonus payments once a year.
HR Director	Weekly	14	Manual payroll checks require an actual signature by an authorized check signer who examines the supporting documentation indicating why a manual check is required and the amount to be paid.
Sr Tax Accountant	Monthly	12	Senior Tax Accountant reconciles monthly payroll bank account.
Cash Accountant	Monthly	12	Cash Accountant computes the outstanding checks per G/L and agrees the amount to payroll bank reconciliation.
Sr Tax Accountant	Monthly	16	The Senior Tax Accountant reconciles the payroll tax accounts monthly
Inventory Analyst	Monthly	16	The Inventory Analyst reconciles the payroll and deductions monthly.
Accounting Manager	Monthly	17	Payroll related accruals are reviewed for completeness and reasonableness and approved by General Accounting Manager.
HR Assistant	Monthly	18	Payroll system uses edit checks to query the HR department to check whether all employee time reports have been submitted into the payroll system. If a persons time is missing, the computer report generated questions the HR department. The HR Assistant receives a report titled "Unmatched Employees" that identify employees not receiving a check
Sr Tax Accountant	Quarterly	20	Senior Tax Accountant reconciles the "701" computer report from the payroll system to the "HR 310" report computed with every quarter. Senior Tax Accountant makes sure amounts equal and computes the required tax deposits from these reports and agrees it to the actual payroll tax deposits and reconciles any discrepancies

Responsibility	Freq	Control #	Control Description
GL Accountant	Annual	15	Detailed records are maintained of the liability for compensated absences, and the General Ledger Accountant reconciles it to the general ledger.
Gas Logistics Mgr	Daily	1	When additional gas is needed, the Gas Logistics Manager contacts suppliers with requests. The request is made either over the phone or via e-mail. Only the Gas Logistics Manager is authorized to purchase gas.
Gas Logistics Mgr	Daily	2	When additional gas is purchased, the gas must be scheduled with Florida Gas Transmission (FGT) on the pipeline. To do this, the Gas Logistics Manager contacts FGT via an online scheduling system. The system is password protected and only the Gas Logistics Manager is authorized to access the system
Gas Logistics Mgr	Daily	4	Each day, the Gas Logistics Manager downloads a report from Florida Gas Transmission Company (FGT) detailing the gas that is scheduled to be delivered for that day. This report is then reconciled to the amount of gas purchased for the day
Gas Logistics Mgr	Daily	5	A reconciliation of FPU's records to the invoice is performed by the Gas Logistics Manager. Exceptions are followed up with the supplier.
AP Analyst	Monthly	3	Payments are made via a wire transfer which requires the approval from a person on the listing of authorized wire transfer personnel.
Gas Logistics Mgr	Monthly	6	Each monthly invoice is reviewed and approved by the Gas Logistics Manager to ensure the amounts of natural gas and capacity usages are appropriate.
Office Services	Monthly	7	A copy of each voucher packet is retained by the Procurement Department for their records.
Gas Logistics Mgr	Monthly	8	The Gas Logistics Manager runs reports detailing FPU's capacity and natural gas usage for the month. These reports are reviewed to gauge forecast accuracy and cost effectiveness of capacity and natural gas procurement.
AP Analyst	Daily	1	Vendor invoices are processed by A/P Analyst independent of purchasing, receiving, shipping, that are done at division level or in Office Services.
Office Services	Daily	2	Office Services Assistant or designee compares invoices to approved purchase orders and receiving reports, and check mathematical accuracy of invoices.
Sr Construction Acct	Daily	5	Improvement Requisition (IR) form is required for all capital expenditures over $2,500 that will be constructed and has to be approved based on the predetermined authorization table.
Division Manager	Daily	6	Purchase Requisitions (PR) are approved by Local or Division Managers based on a predetermined authorization table for all capital expenditures purchased and not constructed.
AP Analyst	Daily	7	A/P Analyst receives all vouchers and invoices prior to payment and verifies the voucher has been properly approved based on the predetermined authorization limits.
Sr Construction Acct	Daily	8	Senior Construction Accountant assigns every IR a sequential five-digit number which represents the sub-ledger account in the G/L and is used through out all accounting and reporting functions, such as A/P, fixed asset recording, and expenditures
Accounting Manager	Daily	13	Controller, General Accounting Manager, Office Services Manager, CFO or Corporate Accounting Supervisor reviews all expenditures over $500 for proper coding in the general ledger.
Accounting Manager	Daily	14	CFO, Controller, General Accounting Manager, Office Services Manager or Corporate Accounting Supervisor reviews G/L coding on all vouchers or Purchase Requisitions over $500 to ensure proper G/L classification.
Sr Construction Acct	Daily	16	All assets designated as taggable are assigned a pre-numbered tag to be attached to the asset and the number is included in the fixed asset system.
IT Director	Daily	18	Access to fixed asset system (Infinium) is limited to the following authorized individuals: Senior Construction Accountant, General Accounting Manager, Part-time Accountant, CFO, Senior Project Accountant, Controller and Corporate Accounting Supervisor
Sr Construction Acct	Monthly	4	Senior Construction Accountant maintains log for on going capital projects and monitors expenditure against budget per Improvement Requisition form. All project variances are required to have an IR Revision form completed and approved by the division manager if the variance exceeds 15% and $1,000 on a project basis or 10% on a material variance. Management holds Division Managers accountable for capital expenditure variances
Sr Construction Acct	Monthly	9	Senior Construction Accountant analyzes all open IR's based on actual expenditures compared to budgeted expenditures on a monthly basis.
Sr Construction Acct	Monthly	10	Division managers receive a report indicating all open IR's for the division and the progress on the construction comparing budgeted expenditures to actual expenditures. They are required to investigate, respond, and approve any significant variances via Revision form on closed IR's.
Sr Construction Acct	Monthly	11	All project variances are required to have an IR Revision form completed and approved by the division manager if the variance exceeds 15% and $1,000 on a project basis or 10% on a material variance.
Sr Construction Acct	Monthly	12	Senior Construction Accountant reconciles the detailed fixed asset costs in Infinium (fixed asset computer system) to the general ledger on a monthly basis.
Accounting Manager	Monthly	15	General Accounting staff performs monthly expense account analysis and investigates any variances over $5,000.
Division Manager	Monthly	17	Division Manager's notify Senior Construction Accountant once projects are completed.
Accounting Manager	Monthly	19	Depreciation is automatically computed by the Report Writer. Depreciation journal entry is recorded by Senior Construction Accountant and approved by General Accounting Manager. Reconciliation is done within Infinium when the journal is recorded to make sure that the depreciation amount is accurate. General Accounting Manager reviews this reconciliation before she signs off on the journal entry
Sr Construction Acct	Monthly	21	Senior Construction Accountant reconciles the change in the accumulated depreciation account in the general ledger on a monthly basis.
Sr SEC Accountant	Quarterly	22	Journal entry prepared by Senior SEC Accountant or Senior Project Accountant to reclassify retirement obligation from accumulated depreciation is approved by the Controller via her review of the top level journal entries in the financial statement preparation process
Division Manager	Annual	3	Division Manager approves budgets for yearly capital expenditures.
Sr Project Accountant	Five-Year	20	Composite depreciation rates are assigned by the FPSC via a depreciation study.
GL Accountant	Quarterly	1	Company's environmental attorney's provide an email to the COO, CFO, G/L Accountant, and General Accounting Manager that identifies a projected range of environmental liabilities by case.
GL Accountant	Quarterly	2	C.F.O. or Controller approves the environmental worksheet prepared by the G/L Accountant. The environmental liability is recorded as management's best estimate.
GL Accountant	Quarterly	3	General Accounting Manager reviews and approves the general ledger journal entry prepared by the G/L Accountant after comparing the journal entry to the approved environmental worksheet.
GL Accountant	Monthly	4	GL Accountant reconciles the environmental liability and asset account on a monthly basis.
AP Analyst	Daily	1	Segregation of Duties - AP Analyst independent of purchasing, receiving, and shipping process vendor invoices. Purchasing, receiving and shipping process are done at division level or in Office Services.

Responsibility	Freq	Control #	Control Description
AP Analyst	Daily	2	AP Analyst reviews all vouchers for required authorization and approvals according to the authorization levels contained in the "Authorization Procedure" and Routine Recurring or Recurring Utility payment list.
Accounting Manager	Daily	3	General Accounting Manager audits random vouchers for proper approval and invoice is stamped with "Entered" prior to approving "Cash Requirements Report".
Division Manager	Daily	4	Managers at a divisional level compare quantities and prices on the invoices to approved purchase orders and receiving reports and check the mathematical accuracy of the invoice prior to approving the voucher for payment.
AP Analyst	Daily	5	AP analyst stamps "entered" and records the date on each invoice recorded into the system to prevent duplicate payments.
AP Analyst	Daily	6	AP analyst runs a tape on invoices entered into the computer system and agrees the total to the AP system generated "session batch" report.
IT Director	Daily	7	System alerts user when an invoice number, invoice date, and amount have already been entered into the computer system to prevent duplicate payments.
General Office Asst	Daily	8	General Office Assistant or designee compares the items entered into the computer system to the supporting documentation for entry accuracy such as the name of the vendor, the invoice number, the due date, and the invoice amount
Accounting Manager	Daily	9	CFO, Controller, General Accounting Manager, Office Services Manager or the Corporate Accounting Supervisor reviews G/L coding on all vouchers or PO's over $500 to ensure proper G/L classification
AP Analyst	Daily	10	All checks are printed by computer through the accounts payable system. No handwritten checks are allowed.
AP Analyst	Daily	13	Vouchers are required to be approved in writing. Level of approval is dictated by FPU's authorization schedule included in the "Authorization Procedure."
AP Analyst	Daily	16	AP Analyst who processes the disbursements does not create nor approve vouchers paid via check except for 1099 and check orders, and some items automatically deducted from account – interest payments, loan reductions, void payments.
AP Analyst	Weekly	14	Checks above $2,500 require the Controller's, CFO's, COO's, or Corporate Accounting Supervisor's signature in addition to the computer-printed CEO's signature included on the checks.
General Office Asst	Weekly	15	Signed checks are mailed by the General Office Assistant or designee, who is independent of AP Analyst who processes accounts payable.
Cash Accountant	Monthly	11	The Bank of America Operating Account is reconciled monthly by the Cash Accountant and all reconciling items are investigated and cleared timely by Cash Accountant, or the Cash Accountant will make sure that the responsible person resolves the discrepancies
Accounting Manager	Monthly	12	General Accounting Manager reviews and signs off on the bank reconciliation.
Inventory Analyst	Monthly	17	Inventory Analyst receives all purchase order logs and departmental local purchase order (LPO) logs at the end of each month and investigates all items over $1,000 issued in the current month or items accrued at the end of the prior month to determine if they need to be accrued at the end of the current month
AP Analyst	Monthly	18	AP Analyst reconciles accounts payable subsidiary ledger to the general ledger and differences are resolved timely. This reconciliation is reviewed and signed off by General Accounting Manager.
Office Services	Daily	1	If purchase is initiated through a formal purchase order, then Office Services reconciles the Purchase Order, receipt, and invoice in order to verify that the billed amount is appropriate.
Division Manager	Daily	2	If purchase is initiated through a local purchase order (LPO), then Voucher Auditor will reconcile LPO, receipt, and invoice in order to verify that the billed amount is appropriate. The Division Manager or authorized personnel approve the voucher for payment
Office Services	Daily	3	For high dollar value purchases, Division Manager and / or Executive approval is necessary on the purchase requisition. The level of approval is dictated by FPU's authorization schedule.
Division Manager	Daily	4	The Local Manager authorizes each voucher packet for payment processing.
Office Services	Daily	5	Office Services Manager reviews each Purchase Order for appropriateness before sending to the vendor.
Office Services	Daily	6	Office Services verifies the receipt is consistent with the original Purchase Order (open Purchase Orders in the active Purchase Order file) by matching the receipt to a copy of the Purchase Order.
Office Services	Daily	7	Office Services verifies billing is appropriate by matching the Purchase Order, receipt form, and vendor invoice.
Office Services	Daily	8	Office Services Manager or designate reviews the vouchers and authorizes the processing of payment.
Division Manager	Daily	9	Goods received are inspected for quality and completeness before being accepted.
Division Manager	Daily	10	Division or Office Service Manager reconciles the Purchase Order, receipt, and invoice in order to verify that the billed amount is appropriate.
Division Manager	Daily	11	Upon receipt, deliveries are verified to be complete by comparing the receipt to the Purchase Order.
Division Manager	Daily	12	The field signs off on the material receipt form authorizing their receipt.
Division Manager	Daily	13	Local Purchase Order Logs are kept by each division to record the local Purchase Orders issued. Local Purchase Orders are also sequentially numbered.
Office Services	Daily	14	Purchase Order numbers are sequential and are logged within the Purchase Order Log.
Office Services	Daily	15	Most vendor invoices are directed through Office Services and some subsequently forwarded to the appropriate Division or Department.
Division Manager	Monthly	3	Senior Management are highly involved in the monthly reporting process as a mean to ensure that all transactions are properly reported.
Accounting Manager	Quarterly	2	Division directors and other senior management team members are required to sign a statement stating that all business transactions to their knowledge are accurately disclosed in the financial statements.
Accounting Manager	Quarterly	4	Controller, Corporate Accounting Supervisor, and Senior SEC Reporting Accountant reviews new pronouncement and attend training courses to ensure financial statements are properly prepared with current regulations.
CFO	Quarterly	5	Controller, CEO and CFO reviews all 10Q an 10K filings to verify that all business transactions to their knowledge are accurately disclosed in the financial statements.
Accounting Manager	Quarterly	6	Company Attorney sends a report to the CFO listing any known and/or anticipated liabilities the Company is involved.
Division Manager	Annual	1	Division director's review of the annual financial statements for the appropriate reporting of all transactions is aided by their detailed and thorough understanding of all significant business transactions. Events known to exist, but not reported are identified during management's financial statement review, and subsequently reported to Accounting for recording adjustment or re-classification
Sr SEC Accountant	Monthly	1	Senior SEC Accountant Reconciles fuel purchases per the general ledger to the invoices or summary reports provided by the fuel vendor.
Sr SEC Accountant	Monthly	3	Senior SEC Accountant reconciles the roll-forward of monthly fuel purchases, company fuel usage, and fuel sales included in the unbilled receivable calculation to the YTD general ledger balance.

Responsibility	Freq	Control #	Control Description
Sr SEC Accountant	Monthly	5	Senior SEC Accountant reconciles the unbilled revenues and receivable to the general ledger monthly.
Sr SEC Accountant	Monthly	6	The monthly unbilled calculation is reviewed and approved monthly by an accounting manager. The General Manager of South Florida reviews the monthly calculation and sign off, physically or electronically, on a quarterly
Sr SEC Accountant	Annual	2	Senior SEC Accountant tests the accuracy of the unbilled receivable computation annually by utilizing another unbilled receivable computation as a check. On an annual basis, the Senior SEC Accountant will receive a computer generated usage and billing report from the IT department for a given month by division by cycle. The usage and billing report is translated into revenue and usage by day. The daily rate is then multiplied by the number of days unbilled in the month to estimate the unbilled receivable and test the accuracy of the monthly unbilled calculation
Sr SEC Accountant	Annual	4	The annual test calculation validates the accuracy of the billing rate used within the monthly computation.
Sr SEC Accountant	Quarterly	1	Senior SEC Reporting Accountant prepares the quarter-end closing journal entry by utilizing a standard quarter-end closing template that identifies all the typical entries that need to be recorded.
Accounting Manager	Quarterly	2	Controller, Corporate Accounting Supervisor, and Senior SEC Reporting Accountant review new pronouncements and attend training courses to verify the financial statements are properly prepared with the current regulations.
Sr SEC Accountant	Quarterly	3	Senior SEC Reporting Accountant compares the quarter financial statements to the monthly financial statements to verify the amounts for the quarter were downloaded properly.
Accounting Manager	Quarterly	4	Senior SEC Reporting Accountant prepares a reference copy of the filing and references all numbers in the filing to the supporting documentation that is attached with the reference copy. All statement figures are referenced via linked
Accounting Manager	Quarterly	5	Senior SEC Reporting Accountant publishes the draft of the filing on the P: drive and notifies the Controller and CFO it is ready for review. CEO, CFO and Controller review and approve the filing.
Accounting Manager	Quarterly	6	Every filing is sent to the Company's SEC attorney for review and comments prior to it being finalized.
Sr SEC Accountant	Quarterly	7	Senior SEC Reporting Accountant collects all comments on the filing, makes changes utilizing the track changes feature in Microsoft Word and re-sends the reviewers a redlined version identifying what has changed in the filing.
CFO	Quarterly	8	Board of Directors and the audit committee review a draft of the filing prior to it being finalized.
HR Director	Annual	N/A	The company possesses a Code of Ethics, which was adapted to incorporate various industry and company-specific issues FPU is subject to. FPU Board of Directors approved the Code of Ethics on 06/03/03. All employees are required to review and sign the Code of Ethics. The document is also posted on the website and accessible to all FPU employees
HR Director	Annual	N/A	Policies governing fair contractual relations with suppliers are addressed as a subsection within the company's Code of Ethics policy.
Accounting Manager	Annual	N/A	As a part of the Code of Ethics, a Whistle Blower Program is in place for employees to report to the Audit Committee any known or suspected activities that may improperly affect financial statements or compromise the Company's Ethics Policy
HR Director	Annual	N/A	The Director of HR (Wayne Bonn) has been effectively designated as Chief Ethics Officer. However, over-arching responsibility for ethics compliance has been delegated to all senior management personnel.
Accounting Manager	Annual	N/A	There is an internal audit function that performs compliance-based audits.
HR Director	Annual	N/A	Violations are thoroughly investigated with any necessary disciplinary actions carried out by HR.
HR Director	Annual	N/A	FPU Employees are required to re-confirm their adherence to the Code of Ethics policy by signing the Code every year.
HR Director	Annual	N/A	Code of Ethics is formally addressed by the Board of Directors annually.
HR Director	Annual	N/A	Comprehension of the company's corporate ethics policy is an integral part of the company's new employee orientation program. FPU has created an acknowledgement form, which asks new employees to sign and attest that they have read and understand FPU's corporate ethics policy.
CFO	Annual	N/A	Regular reviews are performed by the CFO and associated office personnel. Disclosure controls surrounding the integrity, reliability and transparency of financial reporting appear adequate. Disclosure control documents surrounding FPU's assumption of liabilities is adequately maintained.
HR Director	Annual	N/A	The company has designated a PR person who is the only authorized person to speak with outsiders on various company sensitive issues. Other company employees are not ~~executive~~ allowed to speak publicly on FPU matters unless they get approval from executives.
Accounting Manager	Annual	N/A	Legal review is performed prior to the filling of such documents, as the company's 10-K and 10-Q, prior to filing with the SEC.
Accounting Manager	Annual	N/A	The Audit Committee does adequately and timely review FPU's quarterly financial reporting and 8-K reports prior to public release.
CFO	Annual	N/A	Board of Directors assesses annual FPU management performance targets for reasonableness prior to formal approval.
CFO	Annual	N/A	Compensation Committee conducts reviews regarding the potential impact incentive compensation structures could have on the fiduciary responsibilities of senior management.
IT Director	Annual	N/A	IT disaster recovery plan is defined. Hurricane recovery plan is in place.
CFO	Annual	N/A	Corporate Articles of Incorporation & Company By-laws exist
CFO	Annual	N/A	Audit Committee and Nomination Committee charter exist and are utilized. Information on the Compensation Committee (as well as the Audit and Nomination Committees) is contained in the company's proxy statement.
CFO	Annual	N/A	Nomination Committee does adhere to formal guidelines in order to ascertain director independence prior to nomination.
CFO	Annual	N/A	Ethics policy covers Board of Directors independence. Board of Directs are required to complete the "Directors and Officers Questionnaire" which discusses the independence of board members. CFO and CEO review questionnaires for accuracy to the best of their knowledge. The primary monitoring control utilized with respect to changes in the status of board member independence is self-reporting
CFO	Annual	N/A	Board of Directors meets quarterly on the first Tuesday. Meeting calendar for Board of Directors is formally set and agreed upon in advance of each quarterly meeting. Dates are scheduled and managed within Outlook.
CFO	Annual	N/A	Independent directors have the ability to provide input at all meeting attended.
HR Director	Annual	N/A	Director compensation is reviewed and benchmarked against a peer group analysis (i.e. similar industry, size, number of employees, sales, debt/equity ratio, etc.).
CFO	Annual	N/A	Audit committee meets quarterly. Meeting calendar for Audit committee is formally set and agreed upon one year in advance. Dates are scheduled and managed within Outlook.
CFO	Annual	N/A	Independent audit directors do have input into the formation of agendas for all meetings.

Responsibility	Freq	Control #	Control Description
HR Director	Annual	N/A	Audit director compensation is reviewed and benchmarked against a peer group analysis (i.e. similar industry, size, number of employees, sales, debt/equity ratio, etc.).
CFO	Annual	N/A	Agenda is generally deemed to be comprehensive in scope and all recurring activities, which need to be addressed by the Board are done so within the quarterly agenda.
CFO	Annual	N/A	All relevant issues/information needed is followed up on informally and in a timely manner.
CFO	Annual	N/A	Crowe Chizek serves as the company's internal audit function. Crowe Chizek attends quarterly audit committee meetings at the request of the audit committee, and private sessions, without management present, occur at each meeting
CFO	Annual	N/A	Any Audit Committee concerns (when expressed) are directly handled by the External or Internal Auditors of the firm. Review of work completed by auditors is conducted by Audit Committee.
HR Director	Annual	N/A	Compensation Committee handles the review and approval of compensation plans for all FPU executive officers and the Board of Directors members themselves. All compensation plans are reviewed and approved by the Compensation Committee.
HR Director	Annual	N/A	Executive officer and Board of Directors members' compensation are benchmarked appropriately against peer companies with comparable performance annually.
HR Director	Annual	N/A	Compensation plans are reviewed to ensure alignment between compensation incentives and desired fiduciary responsibilities is achieved.
HR Director	Annual	N/A	Position descriptions which detail skills, minimum education and competency requirements are developed by Department Heads for all position vacancies (for both internal and external positions).
HR Director	Annual	N/A	FPU requires all personnel with financial accounting and reporting responsibilities to have commensurate credentials and experience. HR verifies that aforementioned individuals have required background.
HR Director	Annual	N/A	Position descriptions (Job Summary, Duties & Responsibilities) are clearly delineated within job description documents to ensure appropriate targeting of applicant pool.
HR Director	Annual	N/A	Criteria for employee advancement are clearly defined and pendent upon the following criteria: 1) Vacancy 2) Appropriate Skill/Experience Set For Position& 3) Performance Merit.
HR Director	Annual	N/A	The company does have an Employee Tuition Assistance Program to potentially increase employees business competence.
CFO	Annual	N/A	Outlook is utilized to physically record and capture all necessary, recurring financial reporting requirements. FPU financial reporting schedule is built around SEC filing requirement deadlines and regular month-end closings. Audit committee intermittently reviews total process (from monthly calendarized close to filings) to ensure all reporting needs are being met
CFO	Annual	N/A	Accountability for preparation of all financial reporting output has been delegated to CFO (George Bachman) and Controller (Cheryl Martin). Output is regularly reviewed by Audit Committee, prior to formal publication.
CFO	Annual	N/A	Review protocols for all financial reports issued are regularly examined by both management and FPU's external auditor.
Accounting Manager	Annual	N/A	Variance analysis on financial reports is regularly performed by management and linked to a subsequent assessment of corrective actions / process deficiencies.
CFO	Annual	N/A	Audit committee regularly reviews quality of reported earnings. Audit committee meets quarterly and reviews all financial / company filings for accuracy and quality, prior to publication.
CFO	Annual	N/A	Relevant risks are reviewed on an on-going basis by management.
CFO	Annual	N/A	Disclosure controls process is regularly assessed as part of traditional SEC filing process. Accounting impacts from significant business changes regularly reviewed by executive management and are addressed within financials.
Accounting Manager	Annual	N/A	Needs assessment for all departments is at least annually performed and budget is appropriately allocated to address those needs.
Accounting Manager	Annual	N/A	FPU has an internal audit function, which focuses its efforts on evaluating and improving internal controls.
Accounting Manager	Annual	N/A	Occasionally controls assessment is performed by accounting when process deficiency is suspected.
CFO	Annual	N/A	Process is completed on an ad-hoc basis. If "fix" is easy, then usually done ASAP. However, if it is more complicated, cost – benefit analysis is first performed, prior to audit comment solution implementation. In general, Audit Committee directs timetable and appropriate responses to audit comments
Accounting Manager	Annual	N/A	Internal audit performs control assessments and provide recommendation.
Accounting Manager	Annual	N/A	Pertinent accounting estimates and judgments are reviewed by the Audit Committee, prior to formal publication of financial reports.
Accounting Manager	Annual	N/A	Consultation of accounting estimates and assumptions are discussed in advance with the auditor, when deemed necessary.
Accounting Manager	Annual	N/A	Comparison / benchmarking against peer companies is regularly performed (primarily through utilization of 10-K filings on accounting issues upon which management is unsure).
CFO	Annual	N/A	Quality of earnings is regularly reviewed by the Audit committee as part of its quarterly meeting and also reviewed by External Auditor.
CEO	Annual	N/A	Management appropriately balances long-term and short-term strategic objectives. Corporate strategic plan growth, customer segmentation and retention program are regularly reviewed within semi annual goals meeting. All goals are also reviewed informally on a quarterly basis by management. Board of Directors provides feedback on the development of reasonable goals/targets and sign offs on all management strategic goals
HR Director	Annual	N/A	Review of organization structure alignment with long/strategic objectives is regularly conducted within Board of Directors meetings and by executive management on an as need basis.
Accounting Manager	Annual	N/A	Monthly and quarterly internal reporting documentation is aligned with over-arching organizational structure and is intermittently reviewed by management and Audit Committee to ensure alignment.
Accounting Manager	Annual	N/A	Finance/Accounting roles at FPU subsidiary units are clearly delineated and well defined as to scope.
CFO	Annual	N/A	Operating managers at divisional locations are held accountable for meeting required financial reporting and performance requirements.
CFO	Annual	N/A	Corporate management regularly discusses financial reporting and performance requirements with applicable process owners of divisional units. Occasional direct meetings are made, as needed.
HR Director	Annual	N/A	Organization structure is regularly (though informally) considered by management on an on-going basis prior to significant policy changes, corporate events and/or major acquisitions. Board of Directors also intermittently directs management on organization structure on an as needed basis
Accounting Manager	Annual	N/A	Appropriate authority and authorization limits for transactions have been clearly communicated and are formally documented.

Responsibility	Freq	Control #	Control Description
Accounting Manager	Annual	N/A	Signatory approvals (especially for JE and vouchers) require appropriate management approval prior to execution of the related transactions.
HR Director	Annual	N/A	Appropriate competency in order to effectively carry out associated decisions/transactions is established through formal HR and Management review/processes (see previous associated comments of this subject).
HR Director	Annual	N/A	Segregation of duties is reviewed in terms of creation of job duties / descriptions during hiring process. The segregation of duties is also reviewed in the documentation of internal controls included in the Section 404 compliance documentation.
CFO	Annual	N/A	All process owners with appropriate authority and responsibility are involved within the process. Managers are delegated and accountable for their part of the process.
HR Director	Annual	N/A	Historically, FPU has had very little turnover and full-time employees generally do not work excessive overtime (if at all). Given the seasonal component of the business contract labor is generally used to meet peak labor demands. Also, given the size of the company excessive turnover issues would be readily visible.
HR Director	Annual	N/A	HR creates written position description based upon needs/core competencies to successfully carry out responsibilities of the position.
HR Director	Annual	N/A	HR creates a detailed HR policy manual, which details various guidelines, traits and behaviors to look for in potential candidates.
HR Director	Annual	N/A	The HR policy / procedures manual also includes formalized and well-defined consequences for violation of FPU policies on significant items.
HR Director	Annual	N/A	The HR policy/procedures manual is approved by senior management team.
HR Director	Annual	N/A	All employees are required to acknowledge receipt of the manual. HR Director collects the written receipts.
HR Director	Annual	N/A	When hiring a new employee, HR performs the following background checks: Criminal, Driving, Education (for degreed candidates), Credit, and Drugs.
HR Director	Annual	N/A	Formal performance evaluations are conducted at least every 12 months. Approval of performance categorization requires two levels of approval and is then communicated/reviewed with employee.
HR Director	Annual	N/A	In addition, a 360-degree evaluation is encouraged.
HR Director	Annual	N/A	Criteria for advancement are clearly defined and communicated to employees through: Position descriptions and Performance/Merit evaluation process.
HR Director	Annual	N/A	HR performs formal, independent review of all complaints and effectively acts as arbiter to both sides and assesses any allegations. Appropriate disciplinary action is reviewed by supervisor and manager of employee and HR.

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Thursday, Apr 10, 2008 09:11 AM

Clara Leider

From:	Erdek Bonnie
Sent:	Monday, April 02, 2007 10:25 AM
To:	Becker Michael; Blazina Greg; Bonn Wayne; Costlow John; Cox Doreen; Cutshaw Mark; Kennedy Barry; Kitner Don; Knowles Terry; Martin Cheryl; Petty Julie; Pomeroy Keith; Schaak Clifford; Schneidermann Marc; Seagrave Marc; Snyder Chris; Stein Chuck
Cc:	English Jack; Bachman George; Saylor Chaundra
Attachments:	Create a Successful Propane Business -3-26-07 minutes.pdf

Good morning. Please find minutes attached from the meeting on March 26th. The next meeting has been scheduled for September 11th. At 3 PM.

Please let me know if you have any comments.

Thank-you,
Bonnie

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Confidential

MEMORANDUM

TO:	M. Becker [MB] G. Blazina [GB] W. Bonn [WB] J. Costlow [JC] D. Cox [DC] M. Cutshaw [MC] B. Kennedy [BK] D. Kitner [DK] T. Knowles [TK]	C. Martin [CM] J. Petty [JP] K. Pomeroy [KP] C. Schaak [CS] M. Schneidermann [MLS] M. Seagrave [MSS] C. Snyder [CS] C. Stein [CLS]
Cc:	J.T. English	G. Bachman
FR:	Bonnie Erdek (BE)	
SUBJECT:	*"Create a Successful Propane Business" – 26th March 2007*	
DATE:	*30th March 2007*	

Participants absent from the meeting: J Petty
G. Blazina, M. Cutshaw, D. Kitner, K. Pomeroy and C. Schaak attended telephonically.
B. Erdek kept the record.

CLS facilitated. CARE comments were shared at the outset of the meeting.
During this session short-term projects were revisited; previously assigned dates for each entry were reviewed and modified as necessary, completions were notated. Mid-term and long-term project forecasts were evaluated and updates were furnished; where applicable completion dates were modified. Time-lines and other adjustments are reflected on the table attached.

It was determined that this Committee would within six months. At the next session, please be prepared to: 1] report further progress and successes for incomplete short and mid-term projects and 2] reassess the value of long-term projects and establish time-lines and elements necessary to accomplish defined goals. [illegible]

<u>Next meeting date: September 11, 2007 at 3 PM. Location: 3rd floor conference room</u>
GB, MC, DK, KP, and CS will attend remotely. Phone access no.: 877.393.3856/access code: 1760

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Short-Term: Dec '04 - June '05

Project	Team Leader
▶ Eliminate field sup [$77K] ✓ *To be completed 4/1/05*	BK
▶ Eliminate Development Mgr [$85K] ✓ *To be completed 4/1/05* [+ $15K - Central FL]	BK
▶ Reassign [2] Mktg positions [$66K] ✓ *1st postion moved to natural;* ✓ *2nd position complete 5/3/105* Effective 6/1/05	MSS
▶ Propane delivery system - Phase I • Meter reads tied to PDS ✓ *Prototype failure: 3/10/05* ✓ *Demo: 7/15/05* ✓ *Clerical roll-out 8/31/05* ✓ *Complete training by 10/8/05* ✓ *Research contractor assistance* • Monthly conf call [MLS] • Need timeframes for Phases II & III ✓ ORCOM - data for inventory - Phase II - 4/07] ✓ Include on-site bill generation - Phase III	TK/ JP *ongoing*
▶ Rate management • Margin control [$200K] ✓ *+ 4¢ effective 2/1/05* • Step rates *[in process]* ✓ Separate mtg scheduled 3-4/06	MLS *ongoing*
▶ Reduce bill to one-page ✓ *Test file 4/20/05;* ✓ *To be completed 9/30/05*	JP

Mid-Term: July '05 - Dec '05

Project	Team Leader
▶ Remote tank monitoring ✓ 100 units expected w/b tested ✓ Develop monthly cost & guarantee • *Training completed 9/15/05* • *Roll-Out - 6/1/06* • *Tie-in to AS-400 - 6/1/06*	MLS TK
▶ Increase regulatory compliance fee [$55K] • Will go up 25¢ 8/1/05 [to $2.22]	MLS *ongoing*
▶ Change organization structure ✓ Improve plant productivity ✓ Dedicated dispatch & Cust Svs ✓ TECO Partners market LP ✓ Outsourcing back office ✓ More shared responsibility ✓ Dedicated propane collections ✓ Reduce staff ✓ Propane call center ▶ Direct-Charge non-propane employees • Review all allocations ✓ *To be completed 7/1/06*	MLS Team: DK, MC, A/C'g BK & MSS *ongoing*
▶ Zone pricing based on distance [surcharge] • Up-size tanks installed outside defined service area • No meters outside defined area ✓ Operational in Central FL ✓ *To be completed 7/1/07*	DK
▶ Grow forklift cylinder exchange program ✓ *Phase I - 9/30/05-enhance NE & CF* ✓ *Phase II - Re-evaluate 7/1/07* • *other divisions - Re-evaluate 7/1/07*	MSS

Long-Term: 2006 +

Project	Team Leader
▶ Sell or trade unprofitable divisons	MLS
▶ Relocate propane operations ▶ Separate natural/LP ops w/ new bldg	BK, MLS
▶ Keep propane ops in FB office [forfeit lease]	MC
▶ Sell Rainbow Lakes property ✓ *Appraisal by 3/31/06* ▶ Sell 488 Plant	DK
▶ Seasonal drivers ✓ Commissioned bobtail drivers ✓ Driver - base amt + ¢ per gal	MLS *on hold*
▶ Implement forklift cylinder exchange in SF by 6/1/07	BK
▶ Incentive district managers	MLS
▶ Low load factor customers ✓ *To be completed 5/30/06*	MLS
▶ Explore value-added services ✓ *To be evaluated 6/1/06* ✓ *To be completed 9/1/06*	MSS, BK & JC
▶ Budget billing • [4] formats w/be presented to directors w/o 6/15/05 ✓ *To be completed 7/30/05*	JP

Short-Term: Dec '04 - June '05

Project	Team Leader
▶ Gas supply management • Financial, physical, weather hedging • Gas Logistics - buy/schedule LP [to date $35K] [$150K] • New supply contact 4/1/06	MLS
▶ Close NSB office [3/31/05] [$5K]	DK
▶ Contractors • Removals/installations NOTE: *no economic impact now*	BK *ongoing*
▶ Direct-charge repairs	MLS
▶ Re-light policy [$10K]	BK
▶ Direct-charge fleet mgr	MLS
▶ No DOT cylinder installations NOTE: *no immediate impact*	BK
▶ Depreciation	GB

Legend:
Completed

Mid-Term: July '05 - Dec '05

Project	Team Leader
▶ Review profitability of Lauderhill ✓ *Meet by 0/1/07*	MSS, Team: BK, MLS, DC
▶ Recapture capital equipment • Recover inactive tank assets ✓ *To be completed 0/1/07*	MLS *ongoing*
▶ Car allowance ✓ *Analysis proves negligible*	DC
▶ Customer-owned tanks ✓ *Analysis completed 11/30/05* ✓ *Roll-out 1/31/06*	MSS
▶ Reduce meter reading expenses • Dedicated meter reader • Outside contractor ✓ *RFP by 3/1/06*	MLS
▶ Improve new customer ROI [$33K]	MSS
▶ Third party tank refurbishment ✓ *To be completed 5/1/06*	MLS
▶ Build existing customer load	MSS *ongoing*
▶ Expanded payment options • Check-by-phone by 2/15/06 • Web-based access • Related Cust. Svs. Training ✓ *To be completed 2/15/06*	JP
▶ Review misc. serv. fee [$44K] *[moved from short-term]* ✓ *To be completed 12/31/07* ✓ *Jobbing Fees - 5/1/07*	DK

Long-Term: 2006 +

Project	Team Leader
▶ On-site bill generation [Phase II - delivery system] • Inventory mechanism Strategy budget ✓ *To be completed 5/31/06*	TK & JP

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Thursday, Apr 10, 2008 09:13 AM

Clara Leider

From: Martin Cheryl
Sent: Thursday, August 16, 2007 5:10 PM
To: rjcamfield@lrca.com; Cox Doreen
Attachments: DIRECT TESTIMONY_v2Tdc.doc

Looking good. My only suggestions so far is as follows:

Doreen- page 2, I think you mean Accounting and Finance Departments, and the Divisions of FPUC.

Robert and or Doreen- On page 30 I would also suggest ending the Question right before this one " Can you please review your recommendation for the cost rate of long term debt?" with a summary of why we think that the Commission should consider changing our Cost of Capital structure to allow for a prorated removal of nonregulated operations from our consolidated cost of capital structure. Just restate in summary fashion of what we would like them to do.

Robert, are we going to have this completely done before this Monday?

Thanks Cheryl Martin

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

DIRECT TESTIMONY

DOREEN COX
ROBERT CAMFIELD

COST OF EQUITY AND RATE OF RETURN REQUIREMENTS
of
FLORIDA PUBLIC UTILITIES COMPANY

Q. Please state your name, title, and business address.

A. Witness Cox. My name is Doreen Cox. I am a Financial Analyst with Florida Public Utilities Company. My business address is 401 South Dixie Highway, West Palm Beach, Florida, 33401.

Witness Camfield. My name is Robert Camfield. I am Vice President with Christensen Associates Energy Consulting LLC, and my business address is Suite 700, 4610 University Avenue, Madison, Wisconsin, 53705.

Q. What is the scope of your testimony?

A. The scope of our testimony is twofold. First, we address the issue of the cost of common equity to Florida Public Utilities Company. Estimates of the equity cost rate underlie our common equity rate of return recommendation. Second, we integrate the equity rate of return with the other financial components of Florida

Public Utilities Company's capital structure to determine the weighted average cost of capital and accompanying overall rate of return recommendation. Our rate of return recommendation should be used by the Commission to set retail electricity prices of Florida Public Utilities Company in the current docket.

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Q. Please review your professional background and experience that qualifies you to provide such recommendations.

A. Witness Cox. I received a Bachelor of Science Degree in Management from the University of West Indies in 1979, with a concentration in Accounting. I subsequently earned a Master of Science Degree in Accounting, also from the University of West Indies. I am a member of the Jamaican Institute of Chartered Accountants.

I joined Florida Public Utilities Company in 1999, and I hold the position of Financial Analyst, which reports to the Chief Financial Officer. In this position, I support the CFO, the Accounting and Finance Divisions of Florida Public Utilities. My position covers a variety of operating and planning responsibilities including project assessment, budget and financial projections, and cash flow analysis. I assist in the preparation of quarterly reports to our Board of Directors, and the compliance monitoring with respect to the Financial Covenants of Florida Public Utilities Company's long- and short-term sources of external funds.

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Witness Camfield. Yes. I joined the Michigan Public Service Commission in 1976 as a staff economist. During my tenure with the Michigan Commission, I was involved in several retail electricity and natural gas pricing issues, and I testified in rate case proceedings regarding cost of capital and retail gas tariff design. I joined the New Hampshire Public Service Commission in 1979 as the senior economist, and held the position of chief economist beginning in 1981. As Chief Economist, I was responsible for the administration of the economics department of the Commission Staff. I oversaw the analysis of regulatory issues, the coordination and guidance of staff participation in regulatory proceedings, the preparation and development of testimony, and I provided policy advice to the Commission on a variety of issues such as construction work in progress, financial planning, and the determination of PURPA Section 133 rates. I joined Southern Company in 1983, and held positions in several departments including Pricing and Economic Analysis at Georgia Power Company, Costing Analysis of Southern Company Services, and Southern Company's Strategic Planning Group. In 1994, I joined Laurits R. Christensen Associates, Inc. ("Christensen Associates") as a senior economist, and currently hold the position of Vice President with Christensen Associates Energy Consulting LLC., a subsidiary consulting group of Christensen Associates.

My experience covers a gamut of issues facing regulated industries. I have been involved in the negotiation of power supply contracts and the terms of franchise licenses. My overseas assignments are several, and I have managed a large market restructuring project in Central Europe. I have served on national and regional advisory panels, and I have advised integrated electric utilities, independent power producers, transmission and distribution companies, utility associations, offices of consumer advocate, and regulatory agencies on numerous policy and technical issues. Innovations include two-part tariffs for transmission services, web-based self-designing retail electric products, marginal cost-based cost-of-service methods, and principles for efficient pricing of distribution services. I have published chapters in technical books, reports, and articles in noted journals such as *The Electricity Journal, IEEE Transactions on Power Systems*, and *CIGRE.* Currently, I serve as Program Director of the Edison Electric Institute's Market Design and Transmission Pricing School.

Q. Can you please review the statutory mandates that guide the determination of rate of return for public utilities?

A. Yes, the statutory principles of rate of return for public utilities substantially rest with two decisions of the Supreme Court of the United States. In the Bluefield Water Works and Improvement Co. v. Public Service Commission of West Virginia case (262 U.S. 679, 1923), the U.S. Supreme Court set forth its view on fair rate of return, as follows:

> "...A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for the convenience of the public equal to that generally being made at the same time and in the same general part of the country on investments in other business undertakings which are attended by corresponding risks and uncertainties; but it has no

constitutional right to profits such as are realized or anticipated in highly profitable enterprises or speculative ventures. The return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties. A rate of return may be reasonable at one time and become too high or too low by changes affecting opportunities for investment, the money market and business conditions generally."

A second landmark decision of U.S. Supreme Court echoed, fortified, and expanded upon the fair return standard established by the "Bluefield" decision cited above for capital committed to public utilities. This second decision is the Federal Power Commission v. Hope Natural Gas Company case (320 U.S. 391, 1944). A most relevant passage of this latter decision is as follows:

"From the investor or company point of view it is important that there be enough revenue not only for operating expenses but also for the capital costs of the business. These include service on the debt and dividends on the stock... By that standard the return to the equity owner should be commensurate with return on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and attract capital."

These longstanding decisions provide the recognized framework for the fair rate of return on capital committed by investors to public service. In these decisions, the U.S. Supreme Court codified, in clear and readily understandable terms, a statutory benchmark that serves as the basis to set fair and equitable prices for retail public services such as natural gas, while also providing a fair rate of return on the capital provided by investors. Though they reach back many years, these decisions remain to this day the cornerstone for the determination of rate of return requirements. The challenge for regulators, regulated utilities, and interested parties to regulatory proceedings is to operationalize these principles in contemporary regulatory processes.

Q. Please provide an overview of your approach to the determination of the rate of return requirements for Florida Public Utilities Company.

A. Our approach follows the prescribed methodology of the Florida Public Service Commission to determine the overall weighted average cost of capital ("WACC") and the overall rate of return, for regulatory purposes. Specifically, we develop a forward-looking consolidated capital structure for the year 2008 with the exclusion of capital structure balances associated with the Company's propane subsidiary, Flo-Gas. For determining retail prices in the instant docket, the recommended capital structure is determined on the basis of the 13-month average balances of the components that comprise the capital structure of the Company. We develop a traditional capital structure including the key elements of long-term debt, short-term

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debt, preferred stock, and common shareholder equity. Similarly, we develop a regulatory capital structure that contains, in addition to these components, balances for customer deposits, accumulated deferred taxes and accumulated investment tax credits of the Company dedicated to providing retail electricity services. Traditional elements of the capital structure are scaled pro rata, such that the regulatory capital structure, in total, matches the rate base attributable to the provision for electricity services.

It is good regulatory policy to accurately capture the means by which Florida Public Utilities Company underwrites its assets and rate within the regulatory capital structure, providing that such structure contains an appropriate balance of equity and debt, given the regulatory and operational business risks facing the Company. Contemporary business, regulatory, and financial risks confronting energy utilities are higher than in past years. Consequently, and consistent with the business objectives of providing low-cost and reliability service, Florida Public Utilities will fund its assets with larger equity participation in total capital than in years past and, to this end, the year-end 2008 capital structure is a better representation of the expected capital structure of the Company. This is because the year-end balances capture the prospective weight, on average, that common equity will assume within the Company's capital structure. Furthermore, the year-end balances of the components of capital provide a better balance of debt and equity for the purpose of minimizing the weighted average cost of capital. Accordingly, the adoption of the projected year-end capital structure to determine retail prices, which would constitute a departure of the Florida PSC from its general policy of using the 13-

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month average capital structure, would be in the long-term interests of retail consumers and the Company as well. Accordingly, we offer the year-end capital structure as an alternative to the 13-month average approach.

The cost rates applied to the 13-month 2008 balances of long-term debt and preferred stock include the interest rate on the face amount and issuance costs unique to each individual issue, and related debt expenses where appropriate. The cost rate applied to customer deposits balances is based upon market segment-specific interest rates, as determined by the Commission. The balances for accumulated deferred taxes and investment tax credits are included in the regulatory capital structure at cost rates of zero and the overall cost of capital stated on a traditional basis, respectively.

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The rate of return for common equity is determined by applying four capital cost assessment methodologies including Discounted Cash Flow, Capital Asset Pricing Model, and an assessment of Realized Historical Returns. The latter approach constitutes a benchmark by which investors gauge the prospects attending financial assets and, along with other information, form expectations of future returns. By assumption and empirical assessment, efficient markets value (price) financial assets accordingly. These three methods are well founded by modern finance theory and are often used to determine the cost rate for common equity capital. A fourth methodology, referred to as *ex post* Risk Premium, infers the underlying opportunity cost of capital on a basis of the relative risks of debt and equity capital.

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Q. Can you please summarize your findings and recommendations?

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A. Yes. Our studies give rise to an overall rate of return recommendation of 8.07%. The determination of the 8.07% rate of return is shown on Exhibit 1, which reveals the balance amounts for each financial component of the capital structure, the share that each component represents, the attending cost rate, and the overall rate of return. As mentioned above, the overall rate of return recommendation is based upon a 13-month 2008 regulatory capital structure that, consistent with utility regulatory policy in the State of Florida incorporates customer deposits, accumulated deferred income taxes, and investment tax credit balances.

The recommended 8.07% overall return level incorporates a common equity return of 11.50%. As mentioned, the opportunity cost of shareholders of Florida Public Utilities Company is assessed with four analysis methods. The results of studies employing these valuation methods are shown on Exhibit 2, along with the equity return recommendation.

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This recommendation, if adopted by the Florida Public Service Commission, will enable Florida Public Utilities Company to continue to provide highly reliable electricity service to its customers at favorable prices. At the same time, the recommendation provides an adequate level of compensation to the shareholders of Florida Public Utilities Company on the capital that they have committed to the Company. Satisfactory returns to equity also enable the Company to continue to attract long- and short-term debt at favorable terms and interest rates that, in both the near-term future and the long-run, are in the best interest of retail electricity consumers.

Fair and adequate allowed returns to capital are vital, and we cannot over-emphasize to the Commission the importance of setting the overall rate of return at a sufficient level, particularly in the current environment of considerable levels of risk and uncertainty. The determination of an adequate return level by the Florida Public Service Commission signals to the investment community including mutual funds, long-term private investors, speculators, mortgage bankers, and commercial banks that the business and regulatory environment in which Florida Public Utilities Company operates has continuity and stability over the long term. Importantly, it also signals that the Commission is supportive of the Company and the job that we do on an on-going basis for retail consumers.

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Q. Electricity is intermingled with and highly dependent upon energy markets, particularly markets for primary fuels. Can you please provide a profile of contemporary electricity markets and the implications for electricity distributors and the cost of equity capital?

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A. Infrastructure industries, including the electricity services industry in particular, is undergoing significant restructuring with no immediate end in sight. The dimensions of restructuring assume a number of dimensions including service unbundling in both retail and wholesale markets including competitive entry, new mechanisms to determine the prices for services. At the wholesale level, utilities face and are part of the expansion of wholesale services and contract mechanisms to hedge varying degrees of risks; divestiture of generation; and the appearance of wide scale participation in wholesale electricity commodity markets by power traders and speculators, who are deeply involved in commodity markets generally. Wholesale markets are being organized through the auspices of regional transmission organizations referred to as RTOs. RTOs serve as the agent for markets as a whole, where regional markets are unbundled according to time (hourly markets), space (locational pricing of energy), and services including energy, reserves (including regulation, spin, non-spin, and supplemental categories), as well as financial transmission rights (FTRs) of various types. While wide scale change has been in the works for years and is arguably most pronounced at the wholesale level, as precipitated in a major way by the Energy Act of 1992, significant change has been and is currently underway within retail markets as well. At the retail level, regulated utilities face a gamut of changes regarding new regulatory governance arrangements including pre-approval, decoupling, and various performance assessment mechanisms; auctions for provider of last resort ("POLR") services; renewable resource portfolio standards, and new rules and requirements regarding reliability requirements, aside from the new reliability (and implied cost) commitments imposed on service providers by the North American Electric Reliability Council ("NERC"), which has been recently appointed by the

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Federal Energy Regulatory Commission ("FERC") as the national reliability organization ("ERO").

Driven to improve earnings performance and exploit growth opportunities, many integrated electric utilities have since the late-1980s pursued non-regulated business ventures including activities fairly far afield from electricity services such as real estate and insurance, and diversified energy services including distribution operations, nuclear generation, and renewable resources, and power trading. In a number of cases, generation (and to a lesser extent transmission) assets have been sold off to independent generation companies or unregulated generation entities have been formed from the generation business units of the integrated utilities. At this point a much larger range of business activities and business organizations and entity structure is present within the electricity services sector of the economy, obtained through competitive entry and consolidation of functionality across entities. The financial performance of entities within the electricity services industry, included the expected returns to capital and the risks attending those returns, and is much more closely linked to energy markets, generally.

The net result is generally positive, as competitive entry arguably obtains reduced costs to the benefit of consumers, at least in the long run. Nonetheless, these changes in structure, much of which have been accompanied by and ushered in through regulatory changes, have also raised capital risks associated with electricity

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services, as perceived by investors. This backdrop of higher capital risks occur at a time when electricity service providers including Florida Public Utilities Company face steadily expanding electricity service demands and an array of new requirements covering, among other things, capital renewal at a time of fast rising costs for electrical equipment.

(further discussion forthcoming)

Q. Your testimony mentions capital risks and capital renewal. Perhaps you can elaborate on the meaning of capital, and how it comes about.

A. Capital refers to economic resources. Capital is accumulated savings over time, where savings refers to the proportion of the output of an economy that is not consumed as current goods and services. Essentially, savings is the share of output held back and invested in—i.e., put into—capital resources. In the broadest interpretation, capital is output-producing goods (and services). The cumulative level of investment over time, covering many years and centuries, constitutes the capital stock of an economy and a society. It is useful to mention that capital can assume various investment forms aside from financial assets in private and public companies and other entities. The stock of capital includes real estate, household goods, education, public property and infrastructure such as libraries, museums, parks, roads, and transit systems. Individuals, firms, and government entities invest funds in capital resources if the expected flows of benefits realized by the investments in the future are equal to or greater than the value of current consumption given up or foregone.

Q. Please review the notions of cost of capital, opportunity cost of capital, and discuss how risk affects the opportunity cost of capital.

A. The cost of capital is the compensation required by investors for postponing consumption, for expected inflation, and for exposure to capital risks of various dimensions. *Cost of capital* refers to the underlying interest rate used to discount expected benefit flows of capital resources including returns to financial assets, and is sometimes referred to as the rate of discount, or simply the discount rate.

Financial assets include a multitude of debt vehicles, equity, and derivatives, and are tailored to participants of capital markets including household, small business, corporate, and government segments. Participants across these segments can supply capital—i.e., investors including lenders and holders of common and preferred stock—and also demand capital (borrowers and common stock issuing companies). Commercial banks, credit unions, finance companies, capital exchanges, and investment banks serve as intermediaries that provide the institutional means that facilitates the interaction and linkage of the supply and demand sides of financial markets. These functions essentially include lending, borrowing, and the issuance of equity vehicles. Banks and credit unions borrow (and store) financial assets that in turn are invested in the form of debt and to a lesser extent equity.

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Household debt vehicles include, for example, personal loans covering appliances, household services, and credit card mechanisms through finance companies and banks, and real estate and so-called home equity loans. Business loads include short-term loans and lines of credit with banks, inventory financing through business wholesalers, and commercial paper of various terms. Corporate debt can be in the form of lines of credit with banks, and mortgage and debenture bonds, while government debt can be in the form of revenue bonds of cities, and short- and long-term debt of various terms.

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Equity refers to common and preferred stock, where the investor assumes a share in the ownership of a corporate entity. In some cases, debt instruments can participate in equity returns and have rights of conversion to common stock. Derivatives refers to options and forward contracts that are specifically designed for speculation and risk hedging, where the market worth of the derivative is determined by investor expectations in the underlying price of a financial asset or commodity.

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The underlying cost of capital is relevant to investors and, in the large, individuals and entities (including government entities) that provide savings and thus the accumulation of capital within the macro economy. In the case of financial assets, expected benefits are in the form of future cash flows including interest payments, dividend payments, market appreciation, and return of principal. When investors supply funds to entities such as utilities and government entities and municipalities, not only are they postponing consumption—giving up the value of alternative

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expenditures in some other way, they are also exposing funds to the devaluation of ongoing inflation and various uncertainties and risk attending future cash flows. Investors are willing to incur these risk factors only if they are adequately compensated. While the market prices of other inputs including labor, materials, energy can be easily verifiable, the cost of capital—essentially, the price of capital—is not easily discerned and, all too often, requires estimation through the cautious application of analytical methods.

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The cost of capital, however, remains positive (>0) absent inflation and risks, as savers require compensation for foregoing the right to use the funds saved for consumption of goods and services—essentially, the time value of money.

The cost of capital is determined by the demand for capital, supply of savings, expectations of inflation, and perceptions of risks harbored by participants in capital markets. The demand for and supply of capital are determined by expectations of future levels of economic activity, while expected inflation is driven largely by monetary policy over the relevant timeframe. Perceptions of risk, in turn, cover many dimensions including uncertain government policy and the effects of natural phenomena such as weather. The cost of capital—the discount rate stated in nominal terms—increases with rising demand for capital, with expectations of higher rates of inflation, and with heightened perceptions of risk.

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Dimensions of risk also cover idiosyncratic risks associated with specific capital resources, such as that of individual entities or companies. Accordingly, financial markets will re-price downward the bonds of a private company, should the *current* financial condition of the company suddenly decline. Essentially, the decrease in the company's current condition, reflected as reduced interest coverage—causes the expectation of the future condition of the company to also decline. Expectations of future financial conditions (possible states) of the specific company are idiosyncratic risks. Because cost of capital rises with increased risks, the price of the bonds decline. Bond prices and discount rates, in the form of the net interest rates or bond yields (and yield to maturity), move in opposite directions; bond yields increase as bond prices decline, and decrease as bond prices rise.

Resources migrate to the highest valued use and worth, given perceived risks, such that the returns to capital are equivalent to opportunity costs. The various forms of capital compete among themselves for savings and with other non-capital resource inputs and opportunities. Similarly, the vehicles of investment of individual entities, such as the specific bonds of a municipality or the common stock of a company, must compete for savings through a process of capital attraction. That is, if the outlook for earnings of a company rises, participants in capital markets—investors—allocate more capital to the company by bidding up the price of the stock thus increasing the company's market capitalization. Conversely, perceptions of heightened risks associated with the debt of a company or municipality precipitates a decline in the market value of the outstanding bonds, as capital migrates from the company/municipality to other resource opportunities. Thus, the prices of financial assets of entities including debt and equity securities are highly sensitive to perceptions of risk. Capital markets trade off risks and expected returns, given the overall menu of available choices, as alternative opportunities. At an undefined point in time such that levels of supply and demand for capital and expectations of inflation are roughly equivalent (as a matter of consensus), the cost of capital is a matter of risk. Essentially, then, the cost of a specific source of capital is basically determined by the underlying riskiness of that investment in view of alternative opportunities that, together, represent the investors' current opportunity set. Hence, cost of capital associated with specific investment opportunities, are only differentiated by risks, as the other factors that impact cost of capital—i.e., supply-demand, inflation expectations—are common to all investments, and capital more generally. Competitive capital markets, through the process of assessing, buying, and selling, ensure that the expected payoff in the form of market rate of return is approximately equal to that of other investments of equivalent risk. In short, debt and equity investment vehicles of comparable risk are priced the same. If not, investors as participants in capital markets will bid up securities with comparatively low risks and bid down others with comparatively high risks. If investor perceptions of capital risks attending a utility increase—or the expectations for returns decline—markets bid down the securities of the utility. This implies that a utility will be unable to attract capital on equivalent terms, a result that is manifested in either of two ways: the quantity of capital acquired, in the form of new securities offerings, is reduced for a given level of return (stated in

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dollars), or a higher prospective rate of return attends the new offerings—it costs more to obtain an equivalent quantity of capital.

As mentioned above, investor rate of return is the discount rate that causes the present value of the expected cash flows, as receipts realized by investors, to equal the market value of the financial asset. From the utility side, the cost of funds raised to the utility through the sale of securities is equal to the discounted present value of the cash outflows to be paid by the utility, as expected by investors. But since the (positive) cash flows stream to the investor is identical to the cash outflows of the utility, the two discount rates must be identical, abstracting from the effects of flotation costs, which causes the costs to the issuer to exceed the return required by investors to the extent that flotation costs decrease the net amount of funds actually available to the issue. In other words, the cost of capital to the utility is synonymous with the investors' expected rate of return. Hence, the cost of capital is the discounted expected cash flows necessary for the security to "pay the price"—i.e., in order to satisfy investors' required rate of return.

When capital markets are sufficiently competitive, they ensure that the market value and worth of financial vehicles of the outstanding debt and equity—as held by the investment community, which can include households, financial institutions, government entities, and non-financial companies, is set (i.e., priced) at a level such that the returns to capital approximate the cost of capital. Because investors are averse to risks, competitive financial markets price financial assets inversely according to perceptions of risks, all other factors held constant.

Q. Why is this conceptual construct relevant and how does it relate to Florida Public Utilities and its capital needs?

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A. As discussed, capital resources are the result of cumulative investment, and are obtained or funded directly or indirectly from savings of households and firms over time. Savings is the share of income of the economy as a whole that is not expended as consumption within a current period, and is typically measured as dollars or percentage shares in either quarterly or annual periods. This means that the capital resources employed by Florida Public Utilities Company including power delivery systems such as transformers and lines, meters, trucks and vehicles, computer systems, software, office facilities and buildings, inventory and stores, and land are costly, where cost is reflected as the annual carrying charges on capital, measured in the form of the net utility rate base.

Whereas the cost of skilled labor, materials and supplies, purchases of generation and transmission services, or other inputs used into the production process of utilities are expressed in money terms – *e.g.*, purchased power stated as dollars per megawatt hour – the cost of capital is expressed as an interest rate, typically shown as an annual percentage of the principal amount committed by investors. The cost of capital – or perhaps more accurately, the *cost rate of capital* – to the firm can be referred to as the *required rate of return* (%) on the capital resources committed by investors. In the case of public utilities, invested capital is referred to as the rate base, valued at either original cost or fair market value. For the determination of setting retail prices in the U.S., the regulatory convention is to value the capital of public utilities at original cost.

To facilitate the commitment of capital (investment) by savers and their agents to the firm, the firm offers property rights, including bonds or promissory notes to debt holders and shares of stock to equity investors. These property rights define the commercial terms and conditions under which savers and their agents, as investors, commit capital. Property rights are capital (financial) assets, and are generally tradable. Financial assets are claims on the income of the firm as compensation for the commitment of capital, and are the financial obligations of the firm. Shares of stock constitute ownership in the firm.

In the case of long-term debt – *i.e.,* mortgage bonds, debentures, and long-term notes – the interest on the principal (face) amount of a bond (debt) or the coupon rate on the share of preferred stock defines the level of compensation. Often, the interest rate is a predefined annual rate that remains fixed over the term of the debt. However, long-term debt instruments can have a number of other provisions that, in essence, provide for more complete contracting by managing risks through risk sharing between the debt holders and the borrower (the firm). These provisions can include 1) adjustments to the rate of interest to reflect contemporary market conditions *and* rates of inflation, 2) participation in earnings of the firm, 3) conversion rights, and 4) voting rights in the management of the firm.

In the case of short-term promissory notes, agreements with commercial banks define the mechanism by which interest, stated in dollars, is determined. Often, the commercial terms of promissory notes define interest to be paid monthly on the outstanding daily balance (principal) outstanding. The rate of interest applied to the outstanding balance is typically tied (indexed) to the interest rate on obligations of some widely known financial market – say, the London Inter Bank Offer Rate (LIBOR) or Fed Funds – which also varies daily or monthly.

Common stock property rights are somewhat different from other financial obligations because, as owners of the firm, the returns to shareholders are residual amounts following the compensation of other resources employed by the firm including debt obligations. Common equity is essentially compensated last, and bears the burden of much of the business, regulatory, and financial risks of the firm. For this reason, common equity is, in virtually all cases, more costly than other forms of financial instruments.

As with other markets, capital markets have primary and secondary dimensions. Primary markets are the institutions and processes that facilitate the initial sale of the financial obligations of the firm to initial investors, whereas secondary markets are structured market processes that provide the means by which investors can purchase and sell existing rights, including shares of stock and debt obligations. Financial instruments can assume many forms, and debt securities (bonds) and equity shares are actively traded in financial markets, which are generally considered to be highly liquid and competitive. However, to the degree that the financial obligations 1) carry specialized and non-common commercial terms, and 2) for firms that are of small scale, the secondary – and to a lesser extent, primary market – is less liquid. In short, the pool of buyers and sellers is limited; thus, the volume of transactions is comparatively small and sometimes intermittent. Relatively low levels of liquidity imply higher transaction costs and risks to investors, which translates directly into higher costs of capital to the firm.

Competition is a term that describes some markets, and markets are said to be competitive if certain conditions exist. Markets can be characterized as competitive if they involve: 1) a very large number of buyers and sellers, 2) information relevant to the determination of prices is readily available, complete and not costly, and 3) transactions costs are low. Because of the workably competitive nature of financial markets, arbitrage opportunities are more or less exhausted. This means that, for both primary and secondary markets, financial property rights trade at levels (prices) such that perceived risks and opportunity for prospective returns to capital are appropriately balanced and approximate that of other investment opportunities. Thus, above-normal returns, which implicitly include compensation for risks, cannot be seemingly realized by investors over prospective periods in systematic fashion.

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Competition inherent to U.S. and worldwide financial markets ensures that the prices of common shares (share prices) and bonds are at a level that reflects the opportunity cost of capital. As an example, assume that the perceived risks attending the returns to common shareholders of firm A are equivalent to that of firm B and other firms. If the share prices of firm A suggest a market return 10%, while the prices of firm B and other firms of comparable risks suggest (allow) market returns of 13%, the market price of firm A will fall to a level that provides a basis for market returns of just 13%, prospectively. A price that allowed for a 10% prospective market return is insufficient in the presence of opportunities for market return of 13% on alternate investments of comparable risk. Essentially, the 13% market rate of return on investment alternatives constitutes the opportunity cost of capital. Most remarkable is the expedience – literally, in minutes – with which share prices adjust to levels that appropriately balance prospective returns to equilibrium levels *based upon perceptions of risks*. In short, equivalent and comparable risks translate directly into comparable rates of return, which is the cost of capital of common shareholders in – and thus of – the firm.

As mentioned early on, the cost of capital is a function of the demand for and supply of capital, investor expectations of inflation, and investor perceptions of risks. Because the conditions of demand and supply as well as expectations of inflation are more-or-less common to financial markets at any point in time, financial vehicles are differentiated by risks. Hence, the expected returns and prices of bonds and common shares (normalized for denomination and size) at any point in time are largely if not exclusively differentiated by perceptions of risk.

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Q. Would you please review the capital structure, interest coverage requirements, and the implications for sufficient coverage?

A. Interest coverage refers to the times that debt interest is covered by income, and is the most important measure of investment risk of corporate debt. Interest coverage is a major concern of Florida Public Utilities Company as it is the basis upon which the Company maintains its favorable credit standing with markets and continues to obtain long- and short-term debt at favorable rates of interest. Pre- and After-Tax Interest coverage under the recommended capital structure and rate return is **XXX** and **XXX** times, respectively.

For purposes of comparison, we also show interest coverage over the historical timeframe on Exhibit 13. As can be seen the coverage implied by the recommended rate of return is adequate though not at a robust level. Two conclusions are reached:

1) While the implied coverage level is acceptable, the Company must sustain a flow of earnings at consistent levels in order to maintain adequate coverage and also satisfy debt covenants.

2) Contingency events and business conditions that give rise to sudden and unexpected changes in revenue or cost flows can imply immediate shortfall in coverage. In short, the coverage level obtained from earnings

at the recommended rate of return is only adequate in today's environment of higher capital risks.

The importance of coverage cannot be overstated. Indeed, in discussions with investment banks, commercial banks, and stock analysts regarding the financial conditions and soundness of the Company, a salient point of concern continues to be coverage of debt. Lending entities, private investors, and investment banks continue to emphasize the importance of consistently-realized adequate interest coverage as the essential measure of the Company's capability to service long- and short-term corporate debt.

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As can be seen, the recommended rate of return requirement, 8.07%, provides satisfactory interest coverage. And although the overall return recommendation provides adequate coverage, it is certainly not abundant. Hence, it is absolutely necessary that Florida Public Utilities Company realize adequate and sustained flows of income to ensure that the Company satisfies credit risk requirements. Coverage is our window of access to capital at favorable rates of interest and under reasonable terms, enables the Company to provide electricity services. Setting the overall rate of return at a satisfactory level of 8.07% is necessary and in the best interest of retail electricity consumers.

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Q. What is the appropriate capital structure for determining retail prices in this docket?

A. In the absence of large-scale subsidiary operations, the Florida Commission should generally utilize a consolidated capital structure where such approach provides a

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reasonable balance between debt and equity. Under such conditions, the Commission is assured that the service provider is, in the best interest of retail consumers, underwriting its assets dedicated to providing utility services at least cost.

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This can be viewed as a principle that defines criteria useful to the Commission in regulatory decisions regarding the issue of the appropriate capital structure for the determination of retail prices. Specifically, and as a general rule, the Commission should only deviate from a consolidated capital structure when this condition – i.e., an appropriate balance between debt and equity – is not satisfied. The corollary to this principle is that the Commission and its staff should never remove or add accounting-based line items from a consolidated capital structure that is appropriately balanced. Two facts of financial accounting underlie this corollary, as follows:

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1) A firm cannot ever trace and identify, as a matter of dollar flows, specific sources of funds to specific uses of funds. The Treasury of a firm essentially constitutes a pool or inventory of current funds, cash, that continually experiences fund inflows and outflows. One cannot say that a specific source of funds is earmarked for a specific use. As an example, one cannot say that cash flow returns and operating income that arise from the Company's electricity operations are used solely to underwrite resources for the electricity business. Electricity-sourced cash flows are, in fact, used across the combined

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operations of the natural gas, electricity, and propane businesses of the Company – and similarly for the natural gas and propane operations.

2) The Company's balances of long-term debt, short-term debt, preferred stock, and common equity stated on a consolidated basis represent the accrual over years of the net flows of funds of the Company including external and internal sources. The balances for these financing vehicles can and should be used as the basis by which the Company underwrites any and all of its assets, stated on either a consolidated or an individual basis. This is simply a business, accounting, and financial fact.

There is no reasonable basis, thus, to exclude Flo-Gas balances from the Company's capital structure for purposes of setting retail electricity prices in the current docket. Indeed, exclusion of Flo-Gas balances may harm retail electricity consumers in various ways, aside from the inherent contradiction to the realities and facts of financial accounting identified above.

Second, exclusion of Flo-Gas balances from the capital structures used to set prices for the regulated operations, including electricity and natural gas, implicitly assigns common equity, which is comparatively high cost, to the Company's unregulated propane operations, placing the propane operations at a competitive disadvantage with other propane companies. One can expect that other companies will leverage assets in a manner similar to that of the Company, in order to finance propane and competitive, non-regulated energy services. As a consequence, the Company needs to follow a similar policy. If the Company is required to assign only equity to non-

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regulated operations, it is implicitly forced to charge correspondingly higher prices in order to generate adequate returns.

Third, the consolidated capital structure of Florida Public Utilities Company stated on 13-month average basis for 2008 represents a sound balance of debt and equity financing that fully satisfies the financial needs of the Company, particularly in view of the comparatively small size of Florida Public Utilities. This is evidenced by the comparative sample of electric utilities used to determine the cost of capital. Specifically, equity participation within the Company's 2008 capital structure resides within one standard deviation of the average participation of the sample. Hence, the Company's financing policy and strategy conforms to a reasonableness standard, in addition to fully satisfying the financial prudence and flow of funds criteria outlined above.

Nonetheless, the recommended weighted average cost of capital presented within our testimony follows the Commission's prescription. Namely, the Flo-Gas balances are excluded from common shareholder equity for purposes of determining the overall rate of return to set retail electricity prices within the immediate docket.

Q. Can you please review your recommendation for the cost rate of long-term debt?

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A. Yes. Florida Public Utilities Company has raised long-term debt from time to time based upon the need for capital and our Company's financial policy of maintaining a balanced capital structure. Because of our conservative management philosophy, we have consistently raised new debt issues at favorable rates of interest at the time of issue. Contributing to favorable interest rates are the conservative sinking fund provisions of the earlier higher cost debt issues of the late-1980s – early-1990s. The cost rate of 7.96% for long-term debt, shown in the column entitled "Annual Cost Based Rate" of Exhibit 3, reflects the weighted average cost of the five issues of long-term mortgage bonds of the Company, currently. These debt issues have face interest rates of 4.90% to 10.03%, and were issued by the Company over the period 1988 – 2001. The balances shown reflect the amounts that the Company expects to carry on its balance sheet on average over the year 2008 and beyond. The Company does not plan to issue long-term debt during the interim two years. The 7.96% overall cost of long-term debt reflects issuance costs and losses on reacquired debt, which causes the effective cost rate to be somewhat greater than that of the weighted cost of the face interest rates alone. The 7.96% overall cost rate for long term debt is calculated using the amortization schedule for debt expenses. This costing procedure follows the conventional accounting approach to determining the cost rate for long-term debt, and is consistent with the policy endorsed by the Florida Public Service Commission.

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Q. Please review the cost rate of short-term debt and related issues?

A. Florida Public Utilities Company maintains, and expects to maintain over the foreseeable future, a short-term debt facility that makes available short-term debt at a cost rate determined by London Inter Bank Offer Rate (LIBOR). The short-term debt cost rate is equal to the 30-day LIBOR plus 90 basis points, plus other charges related to unused facility balances as well as fees charged for the facility itself. The Company currently has a $12 million line of credit with Bank of America, which upon 30 days notice can be increased to a maximum of $20 million. Based on current cash flow projections we anticipate increasing the line to $15 million by November 2007. We anticipate lowering the line of credit to $12 million after the issuance of additional shares of common equity, which is scheduled for the middle of 2008.

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The interest rate margin above LIBOR (90 basis points) for the Company's current short-term debt facility is somewhat above that of the Company's previous short-term debt facility, which reached the end of its contract in March 2003. The higher margin requirements, as imposed by financial lending institutions internationally, reflect higher perceived risks, both generally and within energy markets, than in previous years.

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The expected effective short-term debt cost rate incurred by the Company for short-term debt, for use to determine prices in the current docket, is determined by first projecting the Federal Funds rates in the U.S. for the timeframe over which the retail electricity prices will apply. Then, given the historical relationship between

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LIBOR and the rate for U.S. Fed Funds, the LIBOR rate is estimated. Once determined, the short-term debt cost to Florida Public Utilities is obtained by recognition of the 90 basis points margin above LIBOR plus other charges covering the unused balances and the fee for the availability of the credit facility.

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The key short-term interest rate is the Fed Funds rate. Historically, Fed Funds have traded 18 Basis Points below LIBOR over the 1990 – 2006 timeframe. The interest rate on Fed Funds is determined by the monetary policy of the Board of Governors of the Federal Reserve Bank, and closely follows that of short-term U.S. Treasury Bills. Historically, Federal Funds "trade" at interest rates slightly above that of 90-day T-Bills. At this point, we anticipate with the apparent consensus view that monetary policy and thus the short term interest rates will hold firm at current levels over the foreseeable future, which implies a fed funds rate of 5.25%, which implies a LIBOR interest rate of 5.43%. In turn, this result translates into a cost rate of 6.33% for the outstanding balances on short-term debt balances, once the margin above LIBOR is recognized. The fees associated with the unused credit line and direct charges when coupled to charges for the outstanding balances obtains an overall effective short-term debt interest rate of 6.81%, which is applied to the 13-month average balances of short-term debt.

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It is useful to briefly describe the longer history, as it relates to the determination of short-term interest rates. Specifically, the Federal Reserve followed a policy interest rate targeting for a number of years prior to late-1979, when money supply targeting was abruptly adopted. The result was high and volatile short-term interest rates though money supply targeting arguably reduced substantially the high levels of inflation and inflation expectations of the early 1980s. From the mid-1980s forward, monetary policy has been more accommodative of economic conditions and needs, with the long-term objective of containing overall inflation at moderate levels. As observed during the 1990s, the Federal Reserve has employed an array of indicators and metrics to determine monetary policy including reserve targeting. As a general rule, reserve targeting gives rise to greater variation in short-term interest rates, while interest rate targeting, which suggests greater variation in the supply of reserves, suggests less variation but, depending upon the stage of the economy, substantially higher or lower interest rates. At this writing, short-term interest rates, with fed funds residing at 5.25%, are expected to hold over the foreseeable future barring changes in the expected level of economic activity or current escalation of core inflation.

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The use of the current 5.25% fed funds interest rate as the basis for the Company's effective short-term debt cost rate is in keeping with the Commission's decisions regarding the Company's rate change filings of 2003 and 2004. Also and as mentioned above, this interest rate level appears at this time to be likely to hold over the foreseeable future.

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Finally, we wish to discuss the methodology used to determine the effective interest rate for 2006. The interest rate charges on the Company's short-term debt facility is based on daily balances. If the daily balances closely approximate month-end balances, month-end balances provide a useful basis to determine the average short-term debt cost rate. Where the daily balances deviate significantly from the month end balances, however, this approach will not provide an accurate reflection of the Company's true cost of short-term debt. This was the case for the Company during 2006. Accordingly, the short-term debt cost rate for the historical year 2006 has been developed using the average daily balances which accurately reflects the true cost rate incurred by the Company on short-term debt during that year.

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Q. Please review the cost rate of preferred stock?

A. Florida Public Utilities preferred stock consists of a single issue of 6000 shares that dates to December 28, 1945 at a coupon rate of 4.75%, as shown on Exhibit 5.

Q. You briefly discussed methods for the determination of the cost of equity capital in the summary of your approach to rate of return. Can you elaborate on the methods?

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A. Yes. We begin by reiterating three essential points. First, the cost of equity of the firm – and of investors in the firm – is a function of perceptions of risk, the demand for and supply of capital, and expectations of inflation. Second, the cost of common equity of the firm is equal to the opportunity cost of capital incurred by common shareholders of the firm contemporaneously, though the experience of long-term history guides the assessment of opportunity costs. Third, the cost of equity of the firm is equal to the expected market rate of return on alternative investments of comparable risks available to shareholders – *i.e.*, the opportunity cost of capital.

The determination of the opportunity cost rate for equity capital is challenging for two reasons. In the case of debt, both the market price and future expected cash flow returns to capital are observable by inspection. Thus, the net expected yield to maturity, which reflects the opportunity cost of capital to holders of debt, can be determined directly. This *is* the market rate of return, *ex ante*. For purposes of determining the overall utility rate of return, however, the cost rate of long-term debt is that which is set at the time of issuance in primary financial markets.

In contrast, expectations of investors about the prospective cash flows and market returns on common equity cannot be observed directly, and must be inferred with estimation procedures. Also, allowed equity rate of return is typically set according to the current and expected cost of capital, though much of the equity investment was committed in many years past.

In the determination of cost rate for debt obligations, investors' perceptions of risks are implicit in the primary and secondary market prices of the debt obligations themselves, and need not be known or even estimated. In contrast, the determination of the cost of common equity involves the perceptions of future risks harbored by investors, as a matter of the consensus view. Perceptions of risk are also not observable directly, and thus must be inferred.

In short, the cost of common equity can only be discerned through the proper and careful application of well established methods that provide the cornerstone for modern finance theory. While the methods employed herein are well-established, the procedures to determine the cost of equity capital require estimation of key parameters.

As mentioned, the recommendation for the rate of return on equity for Florida Public Utilities Company is developed by applying four estimation methods. These procedures include variations of the constant growth Discounted Cash Flow model (DCF), and the Capital Asset Pricing Model (CAPM). These classical approaches are commonly recognized within modern finance theory and are readily utilized by the investment community. The results of these two formal models of the cost of capital are augmented by historical returns realized by utility and non-utility companies of comparable risks, and results inferred from the so-called risk-premium methodology.

The constant growth Discounted Cash Flow (DCF) model was originally developed by Myron Gordon in 1957, and was advanced actively during the early 1960s. In its classical form, the derived DCF model defines the cost of capital as the sum of the adjusted dividend yield, and expectations of future growth in cash flows to investors including dividends and future appreciation in share prices. The classical (one-stage) DCF model is as follows:

$$k_{e,j} = D_{0,j}(1+E(g_j))/P_{0,j} + E(g_j)$$

with,

$k_{e,j}$ = cost of equity capital, asset j

$D_{0,j}$ = current dividends per common share, asset j

$E(g_j)$ = expected growth in future cash flow returns to investors in asset j

$P_{0,j}$ = current price per common share, asset j

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The one-stage form of DCF model is an elegant and intuitively tractable model with two terms, a mathematical result derived from the constant growth present value model. A cursory review of historical returns of equities suggests substantial variation in growth in the internal returns to capital and market appreciation is both the typical and dominant pattern. It is palpable that the *expected path of future returns* harbored by investors may assume a pattern of non-constant growth. This means that, at least under some market conditions, the constant growth form of discounted cash flow may not represent investor expectations of growth with sufficient accuracy. Arguably, other forms of DCF may serve as better approximations of investor expectations.

A plausible means to better model expectations of varying growth might be with stochastic models, where the path of returns and growth is a function of time, with a random component. However, stochastic models introduce considerable complexity. As a first order approximation to stochastic processes, multiple step constant growth models known as multi-stage DCF can serve nicely. Essentially, multi-stage DCF is a variation of present value theory which postulates that future returns assume a pattern of several growth steps or stages. While any number of stages of constant growth is possible, two- or three- stages are typically applied. In stylized fashion, the Three-Stage DCF model is shown below:

$$P_{0,j} = (1+g_j)/(k_{e,j}-g_j)\{D_{0,j}(1 - F^5_j) + D_{5,j}(F^5_j - F^{10}_j) + D_{10,j}(F^{10}_j)$$

with,

$k_{e,j}$ = cost of equity capital, asset j

$D_{t,j}$ = current and future dividends per common share, asset j

$E(g_j)$ = expected growth in future cash flow returns to investors in asset j

$P_{0,j}$ = current price per common share, asset j

F $= (1+E(g_j))/(1+k_{e,j})$

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Appendix I provides a step-by-step derivation of the classical and multi-stage discounted cash flow models shown above.

The Capital Asset Price Model (CAPM) was developed by William Sharpe (1961) and John Lintner (1964). CAPM was derived from mean-variation analysis and, in particular, portfolio selection developed by H. Markowitz (1952). The derived CAPM shows how the valuation of a financial asset (price) is based upon two components: risk free returns and an *adjusted risk-based return.* Surrogates for risk free returns can be observed directly in capital markets, and include market returns on short- and intermediate-term debt. As a general rule, the cost rates and market returns on government debt obligations serve as appropriate surrogates.

The adjusted risk-based return is based upon three factors: 1) the covariation of the returns to the asset and that of markets for risky assets, 2) the statistical variance of returns of the market for risky assets, and 3) the *difference* between expected overall returns on risky assets, and risk free returns. The third parameter is referred to as the excess return, and is equal to the difference between the overall returns to risky assets for the market as a whole, and the risk free return rate. The CAPM is shown below:

$$k_{e,j} = r_f + B_{jm} * (r_m - r_f) \qquad \text{with, } B_{jm} = \sigma_{jm} / \sigma_m^2$$

where,

$k_{e,j}$ = cost of capital for risky asset *j*, stated in percentage terms

r_f = risk free rate of return

B_{jm} = ratio of the covariation between risky asset *j* and the market as a whole, σ_{jm}, and the variance of market returns, σ_m^2

r_m = rate of return on the market as a whole

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Appendix II derives the Capital Asset Pricing Model, as shown above.

The efficient market hypothesis plays an essential role in the determination of the cost of capital. Specifically, the working assumption, which is largely though not completely borne out by empirical analysis, is that capital markets are fairly efficient. This means that the supply and demand for risky financial assets, as reflected in bid and ask prices to buy and sell shares, result in financial assets being traded at price levels where *rates of return above the cost of capital cannot be systematically realized.* Above-normal returns – returns above the cost of capital – are realized only randomly. Essentially, the opportunities to systematically realize returns above the underlying cost of capital are exhausted by the competitive market process.

Estimating the cost of capital though not trivial can be fairly straightforward, and both the DCF and CAPM approaches provide a useful framework. The risks to investors in various sectors of the energy services industry cannot ever be known directly; risks – and hence the implied cost of capital – can only be inferred. Specifically, the determination of useful estimates of the cost of common equity capital within either framework requires a discerning application of theory through careful analysis such as that presented herein. In particular, the determination of the cost of equity capital faces two overarching challenges, as follows:

- both approaches are forward looking and thus the results are highly dependent upon useful estimates of investor expectations about future market performance.
- The underlying assumptions for DCF and CAPM include, among other things, an efficient market and rational behavior of investors such that all opportunities for above- and below-normal returns to capital are exhausted on an expected value basis. In short, capital markets value financial assets

at the implied opportunity costs of capital, given investor perceptions of risk.

It is useful to mention that the notion of *risky assets* can apply to any real or financial asset wherein the prospective returns from holding the asset are uncertain. Risky assets include commodity contracts, financial property rights, financial derivatives, and real assets such as transmission facilities. Risk assessment and option theory, moreover, can be applied to the analysis of unbundled services, such as electricity transmission development plans. Within the context of this discussion, however, risky assets refers to financial obligations of firms – common stock – and asset values refers to prices of common stock as observed on major stock exchanges.

Measurement of historical returns and risk metrics are increasingly used as a basis to assess plausible returns in the future. As discussed, efficient markets suggest that *all* financial assets are priced at levels such that the *expected* future returns of individual assets are equivalent to the underlying opportunity cost. Thus, if historical returns guide expectations of future returns, historical returns provide a useful benchmark and, within reasonable bounds, reflect the opportunity cost of capital. In this respect, the Historical Returns methodology can be viewed as a market-based approach of Comparable Earnings, and thus fully satisfies *Bluefield* and *Hope* criteria. The key to successfully applying this approach is to identify and measure historical returns in a manner that reasonable reflects expectations of investors about the future outlook.

Historically realized returns and future expected returns of financial assets are ordered according to risks. This ordering according to risks is a natural and inevitable result of competitive financial markets: because risk is costly, higher costs must be offset by higher returns. While it is not based upon an explicit model, the analysis of the risk premia among classes of risky assets provides a means to infer the underlying opportunity cost of capital. The underlying concept of the risk premium approach is that *differences* in perceptions of risks among financial assets such as equities and debt are revealed in differences between the historical market returns. The historical differences between equity and debt returns – *i.e.*, the Risk Premium – can thus serve as a surrogate for the compensation for risk in the future. Risk premia, when combined with the expected cost of debt prospectively, provides a useful benchmark to gauge the underlying cost of equity capital.

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Application of the Risk Premium approach contains two potential pitfalls, as follows:

- the opportunity cost of common equity capital, stated in nominal terms, is sensitivity to the demand for and supply of capital;
- the observed risk premia between debt and equity is quite sensitivity to expected inflation, and Risk Premium analysis must account for expected inflation in the future. That is, the underlying rate of inflation and

conditions of the historical period over which risk premiums are estimated must match that of the expected conditions of the relevant period over which the common equity recommendation is being applied, and over which retail electricity prices are being set.

Q. You discuss the importance of comparability and measures of risk as the basis to determine the cost of common equity. Please elaborate.

A. As defined by the "Bluefield" and "Hope" decisions of the U.S. Supreme Court, a public utility is (to paraphrase) entitled to a rate of return on shareholder capital committed for the convenience and necessity of the public equivalent to that realized by companies in other businesses of comparable risk. Thus, the immediate task at hand is comparability: to identify and select companies of comparable business, regulatory, and financial risks to that of Florida Public Utilities Company. Once selected, we determine the cost of common equity for the sample(s) of comparable companies that, by definition, is the opportunity cost of capital.

The starting point is the market portfolio; that is, we begin with virtually all common shares traded on U.S. equity exchange markets. Specifically, we have drawn heavily though not exclusively from a set of data sources including the Value Line data banks, to which we have full access. The Value Line data banks cover some 7000 listings. For these listings, Value Line reports a wide range of financial data, business descriptions and classification, historical price experience, and various diagnostic statistics of interest.

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____From the market portfolio we proceed to develop two samples. One sample known as the *Electric Utilities* sample is limited to electricity service providers that have modest yet significant market participation, and are of comparable risk to Florida Public Utilities Company. The second sample relaxes the "line of business" restriction, and covers natural gas distribution companies. This sample is referred to as the *Comparable Risk Gas Distribution Utilities* sample. The second sample closely matches the market participation of Florida Public Utilities Company, while also satisfying comparable risk criteria.

____The determination of the first sample involves two steps. The first step is to conduct an initial screen according to the defined selection criteria. As mentioned, these criteria are as follows:

- Liquidity: companies that are of modest size but yet have sufficient market presence and participation to ensure sufficient market activity and transaction volume; and,
- Business Line: companies whose primary business line is retail electricity services.

This first screen produced the twenty two electric utility companies shown on Exhibit 6-A, including Florida Public Utilities Company. As can be seen, the revenues of these

companies range from $XX for Y1, to over $XX for Y2.

Some of these twenty two companies have substantial involvement in non-gas retail business lines. On the surface, we might expect that such endeavors to diversify the

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overall business would tend to reduce variation in earnings, variation in internal cash flow, and variation in market returns thus reducing overall investment risk. Hence, members of the utility sample are gas distribution utility companies that are largely if not exclusively in the retail electric business – sometimes referred to as a *pure play*. The second selection step of determining the utility sample applies risk criteria. These criteria include three dimensions or metrics:

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- the coefficient of variation in earnings per share over five and ten years;
- the coefficient of variation in internal cash flow per share over five and ten years; and,
- market Beta, which as discussed above is the ratio of the covariation of the market returns of the individual companies and the market as a whole; and the statistical variance of the returns of the market.

(Completed Testimony Forthcoming)

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RE Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Updated G schedules.msg	35 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
RE Watertower (58).msg	71 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
RE Watertower (61).msg	68 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
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Clara Leider

From:	Robert Camfield [rjcamfield@CAEnergy.com]
Sent:	Sunday, August 05, 2007 2:24 PM
To:	Cox Doreen; Martin Cheryl; Cutshaw Mark
Cc:	Bachman George; Mike Welsh; Stein Chuck; Dan Hansen; Teresa Sholts
Subject:	Update 2, Schedule

Colleagues,

At this point, I intend to delivery a second interim draft of the testimony and to finalize the cost of capital testimony either late Thursday or early Friday. I will be out of the office tomorrow, leaving tonight, but can be reached on my cell phone (608-469-1157) if something comes up. Advise if the schedule needs to be advanced.

Doreen, Mike: I will check in with you at some poin tomorrow. However, don't hesitate to leave a v-mail in Madison or call me directly if something comes up.

Robert

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Thursday, Apr 10, 2008 09:22 AM

Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Monday, July 30, 2007 10:02 AM
To: Cox Doreen; Martin Cheryl
Cc: Bachman George; Mike Welsh; Dan Hansen
Subject: Update on cost of capital

Doreen,
Cheryl,

I have made substantial progress toward completion of the cost of capital analysis this weekend, and intend to have, pretty much, a complete case in your hands late this week. In the last couple of years, there appears to be divergence from historical relationships, for key data series - inflation expectations, risks/cost of capital, yields. Capital market data is always noisy. Nonetheless, my models and conceptual approach don't appear to fit as well as earlier, DCF in particular. However, it is likely that 11.50% will hold.

Robert

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Thursday, Apr 10, 2008 09:22 AM

Clara Leider

From: Robert Camfield [rjcamfield@CAEnergy.com]
Sent: Thursday, August 02, 2007 2:51 PM
To: Mike Welsh
Cc: Cox Doreen
Subject: Update On Schedule D-2

Mike,

I have discussed the issue of consistency between historical and forecast balances for capital with Doreen. We will incorporate the Flo-Gas balances within the statement of year-end equity balances, as the applicant is instructed to do so. Also, the reacquired debt balances will be shown in L-T Debt. I will need to develop these balances, which I will do tonight.

Robert

From: Mike Welsh
Sent: Thursday, August 02, 2007 1:05 PM
To: Cox Doreen; Robert Camfield
Cc: Martin Cheryl
Subject: RE: Update

I will put it on my "to do" list. I would note that this change is not reflected in the D's Final.xls I just sent to Cheryl.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thursday, August 02, 2007 1:06 PM
To: Robert Camfield
Cc: Martin Cheryl; Mike Welsh
Subject: RE: Update

Good observation – I do believe the intent is for it to be 2004 – 2008 rather than 2002- 2006. Mike will you update?
Thanks
Doreen

From: Robert Camfield [mailto:rjcamfield@CAEnergy.com]
Sent: Thursday, August 02, 2007 1:49 PM
To: Cox Doreen
Cc: Martin Cheryl; Mike Welsh
Subject: Update

Doreen,

Just a comment...Mike mentioned to me that the caption for schedule D-2 indicates that the capital balances shown on the schedule should reflect the most recent 5-years, where the last year extends through the projected year. The schedule is labeled, on the other hand, as "5-year history" such that, as you have it, balances through '06 would seem appropriate. Robert

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Thursday, Apr 10, 2008 09:27 AM

Clara Leider

From:	Robert Camfield [rjcamfield@CAEnergy.com]
Sent:	Thursday, June 14, 2007 5:50 PM
To:	Cox Doreen; Martin Cheryl
Cc:	Mike Welsh; Dan Hansen
Subject:	Update

Cheryl,
Doreen,

With the exception of customer deposits, the substantive D Schedules for the years 2006 and 2007 are completed, and I intend to complete customer deposits for these two years later on tonight. Remaining to be completed are the historical capital structure for the historical years 2002 - 2006 inclusive (D-2) as well as the financial ratios for '06 and '07 (D-7). These latter two elements plus D-9 affect the request for interim relief and are important; I will try to get them completed by tomorrow COB; the operative constraint is historical data which should be available via the 10-K's filed with the SEC, and inputs from other schedules. Nonetheless, I think things are in good shape, though Doreen may find flaws in this initial work.

There are two issues that I wish to bring up, however:

1) The short-term debt rate for 2006 is significantly understated because of computational method. That is, the actual interest expense to cover short-term balances is determined daily, while the balances used to compute the 2006 rate, for regulatory purposes, utilizes month-end balances. Apparently, the month-end balances are much higher than the daily balances; hence, the computated average interest rate over the course of 2006 (3.53%) appears to be significantly understated. Accordingly, for 2006 I use an imputed interest rate (6.03%) based on the commercial terms for FPUC's S-T debt facility, which is based on the observed average 1-month LIBOR rates for the 12-months of 2006. However, this approach still understates the overall cost of capital, because the short term debt balances are overstated within the overall capital structure. The better way, I believe, is to use the observed average daily balances, which are accurate and also in-keeping with the fair representation of the balances of S-T debt carried by FPU, on average. Month-end balances for the other components of the capital structure is a good representation of average balances, as the balances for these items do not vary much over the course of the month. In the case of S-T debt, however, the month-end balances appear to be much higher than daily balances. Doreen and I discussed this issue earlier today.

2) For the determination of the average outstanding long-term debt (L-T), I am subtracting the average monthly balances of unamortized issuance expense and other balances associated with reacquisition of L-T debt, in lieu of year-end balances. This approach is in keeping with the principle of average capital structure, and also provides for higher amounts to be taken from the outstanding principle amounts for the various issues of L-T debt.

Talk with you soon.

Regards,
Robert

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Thu 6/14/2007 11:07 AM
To: Robert Camfield
Cc: Martin Cheryl
Subject: 2006ROR_4thqtr revised 3_22_2007.xls

Robert:

Please see tab ROR-DEBT for the interest expense for 2006. In November there is a credit balance due to an adjustment for an over-accrual for $4,067.86. The interest expense for that month was $1,586.98.

Thanks

Doreen

(561) 838-1797

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Clara Leider

From: Bachman George
Sent: Wednesday, February 14, 2007 3:58 PM
To: Cox Doreen
Subject: updated cash/ capital expenditure forecast

Doreen,

I need the latest cash and capital forecast to answer these questions next Thursday:

Capital Expenditure and Construction Program

- Please provide a forecast for annual capital expenditures for the years 2007 through 2011?
- What is the nature of the projects included in the capital expenditure forecast? Are there any significant projects being undertaken during this time period?
- How does FPU expect to finance its capital expenditure program? Will external financing be required to fund the expenditures? If so, will debt or equity be issued to fund the expenditures?

Thanks!

George

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Clara Leider

From: Hawn, Dan [Dan.Hawn@rsmi.com]
Sent: Wednesday, June 13, 2007 11:47 AM
To: Khojasteh Mehrdad
Cc: Cox Doreen
Subject: Updated FPU Draft Report
Attachments: FPU SFAS 142 Report.pdf

Mehrdad,

Attached is the updated draft report that incorporates the changes suggested by Doreen. Please review and provide me with any additional comments. Should you have any additional questions, please do not hesitate to contact me.

Regards,
Dan

Daniel P. Hawn, CPA*/ABV, ASA
Director, Business Valuations
RSM McGladrey, Inc.
100 N.E. Third Avenue
Suite 300
Fort Lauderdale, FL 33301

Main: 954.462.6351
Direct: 954.356.5736
Mobile: 954.881.6981
Fax: 954.462.4607

Dan.Hawn@rsmi.com
www.rsmmcgladrey.com

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Florida Public Utilities Company

Valuation Report
Natural Gas Reporting Unit
Propane Reporting Unit
As of January 1, 2007

DRAFT - FOR DISCUSSION PURPOSES ONLY

RSM McGladrey

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June 12, 2007

Mr. George M. Bachman
Chief Financial Officer & Treasurer
Florida Public Utilities Company
401 South Dixie Highway
West Palm Beach, FL 33401-5886

RE: SFAS 142 Valuation Analysis

Dear Mr. Bachman:

Pursuant to your request and in accordance with our engagement arrangement, we have completed a valuation of the Natural Gas Reporting Unit and the Propane Reporting Unit (the Reporting Units) of Florida Public Utilities Company (FPU or the Company). The purpose of this engagement is to assist you in determining the fair value of the Reporting Units as of January 1, 2007. The function of the valuation report is to assist FPU with its application of Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standard 142, *Goodwill and Other Intangible Assets* ("SFAS142"). The valuation should not be distributed, circulated, quoted from, or cited in any manner that is not consistent with the stated purpose and function.

Although all of the relevant analyses and appraisal procedures required by Standard 9 of the *Uniform Standards of Professional Appraisal Practice (USPAP)* have been performed, we are communicating our opinion using this Summary Report format. This Summary Report has been prepared in accordance with requirements for a restricted use appraisal report provided in Standard 10-2(b) of *USPAP*. As a result, the information contained in our report will be for sole use of the Company in connection with the purpose outlined above and should not be distributed to outside parties, other than your external audit team at BDO Seidman, LLP, without our express written consent. Use of this Summary Report should be restricted to and consistent with its stated purpose only. The opinions and conclusions set forth in the Summary Report cannot be understood properly without additional information in our workfiles.

Based on the data, presented in the accompanying report, it is our opinion that the fair value of the Reporting Units, as of January 1, 2007, are as follows:

Assets	Fair Value	Carrying Value	Goodwill Impairment
Natural Gas Reporting Unit	$ 68,800,000	$ 55,788,228	No
Propane Reporting Unit	$ 18,200,000	$ 12,314,719	No

The informed judgment of the valuator, operating in the context of reasonableness and common sense, must be inherent in the valuation process, guiding the consideration of relevant facts in the determination of value. Should the report be challenged, we can render whatever assistance to defend these amounts for an additional fee computed at our standard hourly billing rates in effect at that time.

We are pleased to provide you with the accompanying report and appreciate the opportunity to be of service to you. If you have any questions regarding this report, please contact Daniel P. Hawn at (954) 356-5736.

Respectfully submitted,

RSM McGladrey, Inc.

Daniel P. Hawn
Director, Business Valuation

DRAFT - FOR DISCUSSION
PURPOSES ONLY

Table of Contents

DRAFT - FOR DISCUSSION PURPOSES ONLY

Statement of Assumptions and Limiting Conditions

This report has been made with the following general assumptions and limiting conditions:

1. This engagement is limited to the opinion of the fair value of the Natural Gas Reporting Unit and the Propane Reporting Unit of Florida Public Utilities Company, as of January 1, 2007, for purposes of complying with SFAS No. 142, *Goodwill and Other Intangible Assets* and should not be used for any other purpose. Neither this report nor any portion thereof (including, without limitation, any conclusions as to value, the identity of RSM McGladrey, Inc., or individuals signing or associated with this report, or the professional associations or organizations with which they are affiliated) shall be disseminated to third parties by any means without the prior written consent and approval of RSM McGladrey, Inc. with the exception of your external auditor, BDO Seidman LLP.

2. No investigation has been made of, and no responsibility is assumed for, the legal description or for legal matters including title or encumbrances. Title to all property is assumed to be good and marketable unless otherwise stated. All property is further assumed to be free and clear of any or all liens, easements or encumbrances unless otherwise stated. In arriving at our opinion, we have assumed that the Company is in compliance with all relevant federal and state laws.

3. Information furnished by others, upon which all or portions of this report are based, is believed to be reliable; however, no warranty is given as to the accuracy of such information. The Company and its management warranted to us that the information supplied to us was complete and correct to the best of their knowledge. It has been assumed that all facts and circumstances that would significantly affect the appraisal results have been disclosed to us. Any significant errors in, or omissions from, the information supplied to us will have a corresponding effect on our analyses and conclusions.

4. We have not made an independent investigation of the fair value of the Company's tangible assets and thus do not offer an opinion regarding their value.

5. We have compiled summary financial data and ratios that are contained in the report and various appendices. The data in these appendices represent financial data extracted from the Company's historical financial statements as well as other sources. The financial information does not constitute a complete presentation of the Company's financial statements in accordance with generally accepted accounting principles. The information is included solely to assist in the development of the value conclusion presented in this report and should not be used to obtain credit, or for any other purpose.

6. Regarding any projections of earnings or cash flows that may be used in the analysis herein, they have been based upon the assumptions provided or approved by Company management. Some assumptions inevitably will not materialize and unanticipated events may occur; therefore, the actual results achieved during the projection period will vary from the projection and the variations may be substantial.

7. We express no opinion on any matters that require legal expertise including, but not limited to, the tax aspects related to the Company.

8. Neither RSM McGladrey, Inc., nor any individuals signing or associated with this report shall be required by reason of this report to give testimony or appear in court or other legal proceedings unless specific arrangements have been made.

9. This report is valid only for the effective date of January 1, 2007. No responsibility is taken for changes in market conditions and no obligation is assumed to revise this report to reflect events or conditions which occur subsequent to the date hereof.

Definition and Scope of the Appraisal

Fair Value

For purposes of this valuation, the basis of value is fair value, defined as follows:

> *The amount at which an asset (or liability) could be bought (or incurred) or sold (or settled) in a current transaction between willing parties, that is, other than in a forced or liquidation sale.* [SFAS No. 141]

Scope of the Appraisal

The scope of the work included the following:

- Discussions with management of FPU (Management) concerning the Company's services, markets, past performance and the future growth potential.
- Review of the economic environment and industry segment in which the Reporting Units operate.
- Review and analysis of the Company's financial information in audited statements prepared by Deloitte & Touché LLP, for the fiscal years ended December 31, 2001 to 2003; BDO Seidman LLP, for the fiscal years ended December 31, 2004 to 2006; and internal financial statements for the Reporting Units for the years ended December 31, 2001 to 2006; as well as other financial documentation relating to its operations which were pertinent to this valuation.
- Review and analysis of the Reporting Units' projected future operating performance.
- Review and analysis of other information deemed relevant to this valuation report and its underlying purpose.

Our discussions with Management included written correspondence and phone conversations with Mehrdad Khojasteh, Corporate Accounting Supervisor, April Lundgren, Senior SEC Accountant, and Doreen Cox, Financial Analyst, primarily between April and May 2007. The reader is advised that this valuation is heavily dependent upon information supplied by the above persons. As a basis for our valuation, we have also relied on various financial and information sources, which are listed in Appendix A of this report.

Overview

Business Description

Florida Public Utilities Company engages in the purchase, transmission, distribution, and sale of electricity and natural gas to residential, commercial, and industrial customers in Florida. It also sells propane gas, as well as merchandise and other service related products. As of December 31, 2006, the company owned 1,558 miles of natural gas pipe located in central and south Florida; 22 miles of electric transmission lines located in northeast Florida; and 1,082 miles of electric distribution lines located in northeast and northwest Florida. It served 82,000 natural gas and electricity customers and 13,000 propane gas customers. Florida Public Utilities was founded in 1924 and is headquartered in West Palm Beach, Florida.

In October 2001, FPU acquired Z-Gas Company, Inc., a propane gas service distribution company in a stock for stock transaction valued at approximately $600,000. The transaction involved the issuance of 31,960 shares of the Company's stock and $20,000 of cash. The merger added approximately 1,000 customers to the propane operation in the Northeast Florida division.

In December 2001, the Company acquired certain net assets of Atlantic Utilities, the Florida operation of Southern Union Company, in a cash transaction valued at approximately $9.8 million. Atlantic Utilities served approximately 4,400 natural gas customers in New Smyrna Beach and approximately 1,900 propane customers in central and south Florida.

In November 2002, the Company acquired Nature Coast Gas, Inc. for approximately $740,000. Nature Coast serves approximately 1,200 propane customers in Inglis, Florida with annual sales of nearly 460,000 gallons. In 2003, subsequent acquisition adjustments increase the goodwill created with this transaction from $223,000 to $240,000.

National Economy – Summary and Outlook

Despite the higher than expected growth during the fourth quarter, U.S. consensus projections[1] released for December showed that analysts did not significantly change their expectations for real GDP growth in 2007 from prior forecasts, with real GDP growth of 2.4 percent in 2007 (up slightly from a forecast of 2.3 percent in November) and 3.0 percent growth in 2008. Over the longer term, analysts projected real GDP growth of 3.0 percent annually through 2017.

After wild swings through much of the year, inflation expectations continued to decrease from prior months, with forecasts of 1.8 percent for 2007 (down from more than 2.5 percent expectations early in the fourth quarter) and 2.3 percent for 2008. The long-term outlook was for 2.3 percent annual inflation through 2017.

Nominal growth rates can be calculated by combining real GDP growth and inflationary growth forecasts. As such, short-term nominal growth rates were forecast to be 4.2 percent in 2007 and 5.3 percent in 2008, while nominal long-term growth was predicted to be 5.3 percent. As such, a company planning to grow at least as fast as the national economy as a whole over the next decade would most likely have to increase revenue in the 4.0 to 6.0 percent range to keep pace with not only overall economic growth, but also inflationary growth. On the other hand, a company operating at capacity, or in a mature and stable market, would most likely grow at the lower inflationary rates in the future.

[1] Consensus forecasts – USA, Consensus Economics, January 2007 release

	Short-Term			Long-Term
Real GDP	3.5	2.4	3.0	3.0
Inflation	2.6	1.8	2.3	2.3
Nominal Growth Rates	**6.1**	**4.2**	**5.3**	**5.3**

The national economic outlook is consistent with the outlook for the Company and the industry sector in which it operates. A discussion of the industry follows.

Brief Industry Overview

Natural Gas Industry

The natural gas operations of Florida Public Utilities Company are regulated by the Florida Public Service Commission (FPSC), which has jurisdiction over retail rates, quality of service and reliability, issuances of securities, planning, siting and construction of facilities, accounting and depreciation practices, and other matters.

In general, the FPSC's pricing objective is to set rates at a level that allows the utility to collect total revenues (revenue requirements) equal to its cost of providing service, plus a reasonable return on invested capital.

The costs of owning, operating and maintaining the utility system, other than fuel, purchased power, conservation and certain environmental costs, are recovered through base rates. These costs include operation and maintenance expenses, depreciation and taxes, as well as a return on FPU's investment in assets used. The rate of return on rate base, which is intended to approximate FPU's, primarily includes its costs for debt, deferred income taxes at a zero cost rate and an allowed return on common equity. Base rates are determined in FPSC rate setting hearings that occur at irregular intervals at the initiative of FPU.

Fuel, purchased power, conservation and certain environmental costs are recovered through levelized monthly charges established pursuant to the FPSC's cost recovery clauses. These charges, which are reset annually in an FPSC proceeding, are based on estimated costs of fuel, environmental compliance, conservation programs and purchased power and estimated customer usage for a specific recovery period, with a true-up adjustment to reflect the variance of actual costs from the projected charges. The FPSC may disallow recovery of any costs that it considers imprudently incurred.

Composed almost entirely of methane, natural gas is a combustible gaseous fuel used in residential and commercial applications. It is produced, transported, and consumed in measures associated with cubic feet. One cubic foot is equal to the volume of gas that could be contained in a cubic area measuring one foot in all three dimensions under a pressure of 14.73 pounds per square inch at 60 degrees Fahrenheit. Although the energy content of natural gas can vary depending on its precise chemical composition, 1,000 cubic feet of natural gas has the energy equivalent of approximately one million British thermal units (Btu). A Btu is a standard unit used to measure the amount of heat produced by an energy source.

By the turn of the twenty-first century, natural gas usage was becoming increasingly important in generating electricity. Much safer than nuclear energy and significantly cleaner for the environment than coal, natural gas took over as the energy source of choice in power generation plants and many industrial complexes. The effects of the Clean Air Act were expected to expand its role even farther. In addition, natural gas played a significant role in industrial cogeneration (retaining and distributing the heat energy produced by generating electricity).

During the early years of the 2000s, the natural gas industry was suffering from the effects of a sluggish economy, inconsistent deregulation, and upheaval in the energy industry as a whole, caused in part by the California energy crisis during 2000 and the demise of energy giant Enron after that company's fraudulent bookkeeping practices came to light. The situation led to large-scale sell-offs, downsizing, and a sharp decline in many companies' equity. Although natural gas makes up just one-third of the entire energy industry, because most energy companies have diversified interests that span the market, the beginning of the twenty-first century saw the industry weather a difficult storm of consumer and investor distrust. As a result, even though natural gas usage was expected to increase, production capabilities were declining.

Propane Industry

Propane is used primarily for space and water heating, clothes drying and cooking. Residential customers are typically homeowners, while commercial customers include motels, restaurants, retail stores and laundromats. Industrial users, such as manufacturers, use propane as a heating and energy source in manufacturing and drying processes. In addition, propane is used to supply heat for drying crops and as a fuel source for certain vehicles.

Propane is extracted from natural gas at processing plants or separated from crude oil during the refining process. Propane is normally transported and stored in a liquid state under moderate pressure or refrigeration for ease of handling in shipping and distribution. When the pressure is released or the temperature is increased, propane is usable as a flammable gas. Propane is colorless and odorless; an odorant is added to allow its detection. Propane is clean-burning, producing negligible amounts of pollutants when consumed.

The retail propane industry is mature, with total demand expected to remain relatively flat or to decline slightly. The industry is relatively stable and predictable due to the largely non-discretionary nature of propane use. Accordingly, the demand for propane has historically been relatively unaffected by general economic conditions but has been a function of weather conditions. It is common practice in the propane distribution industry to price products to customers based on a per gallon margin over wholesale costs. As a result, distributors generally seek to maintain their margins by passing costs through to customers, thus insulating themselves from the volatility in propane prices. However, during periods of sharp price fluctuations in supply costs, distributors may be unable or unwilling to pass entire cost increases or decreases through to customers. In these cases, significant increases or decreases in per gallon margins may result. In addition, the timing of cost pass-throughs can significantly affect margins. The propane distribution industry is highly fragmented, characterized by a large number of relatively small, independently owned and operated local distributors. Each year a significant number of these local distributors have sought to sell their business for reasons that include retirement and estate planning. In addition, the propane distribution industry is becoming more complex due to increasing environmental regulations and escalating capital requirements needed to acquire advanced, customer oriented technologies. Primarily as a result of these factors, the industry is undergoing consolidation.

Propane competes with other sources of energy, some of which are less costly for equivalent energy value. The Propane Reporting Unit competes for customers against suppliers of electricity, natural gas and fuel oil. Competition from alternative energy sources has been increasing as a result of reduced regulation of many utilities including natural gas and electricity. Except for certain industrial and commercial applications, propane is generally not competitive with natural gas in areas where natural gas pipelines already exist because natural gas is a significantly less expensive source of energy than propane. The gradual expansion of the nation's natural gas distribution systems has resulted in the availability of natural gas in many areas that previously depended upon propane. Although the extension of natural gas pipelines tends to displace propane distribution in areas affected, new opportunities for propane sales arise as more geographically remote neighborhoods are developed. Although propane is similar to fuel oil in certain applications and market demand, propane and fuel oil compete to a lesser extent primarily because of the cost of converting from one to another. In addition to competing with alternative energy sources, the Propane Reporting Unit competes with other companies engaged in the retail propane distribution business. Competition in the propane industry is highly fragmented and generally occurs on a local basis with other large full-service multi-state propane marketers, thousands of smaller local independent marketers and farm cooperatives. According to the National Propane Gas Association, the domestic retail market for propane is approximately 11 billion gallons annually. It is estimated that approximately 50 million Americans use propane on a daily basis. The 10 largest retailers account for approximately 45% of the total retail sales of propane in the United States, and that no single marketer has a greater than 10% share of the total retail market in the United States.

Business Valuation Methodology

Business valuation methodology is generally categorized into three broad approaches: the market-based approach, the asset-based approach and the income-based approach. Within each of these approaches, there are different methods that can be used to analyze the fair value of intangible assets and intellectual property.

Methods within the market-based approach are used to estimate value through analysis of recent sales of comparable assets. With respect to the valuation of intangible assets, these types of assets often have little guideline transaction data available. This is due to the fact that these assets are created over time and are designed to meet the needs of a specific organization, and are not generally bought or sold separate from the business enterprise.

Methods within the asset-based approach establish value based on the cost of reproducing or replacing the asset, less depreciation from physical deterioration and functional, technical and economic obsolescence, if present and measurable. The asset-based approach stresses the utility characteristics of the asset. This approach is most useful as a value indicator when the components of the asset are relatively new; however, it fails to capture the economic benefits arising from the use of the asset over time.

"Income," as used in the income-based approach, is a general term that connotes any future benefits that can be quantified in monetary terms. In using this approach, the first step is to make a projection of the total monetary benefits expected to accrue to an investor as a result of the utilization of the asset. This stream of monetary benefits is then discounted over the entire projection period to arrive at the present worth, or value of the asset. This approach focuses on the income-producing capability of the acquired asset(s) and when appropriate, best represents the present value of the future economic benefits expected to be derived from them.

In determining the fair value of the Reporting Units, we have utilized an income-based approach and a market-based approach. The following pages discuss our analyses and conclusions.

Determination of Value – Income Approach

Discounted Cash Flow Method

The Discounted Cash Flow ("DCF") method calculates the present value of future cash flows to each Reporting Unit. Under SFAS 142, this methodology is the preferred choice in the absence of having a quoted stock market price for each Reporting Unit. In order to determine the present value of these future cash flows for each Reporting Unit, it was necessary to rely upon management's forecast of future revenues, expenses, and cash flows. We have discussed with management the factors affecting each Reporting Unit's financial performance and relied upon management's forecast in our analysis.

Management's forecast is generally within the range of the market participants for the Natural Gas Reporting Unit. For the Propane Reporting Unit, growth is forecast to outpace the market participants. This is due primarily to the growth potential for propane services in the market areas that the Propane Reporting Unit services. There is a trend for residents in the Propane Reporting Unit's service areas to install gas appliances or stand-by generators, which offer back-up power in case of hurricanes. These market trends will result in growth greater than the industry growth rate for the near future.

The Natural Gas Reporting Unit had a working capital deficit as of the valuation date. To account for this deficit, the total invested capital (from both the income and market approaches) was reduced by the difference between the estimated market participant normalized working capital less the Natural Gas Reporting Unit's actual working capital.

The DCF was prepared on an invested capital basis. Invested capital refers to the aggregate of all classes of debt and equity invested in the business. In preparing a DCF analysis on an invested capital basis, forecasted debt-free cash flow is discounted to present value at the Reporting Unit's respective weighted average cost of capital. Interest expense is excluded from the forecast as debt-free cash flow represents an economic benefit that is available to all capital holders of an enterprise. The result of this analysis is to develop a measure of invested capital value. Subtracting the fair value of outstanding debt from the indicated invested capital value results in each Reporting Unit's fair value of equity as of the valuation date. Note that the Company does not allocate debt to the reporting units. In addition, we have been informed that the other long-term liabilities will most likely be satisfied through future customer cost recovery charges. Accordingly, these liabilities were not deducted when calculating the fair value of the Reporting Units.

The net cash flow available to the Company's Reporting Units' invested capital is calculated as follows:

CF = EBIT - Taxes + DEPR/AMRT - CAPEX - (+) Increases (Decreases) in NWC

Where:

CF	=	Forecasted net cash flow to invested capital
EBIT	=	Earnings before interest and taxes (operating income)
Taxes	=	Based on each Reporting Unit's respective effective tax rate
DEPR/AMRT	=	Depreciation and amortization included in the calculation of EBIT
CAPEX	=	Capital expenditures required to support future revenue growth
NWC	=	Net working capital

Terminal Year Value

Since specific forecasts of future benefits beyond a reasonable number of years are not meaningful, business valuators calculate a terminal value. The projected cash flows past the specific discrete period are included in the terminal value.

The terminal value of each respective Reporting Unit was calculated by normalizing residual year-end net cash flow to invested capital. Capital expenditures were determined to equal depreciation and amortization in the residual year.

The terminal, also termed residual, value at the end of the forecast period is computed based upon the capitalization of normalized cash flow into perpetuity and is calculated as follows:

$$TV = \frac{TYCF}{WACC - g}$$

Where:

TV	=	Terminal value
TYCF	=	Terminal year cash flow
WACC	=	Weighted average cost of capital
g	=	Anticipated long-term growth rate

Weighted Average Cost of Capital

The appropriate discount rate to be used in discounting net cash flows to invested capital is the weighted average cost of capital (WACC). The WACC is based on the cost of both debt and equity capital depending on the weighting of each component in the firm's capital structure. The general formula for estimating the WACC is:

$$WACC = (r_e \times W_e) + (r_d [1 - t] \times W_d)$$

where:

$WACC$	=	Weighted average cost of capital
r_e	=	Cost of equity capital
r_d	=	Cost of debt capital
W_e	=	Percentage of equity capital, at market value
W_d	=	Percentage of debt capital, at market value
t	=	the firm's effective income tax rate

Determination of the Cost of Equity Capital

We determined that the discounted future returns approach was best suited to value the Reporting Units. Our next step was to determine the appropriate rate for each Reporting Unit. We utilized the capital asset pricing model to estimate the rate of return currently available in the market for investments with comparable risk. Our estimate of the discount and capitalization rate is derived from published market data and other relevant factors and is comprised of the following:

- *Risk-Free Rate* - The risk-free rate of return is the return an investor could obtain from a low-risk guaranteed investment. This return is assumed to be equivalent to the yield to maturity of long-term Treasury bonds even though this investment is not entirely risk-free.

- *Beta* – The beta is a measure of relative risk. It measures an individual company's risk relative to the market as a whole.
- *Equity Risk Premium* - The equity risk premium is the extra return earned by an average equity investor in excess of the return from long-term Treasury bonds.
- *Risk Premium for Size* - Generally, the total returns on small company stocks exceeded the total returns from large company stocks.
- *Other Risk Factors* - Based on the Company's successful integration of its recent acquisitions and its continued profitability, no additional risk factors are warranted for the Natural Gas Reporting Unit. An incremental risk factor of 1% was applied to the Propane Reporting Unit to reflect the risk of realizing its anticipated future growth.
- *Average Long-Term Growth Rate* - The average long-term growth rate, which includes inflation, has been estimated to be 3% for the Natural Gas Reporting Unit and 4% for the Propane Reporting Unit.

Determination of the Cost of Debt Capital

We have determined the cost of debt capital and the effective tax rate to be 6.35% and 37.6%, respectively, which correlates to an after-tax cost of debt of 3.96%. The cost of debt was based on the Baa bond rate, which is considered to be a medium-grade obligation (i.e., neither highly protected nor poorly secured).

Determination of the Capital Structure

A controlling interest is being valued which has the ability to determine the capital structure of a company. Based on our analysis of both the natural gas and propane industries (specifically, the guideline public companies), we have determined that the equity and debt should be weighted 55% and 45% for the Natural Gas Reporting Unit and 70% and 30% for the Propane Reporting Unit.

The calculation of the WACC discount rate is presented on Schedule 3 in Appendix D for the Natural Gas Reporting Unit and Appendix E for the Propane Reporting Unit.

Mid-Year Discounting Convention

If it is assumed that each year's cash flow is to be available to the owner at the end of each year, the number of periods by which to discount each cash flow would be one for the first year's cash flow, two for the second year, and so forth. However, if it is assumed that a company's cash flows will be available to the owner throughout the year the discount rate needs to be adjusted using the mid-year discounting convention. The first year's cash flows are discounted by ½ a year, the second year's cash flow by 1½ years, and so forth. The terminal year value is discounted by the same factor as the last discrete forecast year. It was assumed that the Reporting Unit's cash flow would be available throughout the year; accordingly, the mid-year discounting convention was applied.

Calculation of Value

The complete analysis for each Reporting Unit is set forth on the accompanying indicated schedule section grouping. Accordingly, the fair value of each Reporting Unit is set forth below under the DCF methodology as of the valuation date.

Reporting Unit	Section	Schedule	Fair Value of as of January 1, 2007[1]
Natural Gas Reporting Unit	Appendix D	Schedule 4	$ 64,700,000
Propane Reporting Unit	Appendix E	Schedule 4	$ 17,100,000

[1]The Company does not allocate interest-bearing debt to the Reporting Units. Accordingly, the fair value and carrying value represent the value of total invested capital (equity plus debt).

DRAFT - FOR DISCUSSION
PURPOSES ONLY

Determination of Value – Market Approach

The market approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject company to similar businesses, business ownership interests and securities (investments) that have been sold.

Guideline companies are companies that provide a reasonable basis for comparison to the relative investment characteristics of the entity being valued. Ideally, guideline companies operate in the same industry as the subject business, but if there is insufficient information available for companies in the same industry, it may be necessary to consider companies with an underlying similarity of relevant investment characteristics such as markets, products, growth, cyclical variability and other salient factors.

For purposes of our application of the market approach – guideline public company method, FPU's Reporting Units were attributed to two different industry/operating segments: Natural Gas and Propane. Accordingly, our selected guideline public companies for each respective operating segment are listed below.

Natural Gas Companies

AGL Resources, Inc. (AGL), an energy services holding company, principally distributes natural gas in Florida, Georgia, Maryland, New Jersey, Tennessee, and Virginia. It operates in four segments: Distribution Operations, Retail Energy Operations, Wholesale Services, and Energy Investments. The Distribution Operations segment operates utilities with approximately 43,000 miles of distribution and transmission mains in the six states. The Retail Energy Operations segment markets natural gas and related services to retail customers in Georgia. The Wholesale Services segment's activities include asset management, transportation, storage, production and peaking services, and wholesale marketing. The Energy Investments segment comprises investments in Jefferson Island Storage & Hub, LLC, which operates a storage and hub facility in Louisiana; AGL Networks, LLC, which provides telecommunications conduit and dark fiber; and Pivotal Propane of Virginia, Inc., which offers propane air. As of December 31, 2006, AGL had approximately 7.35 billion cubic feet of liquefied natural gas (LNG) storage capacity in 5 LNG plants located in Georgia, New Jersey, and Tennessee, as well as owned 3 propane storage facilities in Virginia and Georgia, which had a combined capacity of approximately 4.5 million gallons. It serves approximately 2.2 million customers in six states. AGL Resources was founded in 1856 and is based in Atlanta, Georgia.

Atmos Energy Corporation (AEC) and its subsidiaries engage in the natural gas utility business, as well as in other natural gas nonutility businesses in the United States. As of September 30, 2006, it distributed natural gas to approximately 3.2 million residential, commercial, public authority, and industrial customers in Colorado, Kansas, Kentucky, Louisiana, Mississippi, Tennessee, Texas, Georgia, Illinois, Iowa, Missouri, and Virginia. AEC also transports natural gas for others through its distribution system. It provides various natural gas management services, which include furnishing natural gas supplies, contract negotiation and administration, load forecasting, gas storage acquisition and management services, transportation services, peaking sales and balancing services, capacity utilization strategies, and gas price management services to municipalities, natural gas utility systems, and industrial natural gas consumers. In addition, AEC offers regulated and nonregulated natural gas transmission and storage services, as well as manages company-owned natural gas storage and pipeline assets. As of the above date, it owned approximately 75,869 miles of underground distribution and transmission mains; and approximately 6,127 miles of gas transmission and gathering lines. AEC was founded in 1906. It was formerly known as Energas Company and changed its name to Atmos Energy Corporation in 1988. AEC is headquartered in Dallas, Texas.

Chesapeake Utilities Corporation (CUC), through its subsidiaries, engages in the distribution, transmission, and marketing of natural gas. It distributes natural gas to residential, commercial, and industrial customers in central and southern Delaware, the Salisbury and Cambridge, Maryland's Eastern Shore, and parts of Florida. CUC also offers natural gas supply and supply management services. In addition, it engages in the distribution and wholesale marketing of propane to large independent and petrochemical companies, resellers, and southeastern retail propane companies in central and southern Delaware, the Eastern Shore of Maryland and Virginia, southeastern Pennsylvania, and parts of Florida. As of December 31, 2006, CUC distributed natural gas to approximately 59,100 customers; and propane to approximately 33,300 customers, as well as delivered approximately 24.2 million retail and wholesale gallons of propane. It also owned approximately 965 miles of natural gas distribution mains located in its Delaware and Maryland service areas, and 726 miles of natural gas distribution mains in its central Florida service areas; and approximately 366 miles of transmission pipelines. Further, CUC provides advanced information services, such as information technology-related business services and solutions for both enterprise and e-business applications in the United States and internationally. CUC was founded in 1859 and is based in Dover, Delaware.

Piedmont Natural Gas Company, Inc. (PNG), an energy services company, distributes natural gas to residential, commercial, and industrial customers in portions of North Carolina, South Carolina, and Tennessee. It also operates various businesses, including unregulated retail natural gas marketing, interstate natural gas storage, and intrastate natural gas transportation. As of October 31, 2006, PNG served 1,016,000 customers, including 62,000 customers served by municipalities. PNG was founded in 1949 and is headquartered in Charlotte, North Carolina.

Southern Union Company (SUC), together with its subsidiaries, engages in the gathering, processing, transportation, storage, and distribution of natural gas in the United States. SUC operates in three segments: Transportation and Storage, Gathering and Processing, and Distribution. The Transportation and Storage segment primarily engages in the interstate transportation and storage of natural gas from gas producing areas in Texas, Oklahoma, Colorado, the Gulf of Mexico, and the Gulf Coast to markets throughout the Midwest and from the Gulf Coast to Florida; and liquid natural gas terminalling and regasification services. The Gathering and Processing segment engages in the gathering, transmission, treating, processing, and redelivery of natural gas and natural gas liquids in Texas and New Mexico. The Distribution segment engages in the local distribution of natural gas in Missouri and Massachusetts. As of December 31, 2006, SUC distributed natural gas to approximately 560,000 residential, commercial, and industrial customers through local distribution systems consisting of 8,983 miles of mains, 6,028 miles of service lines, and 45 miles of transmission lines. SUC was incorporated in 1932 and is based in Houston, Texas.

TECO Energy, Inc. (TECO), through its subsidiaries, engages in diversified energy-related operations in the United States. TECO's activities primarily include generation, purchase, transmission, distribution, and sale of electric energy. TECO provides retail electric services to approximately 661,000 customers in the west central Florida. It also purchases, distributes, and sells natural gas to approximately 332,000 customers, including residential, commercial, industrial, and electric power generation customers in Florida. In addition, TECO owns interests in coal processing and loading facilities, synthetic fuel production facilities, and mineral rights, as well as owns or operates surface and underground mines in eastern Kentucky, Tennessee, and Virginia; and provides waterborne transportation, storage, and transfer services of coal and other dry-bulk commodities. TECO was founded in 1899 and is headquartered in Tampa, Florida.

Propane Companies

AmeriGas Partners, L.P. (AP), through its subsidiary, AmeriGas Propane, L.P., operates as a retail propane distributor in the United States. As of September 30, 2006, the partnership served approximately 1.3 million residential, commercial, industrial, agricultural, and motor fuel customers from approximately 600 district locations in 46 states. In addition to distributing propane, the partnership sells, installs, and services propane appliances, including heating systems. In certain markets, it also installs and services propane fuel systems for motor vehicles. AP operates as the general partner to the partnership. The partnership was formed in 1994 and is based in King of Prussia, Pennsylvania.

Ferrellgas Partners, L.P. (FP), through its subsidiaries, distributes propane and related equipment and supplies primarily in the United States. Its propane is used in residential and commercial buildings space heating, water heating, and cooking; agricultural applications, such as crop drying, space heating, irrigation, and weed control; and in various industrial applications as an engine fuel, and as a heating or energy source in manufacturing and drying processes. FP's other activities include common carrier services; the wholesale marketing of propane appliances and propane; and the sale of refined fuels and carbon dioxide. FP serves residential, industrial/commercial, portable tank exchange, agricultural, and other customers in the United States, the District of Columbia, Puerto Rico, and Canada. FP provides propane through a network of independent and partnership-owned distribution outlets. As of July 31, 2006, it had 846 propane distribution locations. FP was founded in 1939 and is headquartered in Overland Park, Kansas.

Energy Transfer Partners, L.P. (ETP), through its subsidiaries, operates natural gas midstream, and transportation and storage businesses. ETP owns and operates natural gas pipeline systems, and processing and treating plants through which it gathers, compresses, treats, blends, processes, and markets natural gas. It also transports natural gas from various natural gas producing areas through connections with other pipeline systems. In addition, ETP operates natural gas storage facilities; and engages in the wholesale and retail of propane. ETP was founded in 1996 and is based in Dallas, Texas. ETP operates as a subsidiary of Energy Transfer Equity, L.P.

Star Gas Partners, L.P. (SGP) *operates as a home heating oil distributor and services provider in the United States.* It sells home heating oil; installs, maintains, and repairs heating and air conditioning equipment; and markets other petroleum products, including diesel fuel and gasoline. SGP offers its products and services primarily to residential and commercial customers. As of September 30, 2006, SGP served approximately 430,000 home heating oil customers from locations in the northeast and Mid-Atlantic regions. Kestrel Heat, LLC operates as the general partner of the company. SGP was founded in 1995 and is headquartered in Stamford, Connecticut.

Suburban Propane Partners, L.P. (SPP), through its partnerships and subsidiaries, engages in the distribution and marketing of propane, fuel oil, and refined fuels, as well as the marketing of natural gas and electricity in deregulated markets. As of September 30, 2006, SPP served approximately 1,000,000 residential, commercial, industrial, and agricultural customers through approximately 300 locations in 30 states located primarily in the east and west coast regions of the United States. SPP also markets and distributes fuel oil, kerosene, diesel fuel, and gasoline to approximately 136,000 residential and commercial customers in the northeast region of the United States; and natural gas and electricity to approximately 78,000 customers in the deregulated markets of New York and Pennsylvania. In addition, SPP sells, installs, and services various types of whole-house heating and cooling products, air cleaners, humidifiers, de-humidifiers, hearth products, and space heaters to its propane, fuel oil, natural gas, and electricity customers. It also offer services, such as duct cleaning, air balancing, and energy audits to those customers. Suburban Energy Services Group LLC serves as the general partner to SPP. SPP was founded in 1945 and is based in Whippany, New Jersey.

Valuation Adjustments

In order to make comparisons between each respective Reporting Unit and the chosen guideline public companies, the calculated multiples of the guideline entities required adjustments for various differences. Adjustments were necessitated to account for the guideline comparable companies' ranging levels of earnings growth and differences in expected earnings before interest, taxes, depreciation, and amortization ("EBITDA") profitability. Differences in risk are adequately captured in the growth and profitability adjustments.

Margin Adjustment

An adjustment was applied to the guideline comparable companies to account for their varying levels of profitability. The chosen measure for determining profitability in this analysis was earnings before interest, taxes, depreciation, *and amortization ("EBITDA") margin. Accordingly, adjustments were applied to* the Reporting Unit's respective guideline comparable companies' total invested capital to fiscal year ended 2006 revenue multiple.

Growth Adjustment

Similarly, an adjustment was made to the calculated multiples to account for the differences in expected growth rates in earnings between the guideline public companies and each Reporting Unit. The projected five-year earnings per share growth rates were obtained from Multex for the guideline public companies. The Reporting Unit's growth rates were obtained from management's discounted cash flow forecasts. Accordingly, adjustments were applied to the Reporting Unit's respective guideline public companies' total invested capital to fiscal year ended 2006 revenue and EBITDA multiples.

Summary

After making the above adjustments, we applied the lower quartile multiples to each Reporting Unit's revenue and EBITDA. The lower quartile multiples were selected primarily due to the relative size of the Reporting Units compared to the guideline public companies.

Calculation of Value

The complete analyses for each Reporting Unit is set forth on the accompanying indicated schedule section. Accordingly, the fair value of each Reporting Unit is set forth below under the Guideline Public Company Methodology as of the valuation date.

Reporting Unit	Section	Schedule	Fair Value of as of January 1, 2007[1]
Natural Gas Reporting Unit	Appendix D	Schedule 5	$ 72,800,000
Propane Reporting Unit	Appendix E	Schedule 5	$ 19,300,000

[1]The Company does not allocate interest-bearing debt to the Reporting Units. Accordingly, the fair value represents the value of total invested capital (equity plus debt).

Summary and Conclusion

The following table displays the selected fair values for each Reporting Unit using the income approach – discounted cash flow method and the market approach – guideline public company method.

Summary of Selected Fair Values as of January 1, 2007

Reporting Unit	Reporting Unit DCF Value	Reporting Unit GPC Value	Selected Fair Value[1]
Natural Gas Reporting Unit	$ 64,700,000	$ 72,800,000	$ 68,800,000
Propane Reporting Unit	$ 17,100,000	$ 19,300,000	$ 18,200,000

[1]The Company does not allocate interest-bearing debt to the Reporting Units. Accordingly, the fair value represents the value of total invested capital (equity plus debt).

Pursuant to the above analysis, we have placed equal reliance on the income approach - discounted cash flow method and the market approach – guideline public company method to arrive at each Reporting Unit's respective fair value as of the valuation date.

In order to assess on a preliminary basis whether or not goodwill is impaired at the Reporting Unit level, the fair value indicators above must be compared with the carrying value of each Reporting Unit, including goodwill. If the Reporting Unit's fair value is greater than its carrying value, then goodwill is not impaired and no further undertakings are required.

Summary of Reporting Unit Fair Values and Step One Test

Reporting Unit	Fair Value	Carrying Value	Goodwill Impairment
Natural Gas Reporting Unit	$ 68,800,000	$ 55,788,228	No
Propane Reporting Unit	$ 18,200,000	$ 12,314,719	No

[1]The Company does not allocate interest-bearing debt to the Reporting Units. Accordingly, the fair value and carrying value represent the value of total invested capital (equity plus debt).

Accordingly, since the fair value of each Reporting Unit exceeds its carrying value, there is not goodwill impairment pursuant to SFAS 142.

SUMMARY OF INFORMATION AND DATA SOURCES

Corporate Documents

FPU's form 10-k for the years ended December 31, 2001 through 2006.

FPU's annual reports for the years ended December 31, 2001 through 2006.

Internal financial statements for the Natural Gas Reporting Unit and Propane Reporting Unit for the years ended December 31, 2001 to 2006.

Financial projections provided by Management.

Interviews with Management of FPU.

Additional corporate and financial information relating to FPU.

Appraisal Resources

American Society of Appraisers, *Business Valuation Standards*.

Federal Reserve Board, *Statistical Release H. 15.*

The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice*.

Ibbotson Associates, *Risk Premia Over Time Report: 2006.*

Hemscott Financial Data, FetchXL.

APPRAISERS' CERTIFICATION AND SIGNATURES

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial and unbiased professional analyses, opinions and conclusions.

3. We have no present or prospective interest in the entity or assets that are the subject of this report, and we have no personal interest or bias with respect to the parties involved.

4. We have no bias with respect to the entity or assets that are the subject of this report or to the parties involved with this assignment.

5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent action or event directly related to the intended use of this appraisal.

7. Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

8. The American Society of Appraisers has a mandatory recertification program for all of its Senior Members. Daniel P. Hawn is in compliance with that program.

RSM McGladrey, Inc.

Daniel P. Hawn, CPA*/ABV, ASA
Director

*Regulated by the State of Florida

BIOGRAPHIES OF APPRAISERS

DANIEL P HAWN, CPA*/ABV, ASA
DIRECTOR

Summary of Experience

Dan Hawn is a director with RSM McGladrey, Inc., specializing in business valuations and litigation services. He serves as a director of RSM McGladrey's South Florida Business Valuation Group.

Dan has over 12 years of experience performing and managing business valuation engagements for a variety of purposes including financial accounting, purchase price allocations, estate and gift taxes, buy/sell agreements, shareholder redemptions, merger and acquisitions, employee stock ownership plans, S Corporation elections, marital dissolutions, and corporate planning. He has valued closely held business interests in a variety of entities including operating companies, personal holding companies, professional practices, limited partnerships, and limited liability companies. In addition, he has been involved in the valuation of intellectual property and intangible assets, the quantification of applicable minority and/or marketability discounts, and the calculation of lost profits and monetary damages.

Dan is a Certified Public Accountant and has earned the Accredited in Business Valuation (ABV) designation from the American Institute of Certified Public Accountants and the Accredited Senior Appraiser in Business Valuation (ASA) designation from the American Society of Appraisers.

Prior to joining RSM McGladrey, Dan served as a manager for a national and regional consulting firm.

Professional Designations

Certified Public Accountant (CPA), Licensed in the State of Florida and the State of Michigan
Accredited in Business Valuation (ABV), American Institute of Certified Public Accountants
Accredited Senior Appraiser, American Society of Appraisers

Professional Affiliations

Member, American Institute of Certified Public Accountants
Member, Florida Institute of Certified Public Accountants
Member, American Society of Appraisers

Education

Michigan State University, Eli Broad College of Business, Bachelor of Arts in accounting, December 1994

*Regulated by The State of Florida

FINANCIAL SCHEDULES-NATURAL GAS REPORTING UNIT

Schedule Number	Description
Schedule 1	Historical Income Statement Data
Schedule 2	Historical Balance Sheet Data
Schedule 3	Discount Rate (Cost of Capital)
Schedule 4	Discounted Cash Flow Method
Schedule 5	Guideline Public Company Method

	For the Years Ended December 31,						02-06
	2002	**2003**	**2004**	**2005**	**2006**	**02-06 Average**	**Weighted Average**
Revenue	$ 40,139,641	$ 53,610,475	$ 55,962,059	$ 69,094,452	$ 71,139,000	$ 57,989,125	$ 63,154,638
Cost of Revenue	21,528,895	32,463,011	34,231,618	42,815,337	43,909,000	34,989,572	38,663,741
Gross Profit	18,610,746	21,147,464	21,730,441	26,279,115	27,230,000	22,999,553	24,490,897
Operating Expenses							
Depreciation Expense	2,402,415	2,567,172	2,920,262	4,125,165	4,299,000	3,262,803	3,619,547
Other Operating Expenses	11,917,368	13,390,125	13,831,843	16,105,271	16,813,000	14,411,521	15,245,282
Total Operating Expenses	14,319,783	15,957,297	16,752,105	20,230,436	21,112,000	17,674,324	18,864,829
Operating Income	4,290,963	5,190,167	4,978,336	6,048,679	6,118,000	5,325,229	5,626,068
Other Income (Expense):							
Other Income	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
Total Other Income (Expense)	-	-	-	-	-	-	-
Income Before Taxes	$ 4,290,963	$ 5,190,167	$ 4,978,336	$ 6,048,679	$ 6,118,000	$ 5,325,229	$ 5,626,068
EBITDA	$ 6,693,378	$ 7,757,339	$ 7,898,598	$ 10,173,844	$ 10,417,000	$ 8,588,032	$ 9,245,615
EBIT	$ 4,290,963	$ 5,190,167	$ 4,978,336	$ 6,048,679	$ 6,118,000	$ 5,325,229	$ 5,626,068

Notes:

(1) In preparing our business valuation report, we have relied upon historical financial information provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly we do not express an opinion or any other form of assurance on this financial information.

Source: Florida Public Utilities Company Internally Prepared Income Statements.

Florida Public Utilities Company | **Appendix D**

Natural Gas Reporting Unit
Historical Income Statements
Common Size

Schedule 1
Page 2 of 3

	For the Years Ended December 31						02-06
	2002	**2003**	**2004**	**2005**	**2006**	**02-06 Average**	**Weighted Average**
Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Revenue	53.6%	60.6%	61.2%	62.0%	61.7%	60.3%	61.2%
Gross Profit	46.4%	39.4%	38.8%	38.0%	38.3%	39.7%	38.8%
Operating Expenses							
Depreciation Expense	6.0%	4.8%	5.2%	6.0%	6.0%	5.6%	5.7%
Other Operating Expenses	29.7%	25.0%	24.7%	23.3%	23.6%	24.9%	24.1%
Total Operating Expenses	35.7%	29.8%	29.9%	29.3%	29.7%	30.5%	29.9%
Operating Income	10.7%	9.7%	8.9%	8.8%	8.6%	9.2%	8.9%
Other Income (Expense):							
Other Income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest Expense	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Other Income (Expense)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Income Before Taxes	10.7%	9.7%	8.9%	8.8%	8.6%	9.2%	8.9%
EBITDA	16.7%	14.5%	14.1%	14.7%	14.6%	14.8%	14.6%
EBIT	10.7%	9.7%	8.9%	8.8%	8.6%	9.2%	8.9%

Note:

(1) In preparing our business valuation report, we have relied upon historical financial information provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly

Florida Public Utilities Company
Natural Gas Reporting Unit
Historical Income Statements
Trended

	For the Years Ended December 31,				02-06
	2003	**2004**	**2005**	**2006**	**Compound Growth**
Revenue	33.6%	4.4%	23.5%	3.0%	15.4%
Cost of Revenue	50.8%	5.4%	25.1%	2.6%	19.5%
Gross Profit	13.6%	2.8%	20.9%	3.6%	10.0%
Operating Expenses					
Depreciation Expense	6.9%	13.8%	41.3%	4.2%	15.7%
Other Operating Expenses	12.4%	3.3%	16.4%	4.4%	9.0%
Total Operating Expenses	11.4%	5.0%	20.8%	4.4%	10.2%
Operating Income	21.0%	-4.1%	21.5%	1.1%	9.3%
Other Income (Expense):					
Other Income	NA	NA	NA	NA	NA
Interest Expense	NA	NA	NA	NA	NA
Total Other Income (Expense)	NA	NA	NA	NA	NA
Income Before Taxes	21.0%	-4.1%	21.5%	1.1%	9.3%
EBITDA	27.8%	9.7%	62.8%	5.4%	11.7%
EBIT	21.0%	-4.1%	21.5%	1.1%	9.3%

Note:

(1) In preparing our business valuation report, we have relied upon historical financial information provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly

	As of December 31,				
	2002	**2003**	**2004**	**2005**	**2006**
Assets					
Current Assets:					
Cash and Cash Equivalents	$ 8,500	$ 9,400	$ 257,689	$ 363,755	$ 49,722
Accounts Receivable	4,974,631	5,348,557	6,805,886	9,361,629	6,394,780
Allowance for Doubtful Accounts	(236,392)	(78,068)	(105,832)	(187,412)	(295,301)
Materials and Supplies	1,080,798	646,263	331,769	459,278	414,911
Other Current Assets	801,389	869,447	5,388,925	6,163,454	5,278,604
Total Current Assets	6,628,926	6,795,599	12,678,437	16,160,704	11,842,716
Long Term Assets:					
Misc. Deferred Debits	4,965,075	5,383,959	6,523,028	6,098,646	5,713,930
Goodwill and Other Intangible Assets	3,413,179	3,413,179	2,452,803	2,452,803	2,452,803
Deferred Income Taxes	3,113,144	2,819,820	2,274,806	2,877,014	3,112,865
Total Long-Term Assets	11,491,398	11,616,958	11,250,637	11,428,463	11,279,598
Net Property and Equipment	51,133,801	53,452,371	62,774,190	65,967,989	70,197,987
Total Assets	$ 69,254,125	$ 71,864,928	$ 86,703,264	$ 93,557,156	$ 93,320,301
Liabilities and Stockholders' Equity					
Current Liabilities:					
Customer Deposits	$ 3,443,939	$ 3,902,037	$ 4,375,200	$ 5,374,978	$ 5,702,247
Accounts Payable	$ 3,513,004	$ 4,636,462	5,015,143	6,996,210	5,440,855
Taxes Accrued	80,896	71,059	156,935	113,546	157,305
Interest Accrued	136,548	171,207	551,459	585,547	479,307
Other	3,714	2,883	2,259,540	2,516,335	2,269,102
Total Current Liabilities	7,178,101	8,783,648	12,358,277	15,586,616	14,048,816
Long-Term Liabilities:					
Customer Advances	876,656	950,093	837,655	1,142,336	1,413,893
Unamortized ITC	901,630	739,943	297,017	252,827	210,185
Deferred Income Taxes	5,291,967	6,570,784	10,385,894	11,707,362	9,870,072
Other Deferred Liabilities (2)	6,054,633	5,469,390	7,641,285	6,687,250	11,174,700
Other Liabilities	1,054,940	951,616	2,055,701	1,013,519	814,407
Total Long Term Liabilities	14,179,826	14,681,826	21,217,552	20,803,294	23,483,257
Total Liabilities	21,357,927	23,465,474	33,575,829	36,389,910	37,532,073
Total Stockholders' Equity	47,896,198	48,399,454	53,127,435	57,167,246	55,788,228
Total Liabilities and Shareholders' Equity	$ 69,254,125	$ 71,864,928	$ 86,703,264	$ 93,557,156	$ 93,320,301

Notes:

(1) In preparing our business valuation report, we have relied upon historical financial informatioı provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly we do not express an opinion or any other form of assurance on this financial information

(2) Regulatory assets and liabilities were netted

Source: Florida Public Utilities Company Internally Prepared Balance Sheets

Florida Public Utilities Company | *Appendix D*

Natural Gas Reporting Unit | **Schedule 2**

Historical Balance Sheets (1) | **Page 2 of 2**

Common Size (As a Percentage of Total Assets)

	As of December 31,				
	2002	2003	2004	2005	2006
Assets					
Current Assets:					
Cash and Cash Equivalents	0.0%	0.0%	0.3%	0.4%	0.1%
Accounts Receivable	7.2%	7.4%	7.8%	10.0%	6.9%
Allowance for Doubtful Accounts	-0.3%	-0.1%	-0.1%	-0.2%	-0.3%
Materials and Supplies	1.6%	0.9%	0.4%	0.5%	0.4%
Other Current Assets	1.2%	1.2%	6.2%	6.6%	5.7%
Total Current Assets	9.6%	9.5%	14.6%	17.3%	12.7%
Long Term Assets:					
Misc. Deferred Debits	7.2%	7.5%	7.5%	6.5%	6.1%
Goodwill and Other Intangible Assets	4.9%	4.7%	2.8%	2.6%	2.6%
Deferred Income Taxes	4.5%	3.9%	2.6%	3.1%	3.3%
Total Long-Term Assets	16.6%	16.2%	13.0%	12.2%	12.1%
Net Property and Equipment	73.8%	74.4%	72.4%	70.5%	75.2%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%
Liabilities and Stockholders' Equity					
Current Liabilities:					
Customer Deposits	5.0%	5.4%	5.0%	5.7%	6.1%
Accounts Payable					
Taxes Accrued	0.1%	0.1%	0.2%	0.1%	0.2%
Interest Accrued	0.2%	0.2%	0.6%	0.6%	0.5%
Other	0.0%	0.0%	2.6%	2.7%	2.4%
Total Current Liabilities	10.4%	12.2%	14.3%	16.7%	15.1%
Long-Term Liabilities:					
Customer Advances	1.3%	1.3%	1.0%	1.2%	1.5%
Unamortized ITC	1.3%	1.0%	0.3%	0.3%	0.2%
Deferred Income Taxes	7.6%	9.1%	12.0%	12.5%	10.6%
Other Deferred Liabilities (2)	8.7%	7.6%	8.8%	7.1%	12.0%
Other Liabilities	1.5%			1.1%	0.9%
Total Long Term Liabilities	20.5%	20.4%	24.5%	22.2%	25.2%
Total Liabilities	30.8%	32.7%	38.7%	38.9%	40.2%
Total Stockholders' Equity	69.2%	67.3%	61.3%	61.1%	59.8%
Total Liabilities and Shareholders' Equity	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

(1) In preparing our business valuation report, we have relied upon historical financial information provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly we do not express an opinion or any other form of assurance on this financial information

(2) Regulatory assets and liabilities were netted

Florida Public Utilities Company *Appendix D*

Natural Gas Reporting Unit **Schedule 3**

Rate of Return **Page 1 of 1**

Assumptions

Cost of Equity (Ke = Rf + b*(Rm - Rf) + Rss + Rcs)

Long-Term Treasury Securities (Rf) [1]		4.91%
Beta (b) [2]	0.61	
Equity Risk Premium (Rm-Rf) [3]	6.30%	
Beta Adjusted Equity Risk Premium (b • (Rm-Rf)		3.84%
Small Stock Risk Premium (Rss) [4]		3.90%
Company Specific Risk Premium (Rcs)		0.00%
Cost of Equity (Ke)		12.65%

After-Tax Cost of Debt (Kd = Kb*(1-t))

Baa Bond Rate (Kb) [5]	6.35%
Tax Rate (t)	37.60%
Cost of Debt (Kd)	3.96%

Weighted Average Cost of Capital (WACC)

	Capital Structure [6]		Cost		Weighted Cost
Equity	55.0%	X	12.65%	=	6.96%
Debt	45.0%	X	3.96%	=	1.78%
Weighted Average Cost of Capital (WACC)					**8.74%**
Rounded					**8.70%**

Notes:

[1] Yield on 20 Year Treasury Bonds obtained from Federal Reserve Statistical Release as of January 3, 2007.

[2] Based on the comparable companies betas obtained from Hemscott Data (FetchXL).

[3] Ibbotson Associates 2007 Yearbook, Long Horizon Supply Side Equity Risk Premium.

[4] Size Premium (in excess of CAPM) based on 9th and 10th deciles of the NYSE/AMEX/NASDAQ. (Ibbotson 2007 Yearbook Valuation Edition).

[5] Baa Bond Rate obtained from Federal Reserve Statistical Release as of January 3, 2007.

[6] Based on the comparable companies capital structure obtained from Hemscott Data (FetchXL). (rounded to the nearest five percent.)

			For the Year Ending December 31,					
			2007	**2008**	**2009**	**2010**	**2011**	**Residual**
Revenue	A		$72,004,000	$75,419,000	$81,188,000	$85,039,000	$89,073,000	$91,746,000
Cost of Revenue	B		44,443,000	46,551,000	50,112,000	52,489,000	54,979,000	56,629,000
Gross Profit			27,561,000	28,868,000	31,076,000	32,550,000	34,094,000	35,117,000
Operating Expenses:								
Depreciation Expense	C		4,364,000	4,495,000	4,629,000	4,768,000	4,911,000	4,917,000
Other Operating Expenses	D		17,619,000	18,622,000	19,544,000	20,674,000	21,817,000	22,472,000
Total Operating Expenses			21,983,000	23,117,000	24,173,000	25,442,000	26,728,000	27,389,000
Operating Income			5,578,000	5,751,000	6,903,000	7,108,000	7,366,000	7,728,000
Income Tax Expense	E	37.6%	2,097,000	2,162,000	2,596,000	2,673,000	2,770,000	2,906,000
Net Income			3,481,000	3,589,000	4,307,000	4,435,000	4,596,000	4,822,000
Adjustments:								
Add: Depreciation Expense	C		4,364,000	4,495,000	4,629,000	4,768,000	4,911,000	4,917,000
Less: Capital Expenditures	F		(4,500,000)	(4,500,000)	(4,500,000)	(4,635,000)	(4,774,000)	(4,917,000)
(Increase)/Decrease in Debt Free Net Working Capital	G		(58,000)	(229,000)	(387,000)	(258,000)	(270,000)	(179,000)
Cash Flow			3,287,000	3,355,000	4,049,000	4,310,000	4,463,000	4,643,000
Present Value Factor		8.7%	0.9591	0.8824	0.8118	0.7468	0.6870	
Present Value of Cash Flow			3,153,000	2,960,000	3,287,000	3,219,000	3,066,000	

Total Present Value of Cash Flows (Years 1 to 5)	$15,685,000
Plus: Present Value of Residual Cash Flow	55,960,000
Total Invested Capital	71,645,000
Less: Working Capital Adjustment [2]	(6,972,100)
Fair Value of Reporting Unit	**64,672,900**
Rounded	**64,700,000**

Residual Cash Flow	$4,643,000
Residual Capitalization Rate:	
Discount Rate	8.7%
Residual Growth Rate	3.0%
Capitalization Rate	5.7%
Gross Residual Value	81,456,000
Present Value Factor	0.6870
Present Value of Gross Residual Value	$55,960,000

Notes:

(1) Note: The above forecasts, based on estimates by the Company's management, have been prepared in connection with a business appraisal and are not intended to conform with accounting standards for the compilation, review, or audit of forecasts or projections.

(2) Because the Reporting Unit had a working capital deficit as of the valuation date, working capital was reduced by the difference between the median working capital for market participants, less the Reporting Unit's actual working capital balance as of the valuation date.

Florida Public Utilities Company
Natural Gas Reporting Unit
Discounted Cash Flow Assumptions

We based the Income Approach on a Discounted Cash Flow Analysis of the Company. We relied primarily on the Reporting Unit's historical financial statements and management's projections as an indicator of cash flow.

A. **Revenue** – Revenue was projected to increase by 1.2%, 4.7%, 7.6%, 3.0%, 3.0%, for 2007 through 2011 and 3.0% for the residual period.

B. **Cost of Revenue** – Cost of revenue was projected to be 61.7% of revenue throughout the projection period.

C. **Depreciation Expense** – Depreciation expense was projected based on management's projection of $4,364,000, $4,495,000, $4,629,000, $4,768,000, and $4,911,000 for 2007 to 2011, respectively. For the residual period, capital expenditures and depreciation were set equal, based on the theory that in the long run, a company will replace its fixed assets as they are retired.

D. **Other Operating Expenses** – Other operating expenses were projected to be 24.5%, 24.7%, 24.1%, 24.3%, and 24.5% of revenue for 2007 through 2011, respectively. Other operating expenses were projected at 24.5% of revenue for the residual period.

E. **Income Tax Expense** – Income tax expense was calculated at an effective tax rate of 37.6%.

F. **Capital Expenditures** – Capital expenditures were forecast at $4.5 million for 2007 through 2009. For 2010, capital expenditures were grown with revenue through 2011. This level of capital expenditures, which is expected to approximate depreciation expense, reflects the necessary maintenance and replacement required to achieve the Reporting Unit's projected revenue. In the residual, capital expenditures and depreciation were set equal based on the theory that in the long run, a company will replace its fixed assets as they are retired.

G. **Working Capital** – Working capital was forecast based on an analysis of the Company's current assets and current liabilities, consideration of future expected working capital needs, and a review of the guideline public companies working capital. Accordingly, incremental working capital was projected at 6.7% of the change in revenue based on the median for the guideline companies.

Florida Public Utilities Company | *Appendix D*
Natural Gas Reporting Unit | **Schedule 5**
Guideline Public Company Method
Valuation Date: January 1, 2007

		Revenue	EBITDA
Natural Gas Reporting Unit		71,139,000	10,417,000
Selected Multiples		1.10	7.80
Indicated Value		**78,252,900**	**81,252,600**
Selected Value - Total Invested Capital	$	79,800,000	
Less: Working Capital Adjustment [1]		(6,972,100)	
Fair Value of Reporting Unit - Rounded	**$**	**72,800,000**	

Invested Capital / Revenue Multiple

		AGL RESOURCES INC	ATMOS ENERGY CORP	CHESAPEAKE UTILITIES CP	PIEDMONT NATRL GAS CO	SOUTHERN UNION CO	TECO ENERGY INC
Unadjusted Multiple		1.76	0.94	1.32	1.45	2.96	2.06
Margin Adjustment		-39%	29%	-1%	-10%	-33%	-27%
Growth Adjustment		-1%	-8%	-8%	-1%	-15%	1%
Mean Adjusted Multiple	1.32	1.07	1.12	1.20	1.29	1.69	1.52
Median Adjusted Multiple	1.24						
Lower Quartile Adjusted Multiple	1.14						
Selected Multiple	1.10						

Invested Capital / EBITDA Multiple

		AGL RESOURCES INC	ATMOS ENERGY CORP	CHESAPEAKE UTILITIES CP	PIEDMONT NATRL GAS CO	SOUTHERN UNION CO	TECO ENERGY INC
Unadjusted Multiple		7.39	8.28	8.91	10.38	13.60	10.30
Growth Adjustment		-1%	-8%	-8%	-1%	-15%	1%
Mean Adjusted Multiple	9.23	7.32	7.62	8.20	10.28	11.56	10.40
Median Adjusted Multiple	9.24						
Lower Quartile Adjusted Multiple	7.76						
Selected Multiple	7.80						

Selected Financial Information for Comparable Natural Gas Companies - Trailing Twelve Months

	AGL RESOURCES INC	ATMOS ENERGY CORP	CHESAPEAKE UTILITIES CP	PIEDMONT NATRL GAS CO	SOUTHERN UNION CO	TECO ENERGY INC
Revenue (000s)	$ 2,624,000	$ 5,471,176	$ 231,201	$ 1,977,045	$ 2,340,144	$ 3,448,100
EBITDA (000s)	$ 626,000	$ 618,664	$ 34,277	$ 276,502	$ 509,686	$ 691,200
Net Income (000s)	$ 212,000	$ 157,971	$ 10,507	$ 106,100	$ 199,717	$ 244,400
Share Price as of 12/29/06	$ 38.91	$ 31.91	$ 30.65	$ 26.75	$ 27.95	$ 17.23
Shares Outstanding	77,752,515	88,577,022	6,717,348	74,599,552	119,771,014	209,588,944
Market Capitalization (000s)	$ 3,025,350	$ 2,826,493	$ 205,887	$ 1,995,538	$ 3,347,600	$ 3,611,218
Interest Bearing Debt (000s)[1]	$ 2,141,000	$ 2,242,007	$ 101,772	$ 980,403	$ 3,474,916	$ 3,458,400
Working Capital Adjustment[2]	$ (538,639)	$ 54,242	$ (2,292)	$ (104,564)	$ 111,096	$ 49,335
Total Invested Capital (000s) ("TIC")	$ 4,627,711	$ 5,122,742	$ 305,366	$ 2,871,377	$ 6,933,612	$ 7,118,952
Beta	0.34	0.43	0.28	0.26	1.21	0.67
Five Year Projected Growth Rate	4.0%	6.1%	6.0%	4.0%	8.0%	3.5%
Valuation Multiples:						
TIC / Revenue	1.76	0.94	1.32	1.45	2.96	2.06
TIC / EBITDA	7.39	8.28	8.91	10.38	13.60	10.30
P / E	14.27	17.89	19.60	18.81	16.76	14.78

[1] Interest bearing debt includes current and long-term debt and preferred stock, net of cash.

Company Name: **AGL RESOURCES INC**

Historical Balance Sheet

In Thousands (Except Per Share Data)	MRQ 2006/12	For the year ended: 2006/12	2005/12	2004/12	2003/12	2002/12
Cash and Equivalents	$20,000	$20,000	$30,000	$49,000	$16,500	$8,400
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	880,000	880,000	1,220,000	889,000	439,600	351,700
Inventories	597,000	597,000	543,000	320,000	209,400	118,200
Prepaid Expenses	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	325,000	325,000	239,000	199,000	81,800	108,100
Total Current Assets	**1,822,000**	**1,822,000**	**2,032,000**	**1,457,000**	**747,300**	**586,400**
Gross Fixed Assets	4,976,000	4,976,000	4,791,000	4,615,000	3,402,200	3,323,200
Accumulated Depreciation & Depletion	1,540,000	1,540,000	1,520,000	1,437,000	1,049,800	1,129,000
Net Fixed Assets	3,436,000	3,436,000	3,271,000	3,178,000	2,352,400	2,194,200
Intangibles	420,000	420,000	422,000	354,000	176,600	176,200
Cost in Excess	0	0	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	469,000	469,000	526,000	651,000	701,500	785,200
Total Non-Current Assets	**4,325,000**	**4,325,000**	**4,219,000**	**4,183,000**	**3,230,500**	**3,155,600**
Total Assets	**$6,147,000**	**$6,147,000**	**$6,251,000**	**$5,640,000**	**$3,977,800**	**$3,742,000**
Accounts Payable	$723,000	$723,000	$1,039,000	$207,000	$73,700	$91,100
Notes Payable	0	0	0	0	0	0
Short Term Debt	539,000	539,000	522,000	334,000	383,400	418,600
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	0	0	0	0	0	0
Deferred Revenues	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	365,000	365,000	378,000	936,000	597,300	506,100
Total Current Liabilities	**1,627,000**	**1,627,000**	**1,939,000**	**1,477,000**	**1,054,400**	**1,015,800**
Long Term Debt	1,622,000	1,622,000	1,615,000	1,623,000	730,800	767,000
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	544,000	544,000	423,000	437,000	376,300	320,000
Other Non-Current Liabilities	703,000	703,000	737,000	682,000	645,700	701,900
Minority Interest	42,000	42,000	38,000	36,000	0	0
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**2,911,000**	**2,911,000**	**2,813,000**	**2,778,000**	**1,752,800**	**1,788,900**
Total Liabilities	**4,538,000**	**4,538,000**	**4,752,000**	**4,255,000**	**2,807,200**	**2,804,700**
Preferred Stock Equity	0	0	0	0	225,300	227,200
Common Par	390,000	390,000	0	384,000	322,500	289,000
Additional Paid In Capital	664,000	664,000	0	632,000	325,700	209,800
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	601,000	601,000	0	415,000	337,900	279,800
Treasury Stock	(14,000)	(14,000)	0	0	(400)	(19,300)
Other Equity Adjustments	(32,000)	(32,000)	1,499,000	(46,000)	(40,400)	(49,200)
Total Equity	**1,609,000**	**1,609,000**	**1,499,000**	**1,385,000**	**1,170,600**	**937,300**
Total Liabilities & Stock Equity	**$6,147,000**	**$6,147,000**	**$6,251,000**	**$5,640,000**	**$3,977,800**	**$3,742,000**

Company Name: **AGL RESOURCES INC**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/12	For the year ended: 2006/12	2005/12	2004/12	2003/12	2002/12
Operating Revenue	**$2,624,000**	**$2,621,000**	**$2,718,000**	**$1,832,000**	**$983,700**	**$868,900**
Adjustments to Revenue	40,000	40,000	40,000	30,000	27,800	29,300
Cost of Revenue	1,958,000	1,955,000	2,103,000	1,371,000	622,100	542,300
Gross Profit	626,000	626,000	575,000	431,000	333,800	297,300
Operating Expenses:						
Selling, General & Administrative	0	0	0	0	0	0
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	138,000	138,000	133,000	99,000	91,400	89,100
Amortization	0	0	0	0	0	0
Total Operating Expenses	138,000	138,000	133,000	99,000	91,400	89,100
Operating Income	**488,000**	**488,000**	**442,000**	**332,000**	**242,400**	**208,200**
Plus: Depreciation & Amortization	138,000	138,000	133,000	99,000	91,400	89,100
EBITDA	**626,000**	**626,000**	**575,000**	**431,000**	**333,800**	**297,300**
Other Income (Expense):						
Special Income/Charges	0	0	0	0	(8,000)	0
Interest Expense	(123,000)	(123,000)	(109,000)	(71,000)	(75,600)	(86,000)
Interest Income	0	0	0	0	0	0
Earnings from Equity Interest	0	0	0	0	0	0
Other Income, Net	(1,000)	(1,000)	(1,000)	0	63,700	38,800
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(124,000)	(124,000)	(110,000)	(71,000)	(19,900)	(47,200)
Income Before Taxes	364,000	364,000	332,000	261,000	222,500	161,000
Income Taxes	129,000	129,000	117,000	90,000	86,800	58,000
Minority Interest	23,000	23,000	22,000	18,000	0	0
Income From Continuing Operations	212,000	212,000	193,000	153,000	135,700	103,000
Income From Discontinued Operations	0	0	0	0	0	0
Income From Total Operations	212,000	212,000	193,000	153,000	135,700	103,000
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	(7,800)	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$212,000**	**$212,000**	**$193,000**	**$153,000**	**$127,900**	**$103,000**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	253,000	253,000	267,000	264,000	158,400	187,000
Per Share Data						
Basic Weighted Shares	77,600	77,600	77,300	66,300	63,100	56,100
Basic EPS from Continuing Operations	$2.73	$2.73	$2.50	$2.30	$2.15	$1.84
Basic EPS from Total Operations	$2.73	$2.73	$2.50	$2.30	$2.03	$1.84
Diluted Weighted Shares	78,000	78,000	77,800	67,000	63,700	56,600
Diluted EPS from Continuing Operations	$2.72	$2.72	$2.48	$2.28	$2.13	$1.82
Diluted EPS from Total Operations	$2.72	$2.72	$2.48	$2.28	$2.01	$1.82
Dividends Paid Per Share	$1.48	$1.48	$1.30	$1.15	$1.11	$1.35
Year-Over-Year Growth Rates						
Operating Revenue	0.1%	-3.6%	48.4%	86.2%	13.2%	NA
Operating Income	0.0%	10.4%	33.1%	37.0%	16.4%	NA
EBITDA	0.0%	8.9%	33.4%	29.1%	12.3%	NA
Total Net Income	0.0%	9.8%	26.1%	19.6%	24.2%	NA
Profit Margins						
Gross Profit	23.9%	23.9%	21.2%	23.5%	33.9%	34.2%
Operating Income	18.6%	18.6%	16.3%	18.1%	24.6%	24.0%
EBITDA	23.9%	23.9%	21.2%	23.5%	33.9%	34.2%
Total Net Income	8.1%	8.1%	7.1%	8.4%	13.0%	11.9%

Company Name: **AGL RESOURCES INC**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/12	2006/12	2005/12	2004/12	2003/12	2002/12
Profitability Ratios:						
Gross Profit Margin (%)	25.4	25.4	22.6	25.2	36.8	37.6
Pre-Tax Profit Margin (%)	13.9	13.9	12.2	14.2	22.6	18.5
Net Profit Margin (%)	8.1	8.1	7.1	8.4	13.8	11.9
Management Effectiveness Ratios:						
Return on Equity (%)	13.2	13.2	12.9	11.0	14.4	14.5
Return on Invested Capital (%)	6.6	6.6	6.2	5.1	7.1	6.0
Return on Assets (%)	3.4	3.4	3.1	2.7	3.4	2.8
Efficiency Ratios:						
Inventory Turnover	3.4	3.4	4.9	5.2	3.8	4.6
Receivables Turnover	2.5	2.5	2.6	2.8	2.5	4.2
Receivables Per Day Sales	120.9	120.9	161.6	174.7	160.9	145.7
Asset Turnover	0.4	0.4	0.5	0.4	0.3	0.2
Revenue Per Dollar of Cash	$131.05	$131.05	$90.60	$37.39	$59.62	$103.44
Revenue Per Dollar of Plant (Net)	$0.76	$0.76	$0.83	$0.58	$0.42	$0.40
Revenue Per Dollar of Common Equity	$1.63	$1.63	$1.81	$1.32	$1.04	$1.22
Revenue Per Dollar of Invested Capital	$0.81	$0.81	$0.87	$0.61	$0.52	$0.51
Revenue Per Dollar of Receivables	$2.98	$2.98	$2.23	$2.06	$2.24	$2.47
Revenue Per Dollar of Inventory	$4.39	$4.39	$5.01	$5.73	$4.70	$7.35
Revenue to Assets	$0.40	$0.40	$0.40	$0.30	$0.20	$0.20
Liquidity Ratios:						
Quick Ratio	0.6	0.6	0.6	0.6	0.4	0.4
Current Ratio	1.1	1.1	1.0	1.0	0.7	0.6
Valuation Ratios:						
Price to Revenue Ratio	1.2	1.2	1.0	1.4	1.9	1.6
Price to Book Value	1.9	1.9	1.8	1.8	2.0	1.9
Price to Tangible Book Value	2.5	2.5	2.5	2.5	2.4	2.6
Price to Cash Flow Ratio	8.6	8.6	8.3	10.1	8.3	7.2
Price to Free Cash Flow Ratio	(299.3)	(299.3)	(9.4)	(9.9)	(17.6)	30.4
Close Price to Earnings Ratio	14.3	14.3	14.0	14.6	13.7	13.4
High Price to Earnings Ratio	14.7	14.7	15.9	15.1	13.8	13.7
Low Price to Earnings Ratio	12.6	12.6	12.9	11.6	10.3	9.5
Leverage Ratios:						
Long Term Debt to Equity Ratio	1.0	1.0	1.1	1.2	0.8	1.1
LT Debt as a % of Invested Capital	50.2	50.2	51.9	54.0	38.4	45.0
LT Debt as a % of Total Liabilities	35.7	35.7	34.0	38.1	26.0	27.3
Total Liabilities as a % of Total Assets	73.8	73.8	76.0	75.4	70.6	75.0
Coverage Ratios:						
Interest Coverage From Continuing Ops.	3.8	3.8	3.8	4.4	3.9	2.9
Interest as a % of Invested Capital	3.8	3.8	3.5	2.4	4.0	5.0
Per Share Ratios:						
Current Assets Per Share	$23.45	$23.45	$26.12	$19.00	$11.59	$10.34
Total Assets Per Share	$79.11	$79.11	$80.35	$73.53	$61.67	$66.00
Long Term Debt Per Share	$20.88	$20.88	$20.76	$21.16	$11.33	$13.53
Current Liabilities Per Share	$20.94	$20.94	$24.92	$19.26	$16.35	$17.92
Cash Per Share	$0.26	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$33.73	$33.73	$34.94	$23.89	$15.25	$15.32
Book Value Per Share	$20.71	$20.71	$19.27	$18.06	$14.66	$12.52
Tangible Book Value Per Share	$15.30	$15.30	$13.84	$13.44	$11.92	$9.42
Working Capital Per Share	$2.51	$2.51	$1.20	($0.26)	($4.76)	($7.57)
Cash Flow Per Share	$4.50	$4.50	$4.19	$3.29	$3.52	$3.39
Free Cash Flow Per Share	($0.13)	($0.13)	($3.71)	($3.36)	($1.65)	$0.80

Company Name: **ATMOS ENERGY CORP**

Historical Balance Sheet

	MRQ	For the year ended:				
In Thousands (Except Per Share Data)	**2006/12**	**2006/09**	**2005/09**	**2004/09**	**2003/09**	**2002/09**
Cash and Equivalents	$94,406	$111,462	$121,072	$201,932	$15,683	$46,827
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	766,632	374,629	454,313	211,810	216,783	136,227
Inventories	520,034	461,502	450,807	200,134	168,765	95,552
Prepaid Expenses	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	194,566	169,952	238,238	63,236	56,766	51,385
Total Current Assets	**1,575,638**	**1,117,545**	**1,264,430**	**677,112**	**457,997**	**329,991**
Gross Fixed Assets	5,162,006	5,101,308	4,765,610	2,633,651	2,480,139	2,127,827
Accumulated Depreciation & Depletion	1,494,091	1,472,152	1,391,243	911,130	964,150	827,507
Net Fixed Assets	3,667,915	3,629,156	3,374,367	1,722,521	1,515,989	1,300,320
Intangibles	738,369	738,521	737,787	238,272	273,499	190,380
Cost in Excess	0	0	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	234,473	234,325	276,943	231,978	271,023	159,530
Total Non-Current Assets	**4,640,757**	**4,602,002**	**4,389,097**	**2,192,771**	**2,060,511**	**1,650,230**
Total Assets	**$6,216,395**	**$5,719,547**	**$5,653,527**	**$2,869,883**	**$2,518,508**	**$1,980,221**
Accounts Payable	$762,487	$345,108	$461,314	$185,295	$179,852	$135,609
Notes Payable	0	0	0	0	0	0
Short Term Debt	457,680	385,602	148,073	5,908	127,940	167,771
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	0	0	0	0	0	0
Deferred Revenues	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	407,351	388,451	503,368	223,265	127,923	159,727
Total Current Liabilities	**1,627,518**	**1,119,161**	**1,112,755**	**414,468**	**435,715**	**463,107**
Long Term Debt	1,878,733	2,180,362	2,183,104	861,311	863,918	670,463
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	324,296	306,172	292,207	213,930	223,350	134,540
Other Non-Current Liabilities	465,391	466,754	463,039	246,715	138,008	138,876
Minority Interest	0	0	0	0	0	0
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**2,668,420**	**2,952,288**	**2,938,350**	**1,321,956**	**1,225,276**	**943,879**
Total Liabilities	**4,295,938**	**4,071,449**	**4,051,105**	**1,736,424**	**1,660,991**	**1,406,986**
Preferred Stock Equity	0	0	0	0	0	0
Common Par	0	0	403	314	257	208
Additional Paid In Capital	1,670,929	1,467,649	1,426,523	1,005,644	736,180	508,265
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	279,299	224,299	178,837	142,030	122,539	106,142
Treasury Stock	0	0	0	0	0	0
Other Equity Adjustments	(29,771)	(43,850)	(3,341)	(14,529)	(1,459)	(41,380)
Total Equity	**1,920,457**	**1,648,098**	**1,602,422**	**1,133,459**	**857,517**	**573,235**
Total Liabilities & Stock Equity	**$6,216,395**	**$5,719,547**	**$5,653,527**	**$2,869,883**	**$2,518,508**	**$1,980,221**

Company Name: **ATMOS ENERGY CORP**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/12	For the year ended: 2006/09	2005/09	2004/09	2003/09	2002/09
Operating Revenue	**$5,471,176**	**$6,152,363**	**$4,973,326**	**$2,920,037**	**$2,799,916**	**$950,849**
Adjustments to Revenue	186,644	191,993	174,696	57,379	55,045	36,221
Cost of Revenue	4,666,175	5,369,211	4,271,970	2,572,316	2,470,030	716,366
Gross Profit	618,357	591,159	526,660	290,342	274,841	198,262
Operating Expenses:						
Selling, General & Administrative	0	0	0	0	0	0
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	191,331	185,596	178,005	96,647	87,001	81,469
Amortization	0	0	0	0	0	0
Total Operating Expenses	191,331	185,596	178,005	96,647	87,001	81,469
Operating Income	**427,026**	**405,563**	**348,655**	**193,695**	**187,840**	**116,793**
Plus: Depreciation & Amortization	191,638	185,967	178,005	98,112	89,194	83,921
EBITDA	**618,664**	**591,530**	**526,660**	**291,807**	**277,034**	**200,714**
Other Income (Expense):						
Special Income/Charges	(22,947)	(22,947)	0	0	0	38,538
Interest Expense	(149,950)	(146,607)	(132,658)	(65,437)	(63,660)	(59,174)
Interest Income	0	0	0	0	0	0
Earnings from Equity Interest	0	0	0	0	0	0
Other Income, Net	2,012	881	2,021	9,507	2,191	(1,321)
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(170,885)	(168,673)	(130,637)	(55,930)	(61,469)	(21,957)
Income Before Taxes	256,141	236,890	218,018	137,765	126,371	94,836
Income Taxes	98,170	89,153	82,233	51,538	46,910	35,180
Minority Interest	0	0	0	0	0	0
Income From Continuing Operations	157,971	147,737	135,785	86,227	79,461	59,656
Income From Discontinued Operations	0	0	0	0	0	0
Income From Total Operations	157,971	147,737	135,785	86,227	79,461	59,656
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	(7,773)	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$157,971**	**$147,737**	**$135,785**	**$86,227**	**$71,688**	**$59,656**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	425,324	425,324	333,183	190,855	159,439	133,977
Per Share Data						
Basic Weighted Shares	82,726	80,731	78,508	54,021	46,319	41,171
Basic EPS from Continuing Operations	$1.93	$1.83	$1.73	$1.60	$1.72	$1.45
Basic EPS from Total Operations	$1.93	$1.83	$1.73	$1.60	$1.55	$1.45
Diluted Weighted Shares	83,350	81,390	79,012	54,416	46,496	41,250
Diluted EPS from Continuing Operations	$1.92	$1.82	$1.72	$1.58	$1.71	$1.45
Diluted EPS from Total Operations	$1.92	$1.82	$1.72	$1.58	$1.54	$1.45
Dividends Paid Per Share	$1.28	$1.26	$1.24	$1.22	$1.20	$1.18
Year-Over-Year Growth Rates						
Operating Revenue	-11.1%	23.7%	70.3%	4.3%	194.5%	NA
Operating Income	5.3%	16.3%	80.0%	3.1%	60.8%	NA
EBITDA	4.6%	12.3%	80.5%	5.3%	38.0%	NA
Total Net Income	6.9%	8.8%	57.5%	20.3%	20.2%	NA
Profit Margins						
Gross Profit	11.3%	9.6%	10.6%	9.9%	9.8%	20.9%
Operating Income	7.8%	6.6%	7.0%	6.6%	6.7%	12.3%
EBITDA	11.3%	9.6%	10.6%	10.0%	9.9%	21.1%
Total Net Income	2.9%	2.4%	2.7%	3.0%	2.6%	6.3%

Florida Public Utilities Company | **Appendix D**
Natural Gas Reporting Unit | Schedule 5
Company Name: **ATMOS ENERGY CORP**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/12	**2006/09**	**2005/09**	**2004/09**	**2003/09**	**2002/09**
Profitability Ratios:						
Gross Profit Margin (%)	14.7	12.7	14.1	12.0	11.9	24.9
Pre-Tax Profit Margin (%)	4.7	3.9	4.4	4.7	4.5	10.0
Net Profit Margin (%)	2.9	2.9	2.7	3.0	2.8	6.3
Management Effectiveness Ratios:						
Return on Equity (%)	8.2	9.0	8.5	7.6	9.3	10.4
Return on Invested Capital (%)	4.2	3.9	3.6	4.3	4.6	4.8
Return on Assets (%)	2.5	2.6	2.4	3.0	3.2	3.0
Efficiency Ratios:						
Inventory Turnover	8.5	11.8	13.1	13.9	18.7	7.5
Receivables Turnover	5.5	14.8	14.9	13.6	15.9	7.3
Receivables Per Day Sales	50.4	21.9	32.9	26.1	27.9	51.6
Asset Turnover	0.9	1.1	1.2	1.1	1.2	0.5
Revenue Per Dollar of Cash	$57.95	$55.20	$41.08	$14.46	$178.53	$20.31
Revenue Per Dollar of Plant (Net)	$1.49	$1.70	$1.47	$1.70	$1.85	$0.73
Revenue Per Dollar of Common Equity	$2.85	$3.73	$3.10	$2.58	$3.27	$1.66
Revenue Per Dollar of Invested Capital	$1.44	$1.61	$1.31	$1.46	$1.63	$0.76
Revenue Per Dollar of Receivables	$7.14	$16.42	$10.95	$13.79	$12.92	$6.98
Revenue Per Dollar of Inventory	$10.52	$13.33	$11.03	$14.59	$16.59	$9.95
Revenue to Assets	$0.90	$1.10	$0.90	$1.00	$1.10	$0.50
Liquidity Ratios:						
Quick Ratio	0.5	0.4	0.5	1.0	0.5	0.4
Current Ratio	1.0	1.0	1.1	1.6	1.1	0.7
Valuation Ratios:						
Price to Revenue Ratio	0.5	0.4	0.5	0.5	0.4	0.9
Price to Book Value	1.5	1.4	1.4	1.4	1.4	1.6
Price to Tangible Book Value	2.4	2.6	2.6	1.8	2.1	2.3
Price to Cash Flow Ratio	8.1	7.0	7.2	8.6	7.3	6.2
Price to Free Cash Flow Ratio	55.0	(10.8)	(1.2)	139.9	(5.1)	9.1
Close Price to Earnings Ratio	16.6	15.7	16.4	15.9	14.0	14.8
High Price to Earnings Ratio	17.2	16.1	17.4	17.1	14.9	16.9
Low Price to Earnings Ratio	13.3	13.7	14.3	14.8	12.1	12.1
Leverage Ratios:						
Long Term Debt to Equity Ratio	1.0	1.3	1.4	0.8	1.0	1.2
LT Debt as a % of Invested Capital	49.5	57.0	57.7	43.2	50.2	53.9
LT Debt as a % of Total Liabilities	43.7	53.6	53.9	49.6	52.0	47.7
Total Liabilities as a % of Total Assets	69.1	71.2	71.7	60.5	66.0	71.1
Coverage Ratios:						
Interest Coverage From Continuing Ops.	2.7	2.6	2.6	3.1	3.0	2.6
Interest as a % of Invested Capital	3.9	3.8	3.5	3.3	3.7	4.8
Per Share Ratios:						
Current Assets Per Share	$17.80	$13.67	$15.70	$10.78	$8.90	$7.92
Total Assets Per Share	$70.24	$69.97	$70.20	$45.70	$48.93	$47.51
Long Term Debt Per Share	$21.23	$26.67	$27.11	$13.72	$16.78	$16.09
Current Liabilities Per Share	$18.39	$13.69	$13.82	$6.60	$8.46	$11.11
Cash Per Share	$1.07	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$61.82	$75.27	$61.75	$46.50	$54.39	$22.82
Book Value Per Share	$21.70	$20.16	$19.90	$18.05	$16.66	$13.75
Tangible Book Value Per Share	$13.36	$11.13	$10.74	$14.25	$11.35	$9.19
Working Capital Per Share	($0.59)	($0.02)	$1.88	$4.18	$0.43	($3.19)
Cash Flow Per Share	$3.95	$4.08	$3.90	$2.94	$3.28	$3.45
Free Cash Flow Per Share	$0.58	($2.64)	($24.36)	$0.18	($4.66)	$2.35

Company Name: **CHESAPEAKE UTILITIES CP**

Historical Balance Sheet

In Thousands (Except Per Share Data)	MRQ 2006/12	2006/12	2005/12	For the year ended: 2004/12	2003/12	2002/12
Cash and Equivalents	$4,488	$4,488	$2,488	$1,612	$3,109	$2,458
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	44,969	44,969	54,284	37,658	30,690	24,046
Inventories	8,752	8,752	7,872	5,711	4,484	6,218
Prepaid Expenses	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	19,273	19,273	24,123	14,970	8,612	10,498
Total Current Assets	**77,482**	**77,482**	**88,767**	**59,950**	**46,894**	**43,219**
Gross Fixed Assets	325,836	325,836	280,345	250,267	234,919	229,128
Accumulated Depreciation & Depletion	85,010	85,010	78,840	73,214	67,046	74,349
Net Fixed Assets	240,825	240,825	201,504	177,053	167,872	154,779
Intangibles	866	866	880	894	980	2,797
Cost in Excess	0	0	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	5,820	5,820	4,829	4,040	5,419	10,149
Total Non-Current Assets	**247,512**	**247,512**	**207,213**	**181,988**	**174,270**	**167,725**
Total Assets	**$324,994**	**$324,994**	**$295,980**	**$241,938**	**$221,165**	**$210,944**
Accounts Payable	$33,871	$33,871	$45,645	$33,503	$21,997	$21,142
Notes Payable	0	0	0	0	0	0
Short Term Debt	35,210	35,210	40,411	7,609	7,180	14,838
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	0	0	0	0	0	0
Deferred Revenues	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	21,380	21,380	16,431	10,258	9,467	8,558
Total Current Liabilities	**90,461**	**90,461**	**102,487**	**51,370**	**38,645**	**44,538**
Long Term Debt	71,050	71,050	68,990	66,189	69,416	73,408
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	26,517	26,517	24,249	23,350	19,591	17,264
Other Non-Current Liabilities	25,814	25,814	25,496	23,067	20,574	9,045
Minority Interest	0	0	0	0	0	0
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**123,381**	**123,381**	**108,735**	**112,606**	**109,580**	**99,716**
Total Liabilities	**213,842**	**213,842**	**211,223**	**163,976**	**148,225**	**144,254**
Preferred Stock Equity	0	0	0	0	0	0
Common Par	3,255	3,255	2,863	2,813	2,755	2,695
Additional Paid In Capital	61,960	61,960	39,620	36,855	34,176	31,757
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	46,271	46,271	42,855	39,015	36,008	32,239
Treasury Stock	(1,119)	(1,119)	(797)	(1,009)	0	0
Other Equity Adjustments	784	784	216	289	0	0
Total Equity	**111,152**	**111,152**	**84,757**	**77,962**	**72,939**	**66,690**
Total Liabilities & Stock Equity	**$324,994**	**$324,994**	**$295,980**	**$241,938**	**$221,165**	**$210,944**

Company Name: **CHESAPEAKE UTILITIES CP**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/12	For the year ended: 2006/12	2005/12	2004/12	2003/12	2002/12
Operating Revenue	**$231,201**	**$231,201**	**$229,630**	**$177,955**	**$162,298**	**$142,230**
Adjustments to Revenue	5,058	5,058	5,016	4,436	4,387	4,608
Cost of Revenue	194,967	194,967	195,515	146,292	129,242	113,004
Gross Profit	31,175	31,175	29,099	27,227	28,669	24,618
Operating Expenses:						
Selling, General & Administrative	0	0	0	0	0	0
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	8,244	8,244	7,568	7,258	7,090	9,311
Amortization	0	0	0	0	0	0
Total Operating Expenses	8,244	8,244	7,568	7,258	7,090	9,311
Operating Income	**22,931**	**22,931**	**21,530**	**19,970**	**21,579**	**15,306**
Plus: Depreciation & Amortization	11,346	11,346	10,274	9,892	10,498	10,423
EBITDA	**34,277**	**34,277**	**31,804**	**29,862**	**32,077**	**25,730**
Other Income (Expense):						
Special Income/Charges	0	0	0	0	0	(1,474)
Interest Expense	(5,777)	(5,777)	(5,133)	(5,268)	(5,706)	(5,058)
Interest Income	0	0	0	0	0	238
Earnings from Equity Interest	0	0	0	0	0	0
Other Income, Net	189	189	383	549	238	283
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(5,588)	(5,588)	(4,751)	(4,719)	(5,467)	(6,011)
Income Before Taxes	17,343	17,343	16,780	15,251	16,112	9,295
Income Taxes	6,837	6,837	6,312	5,701	6,032	3,650
Minority Interest	0	0	0	0	0	0
Income From Continuing Operations	10,507	10,507	10,468	9,550	10,079	5,645
Income From Discontinued Operations	0	0	0	(121)	(788)	0
Income From Total Operations	10,507	10,507	10,468	9,429	9,292	5,645
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	0	(1,916)
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$10,507**	**$10,507**	**$10,468**	**$9,429**	**$9,292**	**$3,729**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	48,846	48,846	33,008	17,807	11,790	14,705
Per Share Data						
Basic Weighted Shares	6,032	6,032	5,836	5,735	5,611	5,489
Basic EPS from Continuing Operations	$1.74	$1.74	$1.79	$1.66	$1.80	$1.03
Basic EPS from Total Operations	$1.74	$1.74	$1.79	$1.64	$1.66	$0.68
Diluted Weighted Shares	6,155	6,155	5,993	5,908	5,802	5,491
Diluted EPS from Continuing Operations	$1.71	$1.72	$1.77	$1.64	$1.76	$1.03
Diluted EPS from Total Operations	$1.71	$1.72	$1.77	$1.62	$1.63	$0.68
Dividends Paid Per Share	$1.16	$1.15	$1.13	$1.11	$1.10	$1.10
Year-Over-Year Growth Rates						
Operating Revenue	0.0%	0.7%	29.0%	9.6%	14.1%	NA
Operating Income	0.0%	6.5%	7.8%	-7.5%	41.0%	NA
EBITDA	0.0%	7.8%	6.5%	-6.9%	24.7%	NA
Total Net Income	0.0%	0.4%	11.0%	1.5%	149.2%	NA
Profit Margins						
Gross Profit	13.5%	13.5%	12.7%	15.3%	17.7%	17.3%
Operating Income	9.9%	9.9%	9.4%	11.2%	13.3%	10.8%
EBITDA	14.8%	14.8%	13.9%	16.8%	19.8%	18.1%
Total Net Income	4.5%	4.5%	4.6%	5.3%	5.7%	2.6%

Company Name: **Processing...**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/12	**2006/12**	**2005/12**	**2004/12**	**2003/12**	**2002/12**
Profitability Ratios:						
Gross Profit Margin (%)	17.0	17.0	16.0	19.3	22.5	21.3
Pre-Tax Profit Margin (%)	7.5	7.5	7.3	8.6	9.9	6.5
Net Profit Margin (%)	4.5	4.5	4.6	5.3	5.7	4.0
Management Effectiveness Ratios:						
Return on Equity (%)	9.5	9.5	12.4	12.1	12.7	8.5
Return on Invested Capital (%)	5.8	5.8	7.3	6.5	6.5	4.0
Return on Assets (%)	3.2	3.2	3.5	3.9	4.2	2.7
Efficiency Ratios:						
Inventory Turnover	23.1	23.1	28.4	28.2	23.5	19.5
Receivables Turnover	4.7	4.7	5.0	5.2	5.9	6.2
Receivables Per Day Sales	70.0	70.0	85.1	76.2	68.1	60.9
Asset Turnover	0.7	0.7	0.9	0.8	0.8	0.7
Revenue Per Dollar of Cash	$51.51	$51.51	$92.31	$110.41	$52.21	$57.86
Revenue Per Dollar of Plant (Net)	$0.96	$0.96	$1.14	$1.01	$0.97	$0.92
Revenue Per Dollar of Common Equity	$2.08	$2.08	$2.71	$2.28	$2.23	$2.13
Revenue Per Dollar of Invested Capital	$1.27	$1.27	$1.60	$1.23	$1.14	$1.02
Revenue Per Dollar of Receivables	$5.14	$5.14	$4.23	$4.73	$5.29	$5.91
Revenue Per Dollar of Inventory	$26.42	$26.42	$29.17	$31.16	$36.19	$22.88
Revenue to Assets	$0.70	$0.70	$0.80	$0.70	$0.70	$0.70
Liquidity Ratios:						
Quick Ratio	0.5	0.5	0.6	0.8	0.9	0.6
Current Ratio	0.9	0.9	0.9	1.2	1.2	1.0
Valuation Ratios:						
Price to Revenue Ratio	0.9	0.9	0.8	0.9	0.9	0.7
Price to Book Value	1.8	1.8	2.1	2.0	2.0	1.5
Price to Tangible Book Value	1.9	1.9	2.2	2.0	2.1	1.6
Price to Cash Flow Ratio	9.4	9.4	8.7	8.0	7.4	6.3
Price to Free Cash Flow Ratio	(8.3)	(8.3)	(7.1)	1,335.0	36.7	23.2
Close Price to Earnings Ratio	17.8	17.8	17.4	16.5	16.0	17.8
High Price to Earnings Ratio	20.7	20.7	20.2	17.0	16.4	21.3
Low Price to Earnings Ratio	16.2	16.2	13.3	12.6	11.3	16.0
Leverage Ratios:						
Long Term Debt to Equity Ratio	0.6	0.6	0.7	0.9	1.0	1.1
LT Debt as a % of Invested Capital	39.0	39.0	41.0	45.9	48.8	52.4
LT Debt as a % of Total Liabilities	33.2	33.2	27.9	40.4	46.8	50.9
Total Liabilities as a % of Total Assets	65.8	65.8	71.4	67.8	67.0	68.4
Coverage Ratios:						
Interest Coverage From Continuing Ops.	4.0	4.0	4.3	3.9	3.8	2.8
Interest as a % of Invested Capital	3.2	3.2	3.6	3.7	4.0	3.6
Per Share Ratios:						
Current Assets Per Share	$11.59	$11.59	$15.09	$10.37	$8.28	$7.80
Total Assets Per Share	$48.59	$48.59	$50.31	$41.87	$39.07	$38.09
Long Term Debt Per Share	$10.62	$10.62	$10.03	$11.45	$12.26	$13.26
Current Liabilities Per Share	$13.53	$13.53	$17.42	$8.89	$6.83	$8.04
Cash Per Share	$0.67	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$34.57	$34.57	$39.03	$30.79	$28.67	$25.68
Book Value Per Share	$16.62	$16.62	$14.41	$13.49	$12.89	$12.04
Tangible Book Value Per Share	$16.49	$16.49	$14.26	$13.34	$12.71	$11.54
Working Capital Per Share	($1.94)	($1.94)	($2.33)	$1.48	$1.46	($0.24)
Cash Flow Per Share	$3.27	$3.27	$3.53	$3.34	$3.50	$2.90
Free Cash Flow Per Share	($3.69)	($3.69)	($4.34)	$0.02	$0.71	$0.79

Company Name: **PIEDMONT NATRL GAS CO**

Historical Balance Sheet

In Thousands (Except Per Share Data)	MRQ 2006/10	For the year ended: 2006/10	2005/10	2004/10	2003/10	2002/10
Cash and Equivalents	$8,886	$7,065	$7,065	$5,676	$17,921	$5,100
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	226,066	189,621	189,621	96,698	93,292	37,504
Inventories	144,404	151,865	151,865	133,192	126,497	68,548
Prepaid Expenses	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	96,608	156,360	156,360	99,643	69,934	64,634
Total Current Assets	**475,964**	**504,911**	**504,911**	**335,209**	**307,644**	**175,786**
Gross Fixed Assets	2,808,992	2,612,308	2,612,308	2,477,551	2,390,237	1,732,046
Accumulated Depreciation & Depletion	733,682	672,502	672,502	626,755	576,823	572,445
Net Fixed Assets	2,075,310	1,939,806	1,939,806	1,850,796	1,813,414	1,159,601
Intangibles	47,383	47,383	47,383	48,151	0	0
Cost in Excess	0	0	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	135,282	110,390	110,390	101,721	175,348	109,701
Total Non-Current Assets	**2,257,975**	**2,097,579**	**2,097,579**	**2,000,668**	**1,988,762**	**1,269,302**
Total Assets	**$2,733,939**	**$2,602,490**	**$2,602,490**	**$2,335,877**	**$2,296,406**	**$1,445,088**
Accounts Payable	$131,239	$228,172	$228,172	$99,599	$90,901	$51,093
Notes Payable	0	0	0	0	0	0
Short Term Debt	170,000	193,500	193,500	109,500	557,059	93,500
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	0	0	0	0	0	0
Deferred Revenues	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	99,150	106,892	106,892	97,068	77,202	60,538
Total Current Liabilities	**400,389**	**528,564**	**528,564**	**306,167**	**725,162**	**205,131**
Long Term Debt	825,000	625,000	625,000	660,000	460,000	462,000
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	235,411	213,050	213,050	202,155	188,503	158,275
Other Non-Current Liabilities	390,214	351,684	351,684	312,657	292,546	30,086
Minority Interest	0	0	0	0	0	0
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**1,450,625**	**1,189,734**	**1,189,734**	**1,174,812**	**941,049**	**650,361**
Total Liabilities	**1,851,014**	**1,718,298**	**1,718,298**	**1,480,979**	**1,666,211**	**855,492**
Preferred Stock Equity	0	0	0	0	0	0
Common Par	0	562,880	562,880	563,667	372,651	352,553
Additional Paid In Capital	532,820	0	0	0	0	0
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	348,765	323,565	323,565	291,397	259,476	240,026
Treasury Stock	0	0	0	0	0	0
Other Equity Adjustments	1,340	(2,253)	(2,253)	(166)	(1,932)	(2,983)
Total Equity	**882,925**	**884,192**	**884,192**	**854,898**	**630,195**	**589,596**
Total Liabilities & Stock Equity	**$2,733,939**	**$2,602,490**	**$2,602,490**	**$2,335,877**	**$2,296,406**	**$1,445,088**

Company Name: **PIEDMONT NATRL GAS CO**

Annual Income Statement

	TTM	For the year ended:				
In Thousands (Except Per Share Data)	**2006/10**	**2006/10**	**2005/10**	**2004/10**	**2003/10**	**2002/10**
Operating Revenue	**$1,680,522**	**$1,924,628**	**$1,761,091**	**$1,529,739**	**$1,220,822**	**$832,028**
Adjustments to Revenue	33,687	33,138	29,807	27,011	24,410	23,863
Cost of Revenue	1,376,271	1,620,502	1,468,935	1,241,652	990,049	629,661
Gross Profit	270,564	270,988	262,349	261,076	206,363	178,504
Operating Expenses:						
Selling, General & Administrative	0	0	0	0	0	0
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	89,420	89,696	85,169	82,276	63,164	57,593
Amortization	0	0	0	0	0	0
Total Operating Expenses	89,420	89,696	85,169	82,276	63,164	57,593
Operating Income	**181,144**	**181,292**	**177,180**	**178,800**	**143,199**	**120,911**
Plus: Depreciation & Amortization	93,345	93,577	91,136	86,786	63,611	57,837
EBITDA	**274,489**	**274,869**	**268,316**	**265,586**	**206,810**	**178,748**
Other Income (Expense):						
Special Income/Charges	0	0	0	0	0	0
Interest Expense	(54,006)	(52,310)	(44,256)	(46,418)	(39,069)	(40,604)
Interest Income	0	0	0	0	0	0
Earnings from Equity Interest	0	0	0	0	0	0
Other Income, Net	30,456	30,637	31,274	24,901	19,669	12,694
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(23,550)	(21,673)	(12,982)	(21,517)	(19,400)	(27,910)
Income Before Taxes	157,594	159,619	164,198	157,283	123,799	93,001
Income Taxes	61,686	62,430	62,326	62,047	48,617	30,784
Minority Interest	0	0	602	48	820	0
Income From Continuing Operations	95,908	97,189	101,270	95,188	74,362	62,217
Income From Discontinued Operations	0	0	0	0	0	0
Income From Total Operations	95,908	97,189	101,270	95,188	74,362	62,217
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	0	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$95,908**	**$97,189**	**$101,270**	**$95,188**	**$74,362**	**$62,217**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	191,407	204,116	191,407	141,761	528,103	80,112
Per Share Data						
Basic Weighted Shares	75,863	75,863	76,680	74,359	66,782	65,526
Basic EPS from Continuing Operations	$1.28	$1.28	$1.32	$1.28	$1.12	$0.95
Basic EPS from Total Operations	$1.28	$1.28	$1.32	$1.28	$1.12	$0.95
Diluted Weighted Shares	76,156	76,156	76,992	74,797	67,006	65,874
Diluted EPS from Continuing Operations	$1.27	$1.28	$1.32	$1.27	$1.11	$0.95
Diluted EPS from Total Operations	$1.27	$1.28	$1.32	$1.27	$1.11	$0.95
Dividends Paid Per Share	$0.96	$0.95	$0.91	$0.85	$0.82	$0.79
Year-Over-Year Growth Rates						
Operating Revenue	-12.7%	9.3%	15.1%	25.3%	46.7%	NA
Operating Income	-0.1%	2.3%	-0.9%	24.9%	18.4%	NA
EBITDA	-0.1%	2.4%	1.0%	28.4%	15.7%	NA
Total Net Income	-1.3%	-4.0%	6.4%	28.0%	19.5%	NA
Profit Margins						
Gross Profit	16.1%	14.1%	14.9%	17.1%	16.9%	21.5%
Operating Income	10.8%	9.4%	10.1%	11.7%	11.7%	14.5%
EBITDA	16.3%	14.3%	15.2%	17.4%	16.9%	21.5%
Total Net Income	5.7%	5.0%	5.8%	6.2%	6.1%	7.5%

Company Name: **PIEDMONT NATRL GAS CO**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/10	**2006/10**	**2005/10**	**2004/10**	**2003/10**	**2002/10**
Profitability Ratios:						
Gross Profit Margin (%)	16.0	16.0	16.9	19.1	18.9	24.4
Pre-Tax Profit Margin (%)	8.3	8.3	9.3	10.3	10.1	11.2
Net Profit Margin (%)	5.0	5.7	5.8	6.2	6.1	7.5
Management Effectiveness Ratios:						
Return on Equity (%)	11.0	11.0	11.5	11.1	11.8	10.6
Return on Invested Capital (%)	5.7	5.7	6.7	6.3	6.8	5.9
Return on Assets (%)	3.6	3.6	3.9	4.1	3.2	4.3
Efficiency Ratios:						
Inventory Turnover	10.9	10.9	10.3	9.5	10.1	8.9
Receivables Turnover	9.3	9.3	12.3	16.1	18.7	26.2
Receivables Per Day Sales	42.3	42.3	38.8	22.8	27.5	16.2
Asset Turnover	0.7	0.7	0.7	0.7	0.7	0.6
Revenue Per Dollar of Cash	$216.59	$216.59	$249.27	$269.51	$68.12	$163.14
Revenue Per Dollar of Plant (Net)	$0.93	$0.93	$0.91	$0.83	$0.67	$0.72
Revenue Per Dollar of Common Equity	$2.18	$2.18	$1.99	$1.79	$1.94	$1.41
Revenue Per Dollar of Invested Capital	$1.13	$1.13	$1.17	$1.01	$1.12	$0.79
Revenue Per Dollar of Receivables	$8.51	$8.51	$9.29	$15.82	$13.09	$22.19
Revenue Per Dollar of Inventory	$13.33	$13.33	$11.60	$11.49	$9.65	$12.14
Revenue to Assets	$0.70	$0.70	$0.70	$0.70	$0.50	$0.60
Liquidity Ratios:						
Quick Ratio	0.6	0.6	0.4	0.3	0.2	0.2
Current Ratio	1.2	1.2	1.0	1.1	0.4	0.9
Valuation Ratios:						
Price to Revenue Ratio	1.1	1.1	1.0	1.1	1.1	1.4
Price to Book Value	2.3	2.3	2.1	2.0	2.1	2.0
Price to Tangible Book Value	2.4	2.4	2.2	2.2	2.1	2.0
Price to Cash Flow Ratio	10.7	10.7	9.4	9.6	9.7	9.9
Price to Free Cash Flow Ratio	(11.8)	(11.8)	(23.4)	(34.0)	(2.8)	(51.1)
Close Price to Earnings Ratio	21.1	21.1	17.9	17.9	17.9	18.8
High Price to Earnings Ratio	21.3	21.3	19.5	18.1	18.7	20.0
Low Price to Earnings Ratio	16.6	16.6	16.5	15.1	14.8	14.4
Leverage Ratios:						
Long Term Debt to Equity Ratio	0.9	0.9	0.7	0.8	0.7	0.8
LT Debt as a % of Invested Capital	48.3	48.3	41.4	43.6	42.2	43.9
LT Debt as a % of Total Liabilities	44.6	44.6	36.4	44.6	27.6	54.0
Total Liabilities as a % of Total Assets	67.7	67.7	66.0	63.4	72.6	59.2
Coverage Ratios:						
Interest Coverage From Continuing Ops.	4.1	4.1	4.7	4.4	4.1	3.3
Interest as a % of Invested Capital	3.1	3.1	2.9	3.1	3.6	3.9
Per Share Ratios:						
Current Assets Per Share	$6.31	$6.31	$6.58	$4.37	$4.57	$2.66
Total Assets Per Share	$36.23	$36.23	$33.93	$30.47	$34.12	$21.84
Long Term Debt Per Share	$10.93	$10.93	$8.15	$8.61	$6.83	$6.98
Current Liabilities Per Share	$5.31	$5.31	$6.89	$3.99	$10.77	$3.10
Cash Per Share	$0.12	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$25.50	$25.50	$22.96	$19.95	$18.14	$12.57
Book Value Per Share	$11.70	$11.70	$11.53	$11.15	$9.36	$8.91
Tangible Book Value Per Share	$11.07	$11.07	$10.91	$10.52	$9.36	$8.91
Working Capital Per Share	$1.00	$1.00	($0.31)	$0.38	($6.20)	($0.44)
Cash Flow Per Share	$2.53	$2.53	$2.51	$2.37	$2.05	$1.81
Free Cash Flow Per Share	($2.28)	($2.28)	($1.01)	($0.67)	($7.18)	($0.35)

Company Name: **SOUTHERN UNION CO**

Historical Balance Sheet

	MRQ	For the year ended:				
In Thousands (Except Per Share Data)	**2006/12**	**2006/09**	**2005/12**	**2004/12**	**2004/06**	**2003/06**
Cash and Equivalents	$5,751	$6,991	$16,938	$30,053	$19,971	$86,997
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	301,777	215,826	437,562	333,492	181,924	192,402
Inventories	241,137	229,815	295,658	267,136	200,295	208,668
Prepaid Expenses	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	142,194	169,933	173,615	81,827	53,539	43,574
Total Current Assets	**690,859**	**622,565**	**923,773**	**712,508**	**455,729**	**531,641**
Gross Fixed Assets	5,204,566	5,097,815	4,367,703	4,106,504	3,941,880	3,786,025
Accumulated Depreciation & Depletion	620,139	583,823	881,763	778,876	734,367	641,225
Net Fixed Assets	4,584,427	4,513,992	3,485,940	3,327,628	3,207,513	3,144,800
Intangibles	89,227	89,227	465,547	640,547	640,547	642,921
Cost in Excess	0	0	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	1,418,277	895,325	961,559	887,606	268,669	271,576
Total Non-Current Assets	**6,091,931**	**5,498,544**	**4,913,046**	**4,855,781**	**4,116,729**	**4,059,297**
Total Assets	**$6,782,790**	**$6,121,109**	**$5,836,819**	**$5,568,289**	**$4,572,458**	**$4,590,938**
Accounts Payable	$300,762	$213,220	$206,504	$183,018	$122,309	$112,840
Notes Payable	0	0	0	0	0	0
Short Term Debt	561,011	1,172,755	546,648	788,650	120,997	986,252
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	0	0	0	0	0	0
Deferred Revenues	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	339,051	339,197	469,978	342,168	270,640	254,914
Total Current Liabilities	**1,200,824**	**1,725,172**	**1,223,130**	**1,313,836**	**513,946**	**1,354,006**
Long Term Debt	2,689,656	1,631,997	2,049,141	2,070,353	2,154,615	1,611,653
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	617,177	569,921	396,490	365,494	348,960	282,707
Other Non-Current Liabilities	224,725	264,929	313,989	321,049	292,946	322,154
Minority Interest	0	0	0	0	0	100,000
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**3,531,558**	**2,466,847**	**2,759,620**	**2,756,896**	**2,796,521**	**2,316,514**
Total Liabilities	**4,732,382**	**4,192,019**	**3,982,750**	**4,070,732**	**3,310,467**	**3,670,520**
Preferred Stock Equity	230,000	230,000	230,000	230,000	230,000	0
Common Par	120,718	120,674	112,530	90,763	77,141	73,074
Additional Paid In Capital	1,775,763	1,789,324	1,681,167	1,204,590	975,104	901,701
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	(47,527)	(162,644)	(83,053)	48,044	46,692	24,346
Treasury Stock	(27,708)	(27,708)	(27,566)	(12,870)	(12,870)	(10,467)
Other Equity Adjustments	(838)	(20,556)	(59,009)	(62,970)	(54,076)	(68,236)
Total Equity	**2,050,408**	**1,929,090**	**1,854,069**	**1,497,557**	**1,261,991**	**920,418**
Total Liabilities & Stock Equity	**$6,782,790**	**$6,121,109**	**$5,836,819**	**$5,568,289**	**$4,572,458**	**$4,590,938**

Florida Public Utilities Company | **Appendix D**

Natural Gas Reporting Unit | Schedule 5

Company Name: **SOUTHERN UNION CO**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/12	For the year ended: 2006/12	2005/12	2004/12	2004/06	2003/06
Operating Revenue	**$2,340,144**	**$2,355,601**	**$2,019,430**	**$794,338**	**$1,799,974**	**$1,188,507**
Adjustments to Revenue	22,467	17,703	44,517	44,808	99,443	67,138
Cost of Revenue	1,810,488	1,789,818	1,458,619	579,223	1,276,249	918,356
Gross Profit	507,189	548,080	516,294	170,307	424,282	203,013
Operating Expenses:						
Selling, General & Administrative	0	0	0	0	0	0
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	152,104	142,526	126,393	63,376	118,755	60,642
Amortization	0	0	0	0	0	0
Total Operating Expenses	152,104	142,526	126,393	63,376	118,755	60,642
Operating Income	**355,085**	**405,554**	**389,901**	**106,931**	**305,527**	**142,371**
Plus: Depreciation & Amortization	154,601	153,149	128,579	62,930	108,655	63,561
EBITDA	**509,686**	**558,703**	**518,480**	**169,861**	**414,182**	**205,932**
Other Income (Expense):						
Special Income/Charges	0	0	0	0	0	0
Interest Expense	(210,043)	(197,100)	(135,157)	(64,898)	(127,867)	(83,343)
Interest Income	0	0	0	0	0	0
Earnings from Equity Interest	0	0	0	0	0	0
Other Income, Net	181,288	(79,549)	(111,327)	(13,335)	5,468	18,394
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(28,755)	(276,649)	(246,484)	(78,233)	(122,399)	(64,949)
Income Before Taxes	326,330	128,905	143,417	28,698	183,128	77,422
Income Taxes	109,248	134,115	122,734	13,927	69,103	24,273
Minority Interest	0	0	0	0	0	9,480
Income From Continuing Operations	217,082	(5,210)	20,683	14,771	114,025	43,669
Income From Discontinued Operations	(152,952)	(152,531)	0	0	0	32,520
Income From Total Operations	64,130	(157,741)	20,683	14,771	114,025	76,189
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	0	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$64,130**	**($157,741)**	**$20,683**	**$14,771**	**$114,025**	**$76,189**
Preferred Dividends	17,365	17,365	17,365	8,683	12,686	0
Capital Expenditures	347,896	279,721	279,721	178,437	226,053	79,730
Per Share Data						
Basic Weighted Shares	114,787	115,801	109,395	86,130	79,246	63,088
Basic EPS from Continuing Operations	$1.75	($0.23)	$0.03	$0.07	$1.28	$0.69
Basic EPS from Total Operations	$0.45	($1.51)	$0.03	$0.07	$1.28	$1.21
Diluted Weighted Shares	117,344	117,786	112,794	89,600	81,612	65,119
Diluted EPS from Continuing Operations	$1.70	($0.23)	$0.03	$0.07	$1.24	$0.67
Diluted EPS from Total Operations	$0.43	($1.49)	$0.03	$0.07	$1.24	$1.17
Dividends Paid Per Share	$0.30	$0.20	$0.00	$0.00	$0.00	$0.00
Year-Over-Year Growth Rates						
Operating Revenue	-0.7%	16.6%	154.2%	-55.9%	51.4%	NA
Operating Income	-12.4%	4.0%	264.6%	-65.0%	114.6%	NA
EBITDA	-8.8%	7.8%	205.2%	-59.0%	101.1%	NA
Total Net Income	-140.7%	-862.7%	40.0%	-87.0%	49.7%	NA
Profit Margins						
Gross Profit	21.7%	23.3%	25.6%	21.4%	23.6%	17.1%
Operating Income	15.2%	17.2%	19.3%	13.5%	17.0%	12.0%
EBITDA	21.8%	23.7%	25.7%	21.4%	23.0%	17.3%
Total Net Income	2.7%	-6.7%	1.0%	1.9%	6.3%	6.4%

Company Name: **SOUTHERN UNION CO**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/12	**2006/09**	**2005/12**	**2004/12**	**2004/06**	**2003/06**
Profitability Ratios:						
Gross Profit Margin (%)	23.4	23.4	27.9	27.0	28.5	23.0
Pre-Tax Profit Margin (%)	13.9	13.9	7.1	3.6	10.2	6.5
Net Profit Margin (%)	2.7	2.7	1.0	1.9	6.3	6.4
Management Effectiveness Ratios:						
Return on Equity (%)	3.5	3.5	1.3	1.2	11.0	8.3
Return on Invested Capital (%)	1.4	1.4	0.5	0.4	3.3	3.0
Return on Assets (%)	0.9	0.9	0.4	0.3	2.5	1.7
Efficiency Ratios:						
Inventory Turnover	6.7	6.7	-	2.5	6.3	5.9
Receivables Turnover	6.3	6.3	-	3.1	9.6	7.6
Receivables Per Day Sales	46.4	46.4	78.0	151.1	36.4	58.3
Asset Turnover	0.4	0.4	-	0.2	0.4	0.3
Revenue Per Dollar of Cash	$406.91	$406.91	$119.22	$26.43	$90.13	$13.66
Revenue Per Dollar of Plant (Net)	$0.51	$0.51	$0.58	$0.24	$0.56	$0.38
Revenue Per Dollar of Common Equity	$1.29	$1.29	$1.24	$0.63	$1.74	$1.29
Revenue Per Dollar of Invested Capital	$0.49	$0.49	$0.52	$0.22	$0.53	$0.47
Revenue Per Dollar of Receivables	$7.75	$7.75	$4.62	$2.38	$9.89	$6.18
Revenue Per Dollar of Inventory	$9.70	$9.70	$6.83	$2.97	$8.99	$5.70
Revenue to Assets	$0.30	$0.30	$0.30	$0.10	$0.40	$0.30
Liquidity Ratios:						
Quick Ratio	0.3	0.3	0.4	0.3	0.4	0.2
Current Ratio	0.6	0.6	0.8	0.5	0.9	0.4
Valuation Ratios:						
Price to Revenue Ratio	1.4	1.4	1.3	2.7	0.9	1.0
Price to Book Value	1.8	1.8	1.6	1.7	1.5	1.3
Price to Tangible Book Value	1.9	1.9	2.3	3.5	3.9	4.2
Price to Cash Flow Ratio	16.6	16.6	20.0	31.3	7.3	8.4
Price to Free Cash Flow Ratio	(8.3)	(8.3)	(33.8)	(2.7)	14.5	(2.1)
Close Price to Earnings Ratio	69.9	69.9	787.7	326.1	15.4	12.5
High Price to Earnings Ratio	74.4	74.4	876.3	339.6	15.6	13.2
Low Price to Earnings Ratio	56.9	56.9	692.1	229.8	10.8	7.5
Leverage Ratios:						
Long Term Debt to Equity Ratio	1.5	1.5	1.3	1.6	2.1	1.8
LT Debt as a % of Invested Capital	56.7	56.7	52.5	58.0	63.1	63.6
LT Debt as a % of Total Liabilities	56.8	56.8	51.5	50.9	65.1	43.9
Total Liabilities as a % of Total Assets	69.8	69.8	68.2	73.1	72.4	80.0
Coverage Ratios:						
Interest Coverage From Continuing Ops.	2.6	2.6	2.1	1.4	2.4	1.8
Interest as a % of Invested Capital	4.4	4.4	3.5	1.8	3.7	3.3
Per Share Ratios:						
Current Assets Per Share	$5.77	$5.77	$8.29	$7.51	$5.65	$6.62
Total Assets Per Share	$56.68	$56.68	$52.36	$58.67	$56.73	$57.16
Long Term Debt Per Share	$22.48	$22.48	$18.38	$21.81	$26.73	$20.07
Current Liabilities Per Share	$10.04	$10.04	$10.97	$13.84	$6.38	$16.86
Cash Per Share	$0.05	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$19.56	$19.56	$18.12	$8.37	$22.33	$14.80
Book Value Per Share	$15.21	$15.21	$14.57	$13.35	$12.80	$11.46
Tangible Book Value Per Share	$14.47	$14.47	$10.39	$6.61	$4.86	$3.46
Working Capital Per Share	($4.26)	($4.26)	($2.69)	($6.34)	($0.72)	($10.24)
Cash Flow Per Share	$1.68	$1.68	$1.18	$0.73	$2.61	$1.74
Free Cash Flow Per Share	($3.36)	($3.36)	($0.70)	($8.55)	$1.32	($6.80)

Florida Public Utilities Company | **Appendix D**

Natural Gas Reporting Unit | Schedule 5

Company Name: **TECO ENERGY INC**

Historical Balance Sheet

In Thousands (Except Per Share Data)	MRQ 2006/12	For the year ended: 2006/12	2005/12	2004/12	2003/12	2002/12
Cash and Equivalents	$441,600	$441,600	$345,700	$96,700	$108,200	$411,100
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	338,300	338,300	323,300	286,800	280,400	657,800
Inventories	159,600	159,600	153,800	120,800	170,700	209,800
Prepaid Expenses	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	346,200	346,200	449,400	233,300	310,500	44,500
Total Current Assets	**1,285,700**	**1,285,700**	**1,272,200**	**737,600**	**869,800**	**1,323,200**
Gross Fixed Assets	7,084,100	7,084,100	6,754,500	6,723,400	8,040,200	8,215,300
Accumulated Depreciation & Depletion	2,317,200	2,317,200	2,187,600	2,065,500	2,361,200	2,751,300
Net Fixed Assets	4,766,900	4,766,900	4,566,900	4,657,900	5,679,000	5,464,000
Intangibles	59,400	59,400	59,400	59,400	71,200	193,700
Cost in Excess	0	0	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	1,249,800	1,249,800	1,271,600	4,021,600	3,842,300	1,656,900
Total Non-Current Assets	**6,076,100**	**6,076,100**	**5,897,900**	**8,738,900**	**9,592,500**	**7,314,600**
Total Assets	**$7,361,800**	**$7,361,800**	**$7,170,100**	**$9,476,500**	**$10,462,300**	**$8,637,800**
Accounts Payable	$326,500	$326,500	$354,700	$257,800	$313,800	$377,400
Notes Payable	0	0	0	0	0	0
Short Term Debt	687,400	687,400	222,200	128,600	69,100	487,600
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	0	0	0	0	0	0
Deferred Revenues	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	336,500	336,500	349,000	1,836,000	1,864,300	244,200
Total Current Liabilities	**1,350,400**	**1,350,400**	**925,900**	**2,222,400**	**2,247,200**	**1,109,200**
Long Term Debt	3,212,600	3,212,600	3,709,200	3,880,000	3,743,500	3,324,300
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	0	0	0	504,100	498,000	495,000
Other Non-Current Liabilities	1,069,800	1,069,800	943,300	1,583,200	1,644,900	448,500
Minority Interest	0	0	0	2,900	1,900	0
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**4,282,400**	**4,282,400**	**4,652,500**	**5,970,200**	**5,888,300**	**4,267,800**
Total Liabilities	**5,632,800**	**5,632,800**	**5,578,400**	**8,192,600**	**8,135,500**	**5,377,000**
Preferred Stock Equity	0	0	0	0	649,100	649,100
Common Par	209,500	209,500	208,200	199,700	187,800	175,800
Additional Paid In Capital	1,466,300	1,466,300	1,527,000	1,489,400	1,220,800	1,094,500
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	83,700	83,700	(83,100)	(357,600)	339,500	1,413,700
Treasury Stock	0	0	0	0	0	0
Other Equity Adjustments	(30,500)	(30,500)	(60,400)	(47,600)	(70,400)	(72,300)
Total Equity	**1,729,000**	**1,729,000**	**1,591,700**	**1,283,900**	**2,326,800**	**3,260,800**
Total Liabilities & Stock Equity	**$7,361,800**	**$7,361,800**	**$7,170,100**	**$9,476,500**	**$10,462,300**	**$8,637,800**

Company Name: **TECO ENERGY INC**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/12	2006/12	2005/12	2004/12	2003/12	2002/12
		For the year ended:				
Operating Revenue	**$3,448,100**	**$3,448,100**	**$3,010,100**	**$2,669,100**	**$2,740,000**	**$2,675,800**
Adjustments to Revenue	217,500	217,500	194,700	185,000	175,200	173,200
Cost of Revenue	2,550,900	2,550,900	2,173,300	1,939,400	1,926,300	1,810,200
Gross Profit	679,700	679,700	642,100	544,700	638,500	692,400
Operating Expenses:						
Selling, General & Administrative	0	0	0	0	0	0
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	282,200	282,200	282,200	282,300	326,000	303,400
Amortization	0	0	0	0	0	0
Total Operating Expenses	282,200	282,200	282,200	282,300	326,000	303,400
Operating Income	**397,500**	**397,500**	**359,900**	**262,400**	**312,500**	**389,000**
Plus: Depreciation & Amortization	293,700	293,700	287,700	303,200	400,300	317,300
EBITDA	**691,200**	**691,200**	**647,600**	**565,600**	**712,800**	**706,300**
Other Income (Expense):						
Special Income/Charges	(2,500)	(2,500)	(74,200)	(870,600)	(324,400)	(34,100)
Interest Expense	(275,600)	(275,600)	(288,700)	(320,900)	(261,000)	(151,500)
Interest Income	0	0	0	0	0	0
Earnings from Equity Interest	0	0	0	0	0	0
Other Income, Net	174,100	174,100	228,800	180,100	74,200	56,400
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(104,000)	(104,000)	(134,100)	(1,011,400)	(511,200)	(129,200)
Income Before Taxes	293,500	293,500	225,800	(749,000)	(198,700)	259,800
Income Taxes	118,700	118,700	101,900	(265,100)	(135,200)	(38,400)
Minority Interest	(69,600)	(69,600)	(87,100)	(79,500)	(48,800)	0
Income From Continuing Operations	244,400	244,400	211,000	(404,400)	(14,700)	298,200
Income From Discontinued Operations	1,900	1,900	63,500	(147,600)	(890,400)	31,900
Income From Total Operations	246,300	246,300	274,500	(552,000)	(905,100)	330,100
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	(4,344)	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$246,300**	**$246,300**	**$274,500**	**($552,000)**	**($909,444)**	**$330,100**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	455,700	455,700	295,300	273,200	590,600	1,065,200
Per Share Data						
Basic Weighted Shares	207,900	207,900	206,300	192,600	179,900	153,200
Basic EPS from Continuing Operations	$1.18	$1.18	$1.02	($2.10)	($0.08)	$1.95
Basic EPS from Total Operations	$1.19	$1.19	$1.33	($2.87)	($5.05)	$2.15
Diluted Weighted Shares	208,700	208,700	208,200	192,600	179,900	153,300
Diluted EPS from Continuing Operations	$1.16	$1.17	$1.00	($2.10)	($0.08)	$1.95
Diluted EPS from Total Operations	$1.17	$1.18	$1.31	($2.87)	($5.05)	$2.15
Dividends Paid Per Share	$0.76	$0.76	$0.76	$0.76	$0.93	$1.41
Year-Over-Year Growth Rates						
Operating Revenue	0.0%	14.6%	12.8%	-2.6%	2.4%	NA
Operating Income	0.0%	10.4%	37.2%	-16.0%	-19.7%	NA
EBITDA	0.0%	6.7%	14.5%	-20.7%	0.9%	NA
Total Net Income	0.0%	-10.3%	-149.7%	-39.3%	-375.5%	NA
Profit Margins						
Gross Profit	19.7%	19.7%	21.3%	20.4%	23.3%	25.9%
Operating Income	11.5%	11.5%	12.0%	9.8%	11.4%	14.5%
EBITDA	20.0%	20.0%	21.5%	21.2%	26.0%	26.4%
Total Net Income	7.1%	7.1%	9.1%	-20.7%	-33.2%	12.3%

Company Name: **TECO ENERGY INC**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/12	**2006/12**	**2005/12**	**2004/12**	**2003/12**	**2002/12**
Profitability Ratios:						
Gross Profit Margin (%)	26.4	26.4	28.0	28.1	32.4	32.9
Pre-Tax Profit Margin (%)	8.5	8.5	7.5	(28.1)	(7.3)	9.7
Net Profit Margin (%)	7.1	7.1	9.1	(20.7)	(33.0)	12.3
Management Effectiveness Ratios:						
Return on Equity (%)	14.2	14.2	17.2	NE	NE	12.6
Return on Invested Capital (%)	5.0	5.0	5.2	(10.7)	(14.9)	5.0
Return on Assets (%)	3.3	3.3	3.8	(5.8)	(8.7)	3.8
Efficiency Ratios:						
Inventory Turnover	16.2	16.2	15.8	13.2	9.7	9.4
Receivables Turnover	10.4	10.4	9.9	9.4	5.8	4.9
Receivables Per Day Sales	35.3	35.3	38.7	38.7	36.8	88.5
Asset Turnover	0.5	0.5	0.4	0.3	0.3	0.3
Revenue Per Dollar of Cash	$7.81	$7.81	$8.71	$27.60	$25.32	$6.51
Revenue Per Dollar of Plant (Net)	$0.72	$0.72	$0.66	$0.57	$0.48	$0.49
Revenue Per Dollar of Common Equity	$1.99	$1.99	$1.89	$2.08	$1.63	$1.02
Revenue Per Dollar of Invested Capital	$0.70	$0.70	$0.57	$0.52	$0.45	$0.41
Revenue Per Dollar of Receivables	$10.19	$10.19	$9.31	$9.31	$9.77	$4.07
Revenue Per Dollar of Inventory	$21.60	$21.60	$19.57	$22.10	$16.05	$12.75
Revenue to Assets	$0.50	$0.50	$0.40	$0.30	$0.30	$0.30
Liquidity Ratios:						
Quick Ratio	0.6	0.6	0.7	0.2	0.2	1.0
Current Ratio	1.0	1.0	1.4	0.3	0.4	1.2
Valuation Ratios:						
Price to Revenue Ratio	1.1	1.1	1.2	1.2	1.0	1.0
Price to Book Value	2.1	2.1	2.3	2.4	1.6	1.0
Price to Tangible Book Value	2.2	2.2	2.3	2.5	1.7	1.1
Price to Cash Flow Ratio	6.7	6.7	6.4	(12.3)	(5.4)	4.2
Price to Free Cash Flow Ratio	68.9	68.9	(12.8)	(11.0)	(6.3)	(4.3)
Close Price to Earnings Ratio	14.6	14.6	13.1	NE	NE	7.2
High Price to Earnings Ratio	15.0	15.0	14.7	NE	NE	13.5
Low Price to Earnings Ratio	12.2	12.2	11.4	NE	NE	4.7
Leverage Ratios:						
Long Term Debt to Equity Ratio	1.9	1.9	2.3	3.0	2.2	1.3
LT Debt as a % of Invested Capital	65.0	65.0	70.0	75.1	61.7	50.5
LT Debt as a % of Total Liabilities	57.0	57.0	66.5	47.4	46.0	61.8
Total Liabilities as a % of Total Assets	76.5	76.5	77.8	86.5	77.8	62.2
Coverage Ratios:						
Interest Coverage From Continuing Ops.	2.3	2.3	2.1	NC	0.4	2.7
Interest as a % of Invested Capital	5.6	5.6	5.4	6.2	4.3	2.3
Per Share Ratios:						
Current Assets Per Share	$6.14	$6.14	$6.11	$3.69	$4.63	$7.53
Total Assets Per Share	$35.14	$35.14	$34.44	$47.45	$55.71	$49.18
Long Term Debt Per Share	$15.33	$15.33	$17.82	$19.43	$19.93	$18.93
Current Liabilities Per Share	$6.45	$6.45	$4.45	$11.13	$11.97	$6.31
Cash Per Share	$2.11	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$16.46	$16.46	$14.46	$13.37	$14.59	$15.23
Book Value Per Share	$8.25	$8.25	$7.65	$6.43	$8.93	$14.87
Tangible Book Value Per Share	$7.97	$7.97	$7.36	$6.13	$8.55	$13.77
Working Capital Per Share	($0.31)	($0.31)	$1.66	($7.44)	($7.33)	$1.22
Cash Flow Per Share	$2.58	$2.58	$2.70	($1.25)	($2.69)	$3.69
Free Cash Flow Per Share	$0.25	$0.25	($1.34)	($1.40)	($2.27)	($3.56)

FINANCIAL SCHEDULES-PROPANE REPORTING UNIT

Schedule Number	Description
Schedule 1	Historical Income Statement Data
Schedule 2	Historical Balance Sheet Data
Schedule 3	Discount Rate (Cost of Capital)
Schedule 4	Discounted Cash Flow Method
Schedule 5	Guideline Public Company Method

Florida Public Utilities Company
Propane Reporting Unit
Historical Income Statements

	For the Years Ended December 31						02-06
	2002	**2003**	**2004**	**2005**	**2006**	**02-06 Average**	**Weighted Average**
Revenue	$ 7,391,107	$ 9,593,690	$ 11,167,405	$ 13,478,914	$ 14,726,000	$ 11,271,423	$ 12,508,424
Cost of Revenue	2,799,290	4,410,071	5,386,246	6,637,033	7,802,000	5,406,928	6,222,420
Gross Profit	4,591,817	5,183,619	5,781,159	6,841,881	6,924,000	5,864,495	6,286,004
Operating Expenses							
Depreciation Expense	436,388	507,699	560,091	620,865	720,000	569,009	614,368
Other Operating Expenses	3,657,767	4,292,009	4,566,189	5,135,138	5,199,000	4,570,021	4,831,727
Total Operating Expenses	4,094,155	4,799,708	5,126,280	5,756,003	5,919,000	5,139,029	5,446,095
Operating Income	497,662	383,911	654,879	1,085,878	1,005,000	725,466	839,909
Other Income (Expense):							
Other Income	56,624	(5,784)	15,167	42,755	11,000	23,952	21,105
Gain on Sale of Property	112,000	-	-	-	-	22,400	7,467
Interest Expense	(160,759)	(172,638)	(256,517)	(502,265)	(749,000)	(368,236)	(468,643)
Total Other Income (Expense)	7,865	(178,422)	(241,350)	(459,510)	(738,000)	(321,883)	(440,071)
Income Before Taxes	505,527	205,489	413,529	626,368	267,000	403,583	399,838
Income Tax Expense	151,289	16,730	135,516	228,437	110,000	128,394	137,003
Net Income	$ 354,238	$ 188,759	$ 278,013	$ 397,931	$ 157,000	$ 275,188	$ 262,835
EBITDA (2)	$ 990,674	$ 885,826	$ 1,230,137	$ 1,749,498	$ 1,736,000	$ 1,340,827	$ 1,482,849
EBIT (2)	$ 554,286	$ 378,127	$ 670,046	$ 1,128,633	$ 1,016,000	$ 771,818	$ 868,481

Note:

(1) In preparing our business valuation report, we have relied upon historical financial information provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly we do not express an opinion or any other form of assurance on this financial information.

(2) Excludes gain on sale of property.

Source: Florida Public Utilities Company Internally Prepared Income Statements.

Florida Public Utilities Company *Appendix E*

Propane Reporting Unit **Schedule 1**

Historical Income Statements **Page 2 of 3**

Common Size

	For the Years Ended December 31						02-06
						02-06	Weighted
	2002	2003	2004	2005	2006	Average	Average
Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Revenue	37.9%	46.0%	48.2%	49.2%	53.0%	48.0%	49.7%
Gross Profit	62.1%	54.0%	51.8%	50.8%	47.0%	52.0%	50.3%
Operating Expenses							
Depreciation Expense	5.9%	5.3%	5.0%	4.6%	4.9%	5.0%	4.9%
Other Operating Expenses	49.5%	44.7%	40.9%	38.1%	35.3%	40.5%	38.6%
Total Operating Expenses	55.4%	50.0%	45.9%	42.7%	40.2%	45.6%	43.5%
Operating Income	6.7%	4.0%	5.9%	8.1%	6.8%	6.4%	6.7%
Other Income (Expense):							
Other Income	0.8%	-0.1%	0.1%	0.3%	0.1%	0.2%	0.2%
Gain on Sale of Property	1.5%	0.0%	0.0%	0.0%	0.0%	0.2%	0.1%
Interest Expense	-2.2%	-1.8%	-2.3%	-3.7%	-5.1%	-3.3%	-3.7%
Total Other Income (Expense)	0.1%	-1.9%	-2.2%	-3.4%	-5.0%	-2.9%	-3.5%
Income Before Taxes	6.8%	2.1%	3.7%	4.6%	1.8%	3.6%	3.2%
Income Tax Expense	2.0%	0.2%	1.2%	1.7%	0.7%	1.1%	1.1%
Net Income	4.8%	2.0%	2.5%	3.0%	1.1%	2.4%	2.1%
EBITDA	13.4%	9.2%	11.0%	13.0%	11.8%	11.9%	11.9%
EBIT	7.5%	3.9%	6.0%	8.4%	6.9%	6.8%	6.9%

Note:

(1) In preparing our business valuation report, we have relied upon historical financial information provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly we do not express an opinion or any other form of assurance on this financial information.

Florida Public Utilities Company — ***Appendix E***

Propane Reporting Unit
Historical Income Statements
Trended

Schedule 1

	For the Years Ended December 31,				02-06 Compound Growth
	2000	**2001**	**2002**	**2003**	
Revenue	29.8%	16.4%	20.7%	9.3%	18.8%
Cost of Revenue	57.5%	22.1%	23.2%	17.6%	29.2%
Gross Profit	12.9%	11.5%	18.3%	1.2%	10.8%
Operating Expenses					
Depreciation Expense	16.3%	10.3%	10.9%	16.0%	13.3%
Other Operating Expenses	17.3%	6.4%	12.5%	1.2%	9.2%
Total Operating Expenses	17.2%	6.8%	12.3%	2.8%	9.7%
Operating Income	-22.9%	70.6%	65.8%	-7.4%	19.2%
Other Income (Expense):					
Other Income	#NUM!	NA	NA	NA	-33.6%
Gain on Sale of Property	#NUM!	NA	NA	NA	-100.0%
Interest Expense	7.4%	48.6%	95.8%	49.1%	46.9%
Total Other Income (Expense)	NA	NA	NA	NA	#NUM!
Income Before Taxes	-59.4%	101.2%	51.5%	-57.4%	-14.8%
Income Tax Expense	-88.9%	710.0%	68.6%	-51.8%	-7.7%
Net Income	-46.7%	47.3%	43.1%	-60.5%	-18.4%
EBITDA	-6.5%	80.9%	76.7%	8.5%	15.1%
EBIT	-22.9%	70.6%	65.8%	-7.4%	16.4%

Note:

(1) In preparing our business valuation report, we have relied upon historical financial information provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly we do not express an opinion or any other form of assurance on this financial information.

Florida Public Utilities Company | *Appendix E*

Propane Reporting Unit | **Schedule 2**

Historical Balance Sheets (1) | **Page 1 of 2**

	As of December 31				
	2002	**2003**	**2004**	**2005**	**2006**
Assets					
Current Assets:					
Cash and Cash Equivalents	$ 100	$ 750	$ 82,229	$ 114,342	$ 10,847
Accounts Receivable	873,995	1,111,247	1,297,486	1,919,689	1,725,882
Allowance for Doubtful Accounts	(24,301)	(39,629)	(71,468)	(55,250)	(64,399)
Materials and Supplies	1,148,381	1,207,710	1,571,614	1,916,798	2,166,364
Other Current Assets (2)	209,604	318,116	574,753	991,594	531,062
Total Current Assets	2,207,779	2,598,194	3,454,614	4,887,173	4,369,756
Long Term Assets:					
Other Assets	137,958	96,592	297,093	88,876	123,943
Goodwill / Intangible Assets	1,835,163	1,852,435	2,766,273	2,759,277	2,752,435
Deferred Income Taxes	20,414	154,267	186,111	88,090	183,576
Total Long-Term Assets	1,993,535	2,103,294	3,249,477	2,936,243	3,059,954
Property, Plant and Equipment:	12,166,793	13,305,729	14,121,077	16,076,658	17,706,225
Less: Accumulated Depreciation	(3,157,095)	(3,504,262)	(3,975,938)	(4,612,605)	(5,136,523)
Net Property and Equipment	9,009,698	9,801,467	10,145,139	11,464,053	12,569,702
Total Assets	$ 13,211,012	$ 14,502,955	$ 16,849,230	$ 19,287,469	$ 19,999,412
Liabilities and Stockholders' Equity					
Current Liabilities:					
Customer Deposits	$486,730	$515,569	$560,958	$614,064	$718,150
Accounts Payable	1,426,193	2,338,228	1,000,752	1,364,835	1,126,274
Taxes Accrued	(139,008)	(811,317)	(61,987)	640	26,174
Interest Accrued	5,605	2,451	64,211	64,511	36,594
Other Current Liabilities	58,704	73,578	478,584	472,985	457,547
Total Current Liabilities	1,838,224	2,118,509	2,042,518	2,517,035	2,364,739
Long-Term Liabilities:					
Customer Advances	149,473	168,277	552,485	515,562	392,376
Unamortized ITC	7,705	4,424	1,901	418	-
Deferred Income Taxes	1,786,692	2,358,563	3,284,534	3,568,245	3,965,671
Other	-	-	298,659	481,531	961,907
Total Long Term Liabilities	1,943,870	2,531,264	4,137,579	4,565,756	5,319,954
Total Liabilities	3,782,094	4,649,773	6,180,097	7,082,791	7,684,693
Total Stockholders' Equity	9,428,918	9,853,182	10,669,133	12,204,678	12,314,719
Total Liabilities and Shareholders' Equity	$ 13,211,012	$ 14,502,955	$ 16,849,230	$ 19,287,469	$ 19,999,412

Notes:

(1) In preparing our business valuation report, we have relied upon historical financial informatior provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly we do not express an opinion or any other form of assurance on this financial information

(2) For 2004, other current assets excludes a receivable related to the sale of the Company's water utility operations as well as ar income tax refund receivable. For 2005 and 2006, other investments were excluded. These amounts were considered to be nonoperating in nature and were excluded for consistency of presentation.

Source: Florida Public Utilities Company Internally Prepared Balance Sheets.

Florida Public Utilities Company | ***Appendix E***

Propane Reporting Unit | **Schedule 2**

Historical Balance Sheets (1) | **Page 2 of 2**

Common Size (As a Percentage of Total Assets)

	As of December 31				
	2002	2003	2004	2005	2006
Assets					
Current Assets:					
Cash and Cash Equivalents	0.0%	0.0%	0.5%	0.6%	0.1%
Accounts Receivable	6.6%	7.7%	7.7%	10.0%	8.6%
Allowance for Doubtful Accounts	-0.2%	-0.3%	-0.4%	-0.3%	-0.3%
Materials and Supplies	8.7%	8.3%	9.3%	9.9%	10.8%
Other Current Assets (2)	1.6%	2.2%	3.4%	5.1%	2.7%
Total Current Assets	16.7%	17.9%	20.5%	25.3%	21.8%
Long Term Assets:					
Other Assets	1.0%	0.7%	1.8%	0.5%	0.6%
Goodwill / Intangible Assets	13.9%	12.8%	16.4%	14.3%	13.8%
Deferred Income Taxes	0.2%	1.1%	1.1%	0.5%	0.9%
Total Long-Term Assets	15.1%	14.5%	19.3%	15.2%	15.3%
					0.0%
Property, Plant and Equipment:	92.1%	91.7%	83.8%	83.4%	88.5%
Less: Accumulated Depreciation	-23.9%	-24.2%	-23.6%	-23.9%	-25.7%
Net Property and Equipment	68.2%	67.6%	60.2%	59.4%	62.9%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%
Liabilities and Stockholders' Equity					
Current Liabilities:					
Customer Deposits	3.7%	3.6%	3.3%	3.2%	3.6%
Accounts Payable	10.8%	16.1%	5.9%	7.1%	5.6%
Taxes Accrued	-1.1%	-5.6%	-0.4%	0.0%	0.1%
Interest Accrued	0.0%	0.0%	0.4%	0.3%	0.2%
Other Current Liabilities	0.4%	0.5%	2.8%	2.5%	2.3%
Total Current Liabilities	13.9%	14.6%	12.1%	13.1%	11.8%
Long-Term Liabilities:					
Customer Advances	1.1%	1.2%	3.3%	2.7%	2.0%
Unamortized ITC	0.1%	0.0%	0.0%	0.0%	0.0%
Deferred Income Taxes	13.5%	16.3%	19.5%	18.5%	19.8%
Other	0.0%	0.0%	1.8%	2.5%	4.8%
Total Long Term Liabilities	14.7%	17.5%	24.6%	23.7%	26.6%
Total Liabilities	28.6%	32.1%	36.7%	36.7%	38.4%
Total Stockholders' Equity	71.4%	67.9%	63.3%	63.3%	61.6%
Total Liabilities and Shareholders' Equity	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

(1) In preparing our business valuation report, we have relied upon historical financial informatior provided to us by management and derived from internal financial statements prepared by Company management. This information has not been audited, reviewed, or compiled by us and accordingly we do not express an opinion or any other form of assurance on this financial information

(2) For 2004, other current assets excludes a receivable related to the sale of the Company's water utility operations as well as ar income tax refund receivable. For 2005 and 2006, other investments were excluded. These amounts were considered to be nonoperating in nature and were excluded for consistency of presentation

Florida Public Utilities Company | ***Appendix E***

Propane Reporting Unit — **Schedule 3**

Rate of Return — **Page 1 of 1**

Assumptions

Cost of Equity (Ke = Rf + b*(Rm - Rf) + Rss + Rcs)

Long-Term Treasury Securities (Rf) [1]		4.91%
Beta (b) [2]	0.22	
Equity Risk Premium (Rm-Rf) [3]	6.30%	
Beta Adjusted Equity Risk Premium (b * (Rm-Rf)		1.39%
Small Stock Risk Premium (Rss) [4]		3.90%
Company Specific Risk Premium (Rcs)		1.00%
Cost of Equity (Ke)		11.20%

After-Tax Cost of Debt (Kd = Kb*(1-t))

Baa Bond Rate (Kb) [5]	6.35%
Tax Rate (t)	37.60%
Cost of Debt (Kd)	3.96%

Weighted Average Cost of Capital (WACC)

	Capital Structure [6]		Cost		Weighted Cost
Equity	70.0%	X	11.20%	=	7.84%
Debt	30.0%	X	3.96%	=	1.19%
Weighted Average Cost of Capital (WACC)					**9.03%**
Rounded					**9.00%**

Notes:

(1) Yield on 20 Year Treasury Bonds obtained from Federal Reserve Statistical Release as of January 3, 2007.

(2) Based on the comparable companies betas obtained from Hemscott Data (FetchXL).

(3) Ibbotson Associates 2007 Yearbook, Long Horizon Supply Side Equity Risk Premium.

(4) Size Premium (in excess of CAPM) based on 9th and 10th deciles of the NYSE/AMEX/NASDAQ. (Ibbotson 2007 Yearbook Valuation Edition).

(5) Baa Bond Rate obtained from Federal Reserve Statistical Release as of January 3, 2007.

(6) Based on the comparable companies capital structure obtained from Hemscott Data (FetchXL). (rounded to the nearest five percent.)

			For the Year Ending December 31,					
			2007	2008	2009	2010	2011	Residual
Revenue	A		$16,766,000	$17,859,000	$19,165,000	$20,503,000	$21,879,000	$22,754,000
Cost of Revenue	B		8,883,000	9,462,000	10,154,000	10,863,000	11,592,000	12,056,000
Gross Profit			7,883,000	8,397,000	9,011,000	9,640,000	10,287,000	10,698,000
Operating Expenses:								
Depreciation Expense	C		794,000	847,000	904,000	963,000	1,025,000	1,200,000
Other Operating Expenses	D		5,573,000	5,967,000	6,372,000	6,807,000	7,256,000	7,546,000
Total Operating Expenses			6,367,000	6,814,000	7,276,000	7,770,000	8,281,000	8,746,000
Operating Income			1,516,000	1,583,000	1,735,000	1,870,000	2,006,000	1,952,000
Other Income	E		17,000	18,000	19,000	21,000	22,000	23,000
Income Before Taxes			1,533,000	1,601,000	1,754,000	1,891,000	2,028,000	1,975,000
Income Tax Expense	F	37.6%	576,000	602,000	660,000	711,000	763,000	743,000
Net Income			957,000	999,000	1,094,000	1,180,000	1,265,000	1,232,000
Adjustments:								
Add: Depreciation Expense	C		794,000	847,000	904,000	963,000	1,025,000	1,200,000
Less: Capital Expenditures	G		(1,594,000)	(1,841,000)	(1,671,000)	(1,649,000)	(1,535,000)	(1,200,000)
(Increase)/Decrease in Debt Free Net Working Capital	H		(102,000)	(55,000)	(65,000)	(67,000)	(69,000)	(44,000)
Cash Flow			55,000	(50,000)	262,000	427,000	686,000	1,188,000
Present Value Factor		9.0%	0.9578	0.8787	0.8062	0.7396	0.6785	
Present Value of Cash Flow			53,000	(44,000)	211,000	316,000	465,000	

Total Present Value of Cash Flows (Years 1 to 5)	$1,001,000
Plus: Present Value of Residual Cash Flow	16,121,000
Total Invested Capital	17,122,000
Less: Interest Bearing Debt	-
Fair Value of Reporting Unit	**17,122,000**
Rounded	**$17,100,000**

Residual Cash Flow	$1,188,000
Residual Capitalization Rate:	
Discount Rate	9.0%
Residual Growth Rate	4.0%
Capitalization Rate	5.0%
Gross Residual Value	23,760,000
Present Value Factor	0.6785
Present Value of Gross Residual Value	$16,121,000

Notes:

(1) Note: The above forecasts, based on estimates by the Company's management, have been prepared in connection with a business appraisal and are not intended to conform with accounting standards for the compilation, review, or audit of forecasts or projections.

Florida Public Utilities Company
Propane Reporting Unit
Discounted Cash Flow Assumptions

We based the Income Approach on a Discounted Cash Flow Analysis of the Company. We relied primarily on the Reporting Unit's historical financial statements and management's projection as an indicator of cash flow.

A. **Revenue** –Revenue was projected to increase by 13.9%, 6.5%, 7.3%, 7.0%, 6.7%, for 2007 through 2011 and 4.0% for the residual period.

B. **Cost of Revenue** – Cost of revenue was projected to be 53.0% of revenue throughout the projection period.

C. **Depreciation Expense** – Depreciation expense was projected based on management's projection of $794,000, $847,000, $904,000, $963,000, and $1,025,000 for 2007 through 2011, respectively. In the Residual, depreciation and capital expenditures were set equal to each other based on the theory that in the long run, a company will replace its fixed assets as they are retired.

D. **Other Operating Expenses** – Other operating expenses projected to be 33.2% of revenue for 2007, 33.4% of revenue for 2008, and 33.2% of revenue for the remainder of the projection period.

E. **Other Income** – Other income was projected at 0.1% of revenue throughout the projection period.

F. **Income Tax Expense** – Income tax expense was calculated at an effective tax rate of 37.6%.

G. **Capital Expenditures** – Capital expenditures were projected at $1,594,000, $1,841,000, $1,671,000, $1,649,000, and $1,535,000 for 2007 through 2011, respectively. In the residual, capital expenditures and depreciation were set equal based on the theory that in the long run, a company will replace its fixed assets as they are retired.

H. **Working Capital** – Working capital was forecast based on an analysis of the Company's current assets and current liabilities, consideration of future expected working capital needs, and a review of the guideline public companies working capital. Accordingly, incremental working capital was projected at 5.0% of the change in revenue based on the median for the guideline companies.

Guideline Public Company Method
Valuation Date: January 1, 2007

		Revenue	EBITDA
Propane Reporting Unit		14,726,000	1,736,000
Selected Multiples		1.30	11.20
Indicated Value		**19,143,800**	**19,443,200**
Selected Value - Total Invested Capital	$	19,300,000	
Less - Interest Bearing Debt at Reporting Unit Level		-	
Fair Value of Reporting Unit - Rounded	**$**	**19,300,000**	

Invested Capital / Revenue Multiple

		AMERIGAS PARTNERS L.P.	ENERGY TRANSFER PARTNERS	FERRELLGAS PARTNERS L.P.	STAR GAS PARTNERS LP SBI	SUBURBAN PROPANE PARTNR
Unadjusted Multiple		1.31	1.46	1.29	0.31	1.12
Margin Adjustment		3%	10%	18%	196%	-3%
Growth Adjustment		23%	2%	23%	16%	21%
Mean Adjusted Multiple	1.50	1.66	1.63	1.86	1.05	1.32
Median Adjusted Multiple	1.63					
Lower Quartile Adjusted Multiple	1.32					
Selected Multiple	1.30					

Invested Capital / EBITDA Multiple

		AMERIGAS PARTNERS L.P.	ENERGY TRANSFER PARTNERS	FERRELLGAS PARTNERS L.P.	STAR GAS PARTNERS LP SBI	SUBURBAN PROPANE PARTNR
Unadjusted Multiple		11.45	13.57	12.86	7.68	9.22
Growth Adjustment		23%	2%	23%	16%	21%
Mean Adjusted Multiple	12.76	14.08	13.84	15.82	8.91	11.16
Median Adjusted Multiple	13.84					
Lower Quartile Adjusted Multiple	11.16					
Selected Multiple	11.20					

Guideline Public Company Method
Valuation Date: January 1, 2007

Selected Financial Information for Comparable Propane Companies - Trailing Twelve Months

	AMERIGAS PARTNERS L.P.	ENERGY TRANSFER PARTNERS	FERRELLGAS PARTNERS L.P.	STAR GAS PARTNERS LP SBI	SUBURBAN PROPANE PARTNR
Revenue (000s)	$ 2,105,633	$ 6,830,921	$ 1,886,285	$ 1,212,376	$ 1,578,099
EBITDA (000s)	$ 240,647	$ 733,973	$ 188,796	$ 48,324	$ 191,298
Net Income (000s)	$ 91,785	$ 467,076	$ 21,264	$ (62,077)	$ 106,177
Share Price as of 12/29/06	$ 32.53	$ 54.10	$ 21.38	$ 3.52	$ 38.01
Shares Outstanding	56,822,497	136,977,553	62,847,113	75,774,336	32,672,000
Market Capitalization (000s)	$ 1,848,436	$ 7,410,486	$ 1,343,671	$ 266,726	$ 1,241,863
Interest Bearing Debt (000s)[1]	$ 906,113	$ 2,551,830	$ 1,084,135	$ 104,365	$ 521,984
Total Invested Capital (000s) ("TIC")	$ 2,754,549	$ 9,962,316	$ 2,427,806	$ 371,091	$ 1,763,847
Beta	0.04	0.25	0.16	0.98	0.14
Five Year Projected Growth Rate	3.0%	8.0%	3.0%	4.5%	3.5%
Valuation Multiples:					
TIC / Revenue	1.31	1.46	1.29	0.31	1.12
TIC / EBITDA	11.45	13.57	12.86	7.68	9.22
P / E	20.14	15.87	63.19	(4.30)	11.70

[1] Interest bearing debt includes current and long-term debt and preferred stock, net of cash.

Company Name: **AMERIGAS PARTNERS L.P.**

Historical Balance Sheet

In Thousands (Except Per Share Data)	MRQ **2006/12**	**2006/09**	**2005/09**	For the year ended: **2004/09**	**2003/09**	**2002/09**
Cash and Equivalents	$27,166	$84,775	$99,162	$40,583	$45,872	$47,400
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	241,593	174,195	163,809	146,846	103,085	90,136
Inventories	111,994	99,836	90,748	84,753	70,171	62,496
Prepaid Expenses	9,530	9,391	13,233	25,934	17,204	31,238
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	5	12	50,788	0	0	0
Total Current Assets	**390,288**	**368,209**	**417,740**	**298,116**	**236,332**	**231,270**
Gross Fixed Assets	1,205,354	1,203,276	1,154,341	1,112,800	1,067,694	1,020,140
Accumulated Depreciation & Depletion	622,684	622,684	569,822	520,447	473,090	408,590
Net Fixed Assets	582,670	580,592	584,519	592,353	594,604	611,550
Intangibles	24,728	25,608	648,474	637,670	629,507	612,509
Cost in Excess	619,938	619,938	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	16,872	17,420	12,342	22,088	21,733	17,289
Total Non-Current Assets	**1,244,208**	**1,243,558**	**1,245,335**	**1,252,111**	**1,245,844**	**1,241,348**
Total Assets	**$1,634,496**	**$1,611,767**	**$1,663,075**	**$1,550,227**	**$1,482,176**	**$1,472,618**
Accounts Payable	$196,737	$147,058	$139,422	$113,624	$88,282	$86,894
Notes Payable	0	0	0	0	0	10,000
Short Term Debt	1,635	1,825	118,087	60,068	58,705	60,398
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	29,890	51,652	60,395	60,698	58,294	34,492
Deferred Revenues	0	10,566	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	151,225	169,055	139,111	118,080	92,767	116,040
Total Current Liabilities	**379,487**	**380,156**	**457,015**	**352,470**	**298,048**	**307,824**
Long Term Debt	931,644	931,921	795,415	841,283	868,581	885,386
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Liabilities	69,908	67,739	64,658	59,687	54,859	44,810
Minority Interest	10,545	10,448	8,570	7,749	7,005	6,232
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**1,012,097**	**1,010,108**	**868,643**	**908,719**	**930,445**	**936,428**
Total Liabilities	**1,391,584**	**1,390,264**	**1,325,658**	**1,261,189**	**1,228,493**	**1,244,252**
Preferred Stock Equity	0	0	0	0	0	0
Common Par	0	250,493	289,396	276,887	255,423	219,506
Additional Paid In Capital	0	0	0	0	0	0
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	0	2,525	2,920	9,368	(4,317)	2,214
Treasury Stock	0	0	0	0	0	0
Other Equity Adjustments	0	(31,515)	45,101	2,783	2,577	6,646
Total Equity	**242,912**	**221,503**	**337,417**	**289,038**	**253,683**	**228,366**
Total Liabilities & Stock Equity	**$1,634,496**	**$1,611,767**	**$1,663,075**	**$1,550,227**	**$1,482,176**	**$1,472,618**

Company Name: **AMERIGAS PARTNERS L.P.**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/12	For the year ended: 2006/09	2005/09	2004/09	2003/09	2002/09
Operating Revenue	**$2,105,633**	**$2,119,266**	**$1,963,256**	**$1,775,900**	**$1,628,424**	**$1,307,880**
Adjustments to Revenue	0	0	0	0	0	0
Cost of Revenue	1,324,686	1,343,769	1,220,006	1,029,239	910,335	632,070
Gross Profit	780,947	775,497	743,250	746,661	718,089	675,810
Operating Expenses:						
Selling, General & Administrative	540,300	535,288	518,127	501,073	488,434	468,817
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	72,766	72,452	73,625	80,612	74,625	66,104
Amortization	0	0	0	0	0	0
Total Operating Expenses	613,066	607,740	591,752	581,685	563,059	534,921
Operating Income	**167,881**	**167,757**	**151,498**	**164,976**	**155,030**	**140,889**
Plus: Depreciation & Amortization	72,766	72,452	73,625	80,612	74,625	66,104
EBITDA	**240,647**	**240,209**	**225,123**	**245,588**	**229,655**	**206,993**
Other Income (Expense):						
Special Income/Charges	0	(17,079)	(33,602)	0	0	0
Interest Expense	(73,148)	(74,094)	(79,900)	(83,175)	(87,195)	(87,839)
Interest Income	0	0	0	0	0	0
Earnings from Equity Interest	0	0	0	0	0	288
Other Income, Net	(309)	16,299	25,781	11,744	5,937	3,363
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(73,457)	(74,874)	(87,721)	(71,431)	(81,258)	(84,188)
Income Before Taxes	94,424	92,883	63,777	93,545	73,772	56,701
Income Taxes	1,045	185	1,514	269	586	340
Minority Interest	1,594	1,540	1,418	1,422	1,228	995
Income From Continuing Operations	91,785	91,158	60,845	91,854	71,958	55,366
Income From Discontinued Operations	0	0	0	0	0	0
Income From Total Operations	91,785	91,158	60,845	91,854	71,958	55,366
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	0	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$91,785**	**$91,158**	**$60,845**	**$91,854**	**$71,958**	**$55,366**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	70,710	70,710	62,616	61,656	52,933	53,472
Per Share Data						
Basic Weighted Shares	56,806	56,797	54,602	53,097	50,267	48,909
Basic EPS from Continuing Operations	$1.25	$1.59	$1.10	$1.71	$1.42	$1.12
Basic EPS from Total Operations	$1.25	$1.59	$1.10	$1.71	$1.42	$1.12
Diluted Weighted Shares	56,846	56,835	54,655	53,172	50,337	48,932
Diluted EPS from Continuing Operations	$1.25	$1.59	$1.10	$1.71	$1.42	$1.12
Diluted EPS from Total Operations	$1.25	$1.59	$1.10	$1.71	$1.42	$1.12
Dividends Paid Per Share	$2.30	$2.28	$2.22	$2.20	$2.20	$2.20
Year-Over-Year Growth Rates						
Operating Revenue	-0.6%	7.9%	10.5%	9.1%	24.5%	NA
Operating Income	0.1%	10.7%	-8.2%	6.4%	10.0%	NA
EBITDA	0.2%	6.7%	-8.3%	6.9%	10.9%	NA
Total Net Income	0.7%	49.8%	-33.8%	27.6%	30.0%	NA
Profit Margins						
Gross Profit	37.1%	36.6%	37.9%	42.0%	44.1%	51.7%
Operating Income	8.0%	7.9%	7.7%	9.3%	9.5%	10.8%
EBITDA	11.4%	11.3%	11.5%	13.8%	14.1%	15.8%
Total Net Income	4.4%	4.3%	3.1%	5.2%	4.4%	4.2%

Company Name: **AMERIGAS PARTNERS L.P.**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/12	**2006/09**	**2005/09**	**2004/09**	**2003/09**	**2002/09**
Profitability Ratios:						
Gross Profit Margin (%)	37.1	36.6	37.9	42.0	44.1	51.7
Pre-Tax Profit Margin (%)	4.5	4.4	3.2	5.3	4.5	4.3
Net Profit Margin (%)	4.4	4.4	3.1	5.2	4.4	4.2
Management Effectiveness Ratios:						
Return on Equity (%)	37.8	41.2	18.0	31.8	28.4	24.2
Return on Invested Capital (%)	7.8	7.9	5.4	8.1	6.4	5.0
Return on Assets (%)	5.6	5.7	3.7	5.9	4.9	3.8
Efficiency Ratios:						
Inventory Turnover	11.8	14.1	13.9	13.3	13.7	9.3
Receivables Turnover	8.0	12.5	12.6	14.2	16.9	13.4
Receivables Per Day Sales	41.3	29.6	30.0	29.8	22.8	24.8
Asset Turnover	1.3	1.3	1.2	1.2	1.1	0.9
Revenue Per Dollar of Cash	$77.51	$25.00	$19.80	$43.76	$35.50	$27.59
Revenue Per Dollar of Plant (Net)	$3.61	$3.65	$3.36	$3.00	$2.74	$2.14
Revenue Per Dollar of Common Equity	$8.67	$9.57	$5.82	$6.14	$6.42	$5.73
Revenue Per Dollar of Invested Capital	$1.79	$1.84	$1.73	$1.57	$1.45	$1.17
Revenue Per Dollar of Receivables	$8.72	$12.17	$11.99	$12.09	$15.80	$14.51
Revenue Per Dollar of Inventory	$18.80	$21.23	$21.63	$20.95	$23.21	$20.93
Revenue to Assets	$1.30	$1.30	$1.20	$1.10	$1.10	$0.90
Liquidity Ratios:						
Quick Ratio	0.7	0.7	0.6	0.5	0.5	0.4
Current Ratio	1.0	1.0	0.9	0.8	0.8	0.8
Valuation Ratios:						
Price to Revenue Ratio	0.9	0.8	0.9	0.9	0.8	0.9
Price to Book Value	7.6	7.9	5.4	5.6	5.2	5.0
Price to Tangible Book Value	(4.6)	(4.1)	(5.9)	(4.6)	(3.5)	(3.0)
Price to Cash Flow Ratio	11.2	10.7	13.6	9.3	9.0	9.4
Price to Free Cash Flow Ratio	(31.3)	(67.1)	(78.5)	(36.5)	(25.1)	(386.0)
Close Price to Earnings Ratio	26.0	19.4	29.3	17.3	17.7	20.7
High Price to Earnings Ratio	26.5	20.5	31.8	17.7	19.2	22.6
Low Price to Earnings Ratio	22.6	17.0	23.7	14.5	14.3	15.3
Leverage Ratios:						
Long Term Debt to Equity Ratio	3.8	4.2	2.4	2.9	3.4	3.9
LT Debt as a % of Invested Capital	79.3	80.8	70.2	74.4	77.4	79.5
LT Debt as a % of Total Liabilities	66.9	67.0	60.0	66.7	70.7	71.2
Total Liabilities as a % of Total Assets	85.1	86.3	79.7	81.4	82.9	84.5
Coverage Ratios:						
Interest Coverage From Continuing Ops.	2.3	2.2	1.8	2.1	1.8	1.6
Interest as a % of Invested Capital	6.2	6.4	7.1	7.4	7.8	7.9
Per Share Ratios:						
Current Assets Per Share	$6.87	$6.48	$7.36	$5.47	$4.52	$4.68
Total Assets Per Share	$28.76	$28.38	$29.28	$28.46	$28.32	$29.79
Long Term Debt Per Share	$16.40	$16.41	$14.01	$15.44	$16.60	$17.91
Current Liabilities Per Share	$6.68	$6.69	$8.05	$6.47	$5.70	$6.23
Cash Per Share	$0.48	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$37.06	$37.31	$34.57	$32.60	$31.12	$26.46
Book Value Per Share	$4.27	$3.90	$5.94	$5.31	$4.85	$4.62
Tangible Book Value Per Share	($7.07)	($7.47)	($5.48)	($6.40)	($7.18)	($7.77)
Working Capital Per Share	$0.19	($0.21)	($0.69)	($1.00)	($1.18)	($1.55)
Cash Flow Per Share	$2.90	$2.88	$2.37	$3.17	$2.80	$2.46
Free Cash Flow Per Share	($1.04)	($0.46)	($0.41)	($0.81)	($1.00)	($0.06)

Company Name: **ENERGY TRANSFER PARTNERS**

Historical Balance Sheet

In Thousands (Except Per Share Data)	MRQ 2006/11	2006/08	2005/08	For the year ended: 2004/08	2003/08	2002/08
Cash and Equivalents	$34,746	$26,041	$24,914	$81,745	$7,117	$4,591
Restricted Cash	0	0	0	0	0	0
Marketable Securities	2,596	2,817	3,452	2,464	3,044	2,564
Receivables	628,138	699,663	887,130	284,312	35,879	30,898
Inventories	499,648	387,140	302,893	54,067	45,274	48,187
Prepaid Expenses	40,414	42,198	35,636	6,658	2,741	6,846
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	109,326	143,945	203,995	7,638	83	2,301
Total Current Assets	**1,314,868**	**1,301,804**	**1,458,020**	**436,882**	**94,138**	**95,387**
Gross Fixed Assets	3,808,695	3,555,786	2,577,369	1,524,995	526,151	472,866
Accumulated Depreciation & Depletion	242,137	242,137	136,804	57,346	99,563	72,822
Net Fixed Assets	3,566,558	3,313,649	2,440,565	1,467,649	426,588	400,044
Intangibles	191,230	182,392	436,178	414,141	209,419	213,975
Cost in Excess	603,035	604,409	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	999,056	52,759	92,143	8,010	8,694	7,858
Total Non-Current Assets	**5,359,879**	**4,153,209**	**2,968,886**	**1,889,800**	**644,701**	**621,877**
Total Assets	**$6,674,747**	**$5,455,013**	**$4,426,906**	**$2,326,682**	**$738,839**	**$717,264**
Accounts Payable	$581,918	$603,790	$819,848	$278,398	$49,945	$45,931
Notes Payable	0	0	0	0	0	0
Short Term Debt	40,828	40,578	56,375	45,507	65,009	50,358
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	248,613	201,017	119,834	55,817	35,993	23,962
Deferred Revenues	0	0	0	0	0	0
Current Deferred Income Taxes	0	629	0	0	0	0
Other Current Liabilities	177,710	170,476	254,817	17,738	80	1,818
Total Current Liabilities	**1,049,069**	**1,016,490**	**1,250,874**	**397,460**	**151,027**	**122,069**
Long Term Debt	2,548,344	2,589,124	1,675,705	1,070,871	360,762	420,021
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	107,438	106,842	111,185	109,896	0	0
Other Non-Current Liabilities	7,587	3,838	45,806	0	0	0
Minority Interest	0	1,857	17,144	1,475	4,002	3,564
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**2,663,369**	**2,701,661**	**1,849,840**	**1,182,242**	**364,764**	**423,585**
Total Liabilities	**3,712,438**	**3,718,151**	**3,100,714**	**1,579,702**	**515,791**	**545,654**
Preferred Stock Equity	0	0	0	0	0	0
Common Par	0	0	1,362,125	720,187	221,207	173,677
Additional Paid In Capital	0	0	0	0	0	0
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	0	0	0	0	2,190	(2,067)
Treasury Stock	0	0	0	0	0	0
Other Equity Adjustments	2,962,309	1,736,862	(35,933)	26,793	(349)	0
Total Equity	**2,962,309**	**1,736,862**	**1,326,192**	**746,980**	**223,048**	**171,610**
Total Liabilities & Stock Equity	**$6,674,747**	**$5,455,013**	**$4,426,906**	**$2,326,682**	**$738,839**	**$717,264**

Company Name: **ENERGY TRANSFER PARTNERS**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/11	For the year ended: 2006/08	2005/08	2004/08	2003/08	2002/08
Operating Revenue	**$6,830,921**	**$7,859,096**	**$6,168,798**	**$2,482,254**	**$571,476**	**$621,390**
Adjustments to Revenue	0	0	0	0	0	0
Cost of Revenue	5,565,032	6,568,316	5,701,069	2,278,250	449,287	371,388
Gross Profit	1,265,889	1,290,780	467,729	204,004	122,189	250,002
Operating Expenses:						
Selling, General & Administrative	562,475	530,494	62,735	33,135	14,037	172,043
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	124,311	117,415	92,943	50,848	37,959	36,998
Amortization	0	0	0	0	0	0
Total Operating Expenses	686,786	647,909	155,678	83,983	51,996	209,041
Operating Income	**579,103**	**642,871**	**312,051**	**120,021**	**70,193**	**40,961**
Plus: Depreciation & Amortization	154,870	120,222	98,539	53,490	37,959	36,998
EBITDA	**733,973**	**763,093**	**410,590**	**173,511**	**108,152**	**77,959**
Other Income (Expense):						
Special Income/Charges	0	0	(9,550)	25,499	0	0
Interest Expense	(126,926)	(113,857)	(93,017)	(41,458)	(35,740)	(37,341)
Interest Income	15,332	14,620	0	509	0	0
Earnings from Equity Interest	4,682	(479)	(376)	363	1,371	1,338
Other Income, Net	2,923	851	301	(1,006)	(2,783)	518
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(103,989)	(98,865)	(102,642)	(16,093)	(37,152)	(35,485)
Income Before Taxes	475,114	544,006	209,409	103,928	33,041	5,476
Income Taxes	7,105	25,920	7,295	4,481	1,023	0
Minority Interest	933	2,234	731	295	876	574
Income From Continuing Operations	467,076	515,852	201,383	99,152	31,142	4,902
Income From Discontinued Operations	0	0	147,967	0	0	0
Income From Total Operations	467,076	515,852	349,350	99,152	31,142	4,902
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	0	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$467,076**	**$515,852**	**$349,350**	**$99,152**	**$31,142**	**$4,902**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	680,164	680,164	196,459	109,688	24,956	27,072
Per Share Data						
Basic Weighted Shares	119,488	109,036	97,646	52,229	33,272	31,477
Basic EPS from Continuing Operations	$2.56	$3.16	$1.79	$1.73	$0.90	$0.13
Basic EPS from Total Operations	$2.56	$3.16	$2.60	$1.73	$0.90	$0.13
Diluted Weighted Shares	119,780	109,335	97,900	52,283	33,389	31,555
Diluted EPS from Continuing Operations	$2.55	$3.15	$1.79	$1.73	$0.90	$0.13
Diluted EPS from Total Operations	$2.55	$3.15	$2.60	$1.73	$0.90	$0.13
Dividends Paid Per Share	$2.56	$2.31	$1.80	$1.38	$1.28	$1.27
Year-Over-Year Growth Rates						
Operating Revenue	-13.1%	27.4%	148.5%	334.4%	-8.0%	NA
Operating Income	-9.9%	106.0%	160.0%	71.0%	71.4%	NA
EBITDA	-3.8%	85.9%	136.6%	60.4%	38.7%	NA
Total Net Income	-9.5%	47.7%	252.3%	218.4%	535.3%	NA
Profit Margins						
Gross Profit	18.5%	16.4%	7.6%	8.2%	21.4%	40.2%
Operating Income	8.5%	8.2%	5.1%	4.8%	12.3%	6.6%
EBITDA	10.7%	9.7%	6.7%	7.0%	18.9%	12.5%
Total Net Income	6.8%	6.6%	5.7%	4.0%	5.4%	0.8%

Company Name: **ENERGY TRANSFER PARTNERS**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/11	**2006/08**	**2005/08**	**2004/08**	**2003/08**	**2002/08**
Profitability Ratios:						
Gross Profit Margin (%)	19.0	16.5	7.7	8.3	21.4	40.2
Pre-Tax Profit Margin (%)	7.0	6.9	3.4	4.2	5.8	0.9
Net Profit Margin (%)	6.8	6.8	5.7	4.0	5.4	0.8
Management Effectiveness Ratios:						
Return on Equity (%)	15.8	29.7	26.3	13.3	14.0	2.9
Return on Invested Capital (%)	8.5	11.9	11.6	5.5	5.3	0.8
Return on Assets (%)	7.0	9.5	7.9	4.3	4.2	0.7
Efficiency Ratios:						
Inventory Turnover	10.2	19.0	31.9	-	9.6	6.5
Receivables Turnover	8.9	9.9	10.5	-	17.1	17.5
Receivables Per Day Sales	33.1	32.1	51.8	41.2	22.6	17.9
Asset Turnover	1.2	1.6	1.8	-	0.8	0.8
Revenue Per Dollar of Cash	$196.60	$301.80	$247.60	$30.37	$80.30	$135.35
Revenue Per Dollar of Plant (Net)	$1.92	$2.37	$2.53	$1.69	$1.34	$1.55
Revenue Per Dollar of Common Equity	$2.31	$4.52	$4.65	$3.32	$2.56	$3.62
Revenue Per Dollar of Invested Capital	$1.24	$1.82	$2.05	$1.37	$0.98	$1.05
Revenue Per Dollar of Receivables	$10.87	$11.23	$6.95	$8.73	$15.93	$20.11
Revenue Per Dollar of Inventory	$13.67	$20.30	$20.37	$45.91	$12.62	$12.90
Revenue to Assets	$1.00	$1.40	$1.40	$1.10	$0.80	$0.90
Liquidity Ratios:						
Quick Ratio	0.6	0.7	0.7	0.9	0.3	0.3
Current Ratio	1.3	1.3	1.2	1.1	0.6	0.8
Valuation Ratios:						
Price to Revenue Ratio	1.1	0.7	0.6	0.8	1.0	0.7
Price to Book Value	2.5	3.3	3.0	2.6	2.5	2.5
Price to Tangible Book Value	3.5	6.0	4.4	5.8	41.2	(10.2)
Price to Cash Flow Ratio	12.0	9.0	8.8	12.7	8.2	10.4
Price to Free Cash Flow Ratio	(33.7)	(5.3)	(2.9)	(2.8)	(1,565.0)	(19.2)
Close Price to Earnings Ratio	21.4	15.1	14.2	12.5	17.4	105.1
High Price to Earnings Ratio	21.4	15.2	15.0	12.7	18.1	117.5
Low Price to Earnings Ratio	13.2	9.7	8.3	9.0	13.6	86.5
Leverage Ratios:						
Long Term Debt to Equity Ratio	0.9	1.5	1.3	1.4	1.6	2.5
LT Debt as a % of Invested Capital	46.2	59.9	55.8	58.9	61.8	71.0
LT Debt as a % of Total Liabilities	68.6	69.6	54.0	67.8	69.9	77.0
Total Liabilities as a % of Total Assets	55.6	68.2	70.0	67.9	69.8	76.1
Coverage Ratios:						
Interest Coverage From Continuing Ops.	4.7	5.8	3.2	3.5	1.9	1.1
Interest as a % of Invested Capital	2.3	2.6	3.1	2.3	6.1	6.3
Per Share Ratios:						
Current Assets Per Share	$9.60	$10.89	$13.64	$4.90	$2.61	$3.02
Total Assets Per Share	$48.73	$45.62	$41.42	$26.11	$20.51	$22.68
Long Term Debt Per Share	$18.60	$21.65	$15.68	$12.02	$10.01	$13.28
Current Liabilities Per Share	$7.66	$8.50	$11.70	$4.46	$4.19	$3.86
Cash Per Share	$0.25	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$49.87	$65.72	$57.71	$27.85	$15.86	$19.64
Book Value Per Share	$21.63	$14.52	$12.41	$8.38	$6.19	$5.43
Tangible Book Value Per Share	$15.83	$7.94	$8.33	$3.73	$0.38	($1.34)
Working Capital Per Share	$1.94	$2.39	$1.94	$0.44	($1.58)	($0.84)
Cash Flow Per Share	$4.54	$5.32	$4.19	$1.71	$1.92	$1.32
Free Cash Flow Per Share	($1.62)	($8.92)	($12.78)	($7.77)	($0.01)	($0.71)

Florida Public Utilities Company | **Appendix E**

Propane Reporting Unit | Schedule 5

Company Name: **FERRELLGAS PARTNERS L.P.**

Historical Balance Sheet

In Thousands (Except Per Share Data)	MRQ 2006/10	For the year ended: 2006/07	2005/07	2004/07	2003/07	2002/07
Cash and Equivalents	$23,961	$16,525	$20,505	$15,428	$11,154	$19,781
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	115,490	116,369	107,778	114,211	56,742	74,274
Inventories	172,735	154,613	97,743	103,578	69,077	48,034
Prepaid Expenses	21,674	15,334	12,861	10,022	8,306	10,724
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	0	0	0	0	0	0
Total Current Assets	**333,860**	**302,841**	**238,887**	**243,239**	**145,279**	**152,813**
Gross Fixed Assets	1,154,787	1,156,441	1,149,485	1,136,993	1,002,199	810,416
Accumulated Depreciation & Depletion	416,340	416,340	382,720	344,557	317,282	303,885
Net Fixed Assets	738,447	740,101	766,765	792,436	684,917	506,531
Intangibles	261,761	248,546	489,419	526,893	222,347	222,360
Cost in Excess	248,566	246,050	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	16,907	11,962	13,902	15,607	8,853	3,424
Total Non-Current Assets	**1,265,681**	**1,246,659**	**1,270,086**	**1,334,936**	**916,117**	**732,315**
Total Assets	**$1,599,541**	**$1,549,500**	**$1,508,973**	**$1,578,175**	**$1,061,396**	**$885,128**
Accounts Payable	$79,620	$128,049	$108,667	$104,309	$59,454	$54,316
Notes Payable	0	0	0	0	0	0
Short Term Debt	123,834	67,405	19,800	0	0	0
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	42,581	53,586	0	0	0	0
Deferred Revenues	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	98,859	26,557	71,535	92,793	89,687	89,061
Total Current Liabilities	**344,894**	**275,597**	**200,002**	**197,102**	**149,141**	**143,377**
Long Term Debt	984,262	983,545	948,977	1,153,652	888,226	703,858
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Liabilities	19,744	10,178	20,165	20,531	18,747	14,861
Minority Interest	5,382	5,435	6,151	4,791	2,363	1,871
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**1,009,388**	**1,008,158**	**975,293**	**1,178,974**	**909,336**	**720,590**
Total Liabilities	**1,354,282**	**1,283,755**	**1,175,295**	**1,376,076**	**1,058,477**	**863,967**
Preferred Stock Equity	0	0	0	0	0	0
Common Par	308,737	321,194	390,422	178,994	(15,602)	(28,320)
Additional Paid In Capital	0	0	0	0	0	0
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	0	1,380	0	0	0	0
Treasury Stock	0	0	0	0	0	0
Other Equity Adjustments	(63,478)	(56,829)	(56,744)	23,105	18,521	49,481
Total Equity	**245,259**	**265,745**	**333,678**	**202,099**	**2,919**	**21,161**
Total Liabilities & Stock Equity	**$1,599,541**	**$1,549,500**	**$1,508,973**	**$1,578,175**	**$1,061,396**	**$885,128**

Company Name: **FERRELLGAS PARTNERS L.P.**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/10	For the year ended: 2006/07	2005/07	2004/07	2003/07	2002/07
Operating Revenue	**$1,886,285**	**$1,895,470**	**$1,754,114**	**$1,273,346**	**$1,136,358**	**$1,034,796**
Adjustments to Revenue	0	0	0	0	0	0
Cost of Revenue	1,222,931	1,231,627	1,140,298	825,845	690,969	533,437
Gross Profit	663,354	663,843	613,816	447,501	445,389	501,359
Operating Expenses:						
Selling, General & Administrative	474,558	460,129	446,295	387,720	353,412	336,550
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	85,506	84,953	83,060	57,115	40,779	41,937
Amortization	0	0	0	0	0	0
Total Operating Expenses	560,064	545,082	529,355	444,835	394,191	378,487
Operating Income	**103,290**	**118,761**	**84,461**	**2,666**	**51,198**	**122,872**
Plus: Depreciation & Amortization	85,506	84,953	84,249	57,115	40,779	41,937
EBITDA	**188,796**	**203,714**	**168,710**	**59,781**	**91,977**	**164,809**
Other Income (Expense):						
Special Income/Charges	0	0	0	0	(7,052)	0
Interest Expense	(85,740)	(84,235)	(91,518)	(74,467)	(63,665)	(59,608)
Interest Income	2,639	2,046	1,894	1,582	1,291	1,423
Earnings from Equity Interest	0	0	0	0	0	0
Other Income, Net	5,271	(7,539)	(8,673)	98,867	78,602	(3,957)
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(77,830)	(89,728)	(98,297)	25,982	9,176	(62,142)
Income Before Taxes	25,460	29,033	(13,836)	28,648	60,374	60,730
Income Taxes	3,734	3,524	1,447	(402)	0	0
Minority Interest	462	500	92	500	871	771
Income From Continuing Operations	21,264	25,009	(15,375)	28,550	59,503	59,959
Income From Discontinued Operations	0	0	104,189	0	0	0
Income From Total Operations	21,264	25,009	88,814	28,550	59,503	59,959
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	(2,754)	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$21,264**	**$25,009**	**$88,814**	**$28,550**	**$56,749**	**$59,959**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	42,451	42,451	52,814	41,380	195,113	37,516
Per Share Data						
Basic Weighted Shares	62,239	60,460	53,945	41,419	36,301	36,022
Basic EPS from Continuing Operations	$0.26	$0.41	($0.41)	$0.49	$1.33	$1.34
Basic EPS from Total Operations	$0.26	$0.41	$1.50	$0.49	$1.25	$1.34
Diluted Weighted Shares	62,239	60,460	53,945	41,419	36,301	36,022
Diluted EPS from Continuing Operations	$0.26	$0.41	($0.41)	$0.49	$1.33	$1.34
Diluted EPS from Total Operations	$0.26	$0.41	$1.50	$0.49	$1.25	$1.34
Dividends Paid Per Share	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00
Year-Over-Year Growth Rates						
Operating Revenue	-0.5%	8.1%	37.8%	12.1%	9.8%	NA
Operating Income	-13.0%	40.6%	3068.1%	-94.8%	-58.3%	NA
EBITDA	-7.3%	20.7%	182.2%	-35.0%	-44.2%	NA
Total Net Income	-15.0%	-71.8%	211.1%	-49.7%	-5.4%	NA
Profit Margins						
Gross Profit	35.2%	35.0%	35.0%	35.1%	39.2%	48.5%
Operating Income	5.5%	6.3%	4.8%	0.2%	4.5%	11.9%
EBITDA	10.0%	10.7%	9.6%	4.7%	8.1%	15.9%
Total Net Income	1.1%	1.3%	5.1%	2.2%	5.0%	5.8%

Company Name: **FERRELLGAS PARTNERS L.P.**

Annual Ratio Analysis

	MRQ 2006/10	For the year ended: 2006/07	2005/07	2004/07	2003/07	2002/07
Profitability Ratios:						
Gross Profit Margin (%)	35.2	35.0	35.1	35.1	39.2	48.5
Pre-Tax Profit Margin (%)	1.3	1.5	(0.8)	2.2	5.3	5.9
Net Profit Margin (%)	1.1	1.1	5.1	2.2	5.2	5.8
Management Effectiveness Ratios:						
Return on Equity (%)	8.7	9.4	26.6	14.1	2,038.5	283.3
Return on Invested Capital (%)	1.7	2.0	6.9	2.1	6.7	8.3
Return on Assets (%)	1.3	1.6	5.9	1.8	5.6	6.8
Efficiency Ratios:						
Inventory Turnover	7.3	9.8	11.3	9.6	11.8	9.4
Receivables Turnover	15.9	16.9	15.8	14.9	17.3	15.8
Receivables Per Day Sales	22.0	22.1	22.1	32.3	18.0	25.8
Asset Turnover	1.2	1.2	1.1	1.0	1.2	1.2
Revenue Per Dollar of Cash	$78.72	$114.70	$85.55	$82.53	$101.88	$52.31
Revenue Per Dollar of Plant (Net)	$2.55	$2.56	$2.29	$1.61	$1.66	$2.04
Revenue Per Dollar of Common Equity	$7.69	$7.13	$5.26	$6.30	$389.30	$48.90
Revenue Per Dollar of Invested Capital	$1.53	$1.52	$1.37	$0.94	$1.28	$1.43
Revenue Per Dollar of Receivables	$16.33	$16.29	$16.28	$11.15	$20.03	$13.93
Revenue Per Dollar of Inventory	$10.92	$12.26	$17.95	$12.29	$16.45	$21.54
Revenue to Assets	$1.20	$1.20	$1.20	$0.80	$1.10	$1.20
Liquidity Ratios:						
Quick Ratio	0.4	0.5	0.6	0.7	0.5	0.7
Current Ratio	1.0	1.1	1.2	1.2	1.0	1.1
Valuation Ratios:						
Price to Revenue Ratio	0.8	0.7	0.8	0.8	0.8	0.7
Price to Book Value	5.8	5.2	4.0	4.8	287.9	32.0
Price to Tangible Book Value	(5.3)	(6.0)	(8.5)	(3.0)	(4.0)	(3.4)
Price to Cash Flow Ratio	13.2	12.4	7.6	11.4	8.7	6.7
Price to Free Cash Flow Ratio	(14.8)	(14.7)	(13.4)	(2.2)	(4.6)	27.4
Close Price to Earnings Ratio	86.6	54.9	14.7	40.9	17.3	14.1
High Price to Earnings Ratio	91.0	54.9	14.8	52.7	18.2	15.4
Low Price to Earnings Ratio	77.6	49.2	12.9	39.4	14.2	10.6
Leverage Ratios:						
Long Term Debt to Equity Ratio	4.0	3.7	2.8	5.7	304.3	33.3
LT Debt as a % of Invested Capital	80.1	78.7	74.0	85.1	99.7	97.1
LT Debt as a % of Total Liabilities	72.7	76.6	80.7	83.8	83.9	81.5
Total Liabilities as a % of Total Assets	84.7	82.8	77.9	87.2	99.7	97.6
Coverage Ratios:						
Interest Coverage From Continuing Ops.	1.3	1.3	0.8	1.4	1.9	2.0
Interest as a % of Invested Capital	7.0	6.7	7.1	5.5	7.1	8.2
Per Share Ratios:						
Current Assets Per Share	$5.31	$4.97	$3.97	$4.99	$3.86	$4.24
Total Assets Per Share	$25.45	$25.45	$25.09	$32.36	$28.17	$24.53
Long Term Debt Per Share	$15.66	$16.15	$15.78	$23.65	$23.58	$19.51
Current Liabilities Per Share	$5.49	$4.53	$3.33	$4.04	$3.96	$3.97
Cash Per Share	$0.38	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$30.01	$31.13	$29.17	$26.11	$30.16	$28.68
Book Value Per Share	$3.90	$4.36	$5.55	$4.14	$0.08	$0.59
Tangible Book Value Per Share	($4.22)	($3.76)	($2.59)	($6.66)	($5.82)	($5.58)
Working Capital Per Share	($0.18)	$0.45	$0.65	$0.95	($0.10)	$0.26
Cash Flow Per Share	$1.70	$1.81	$2.88	$1.76	$2.66	$2.82
Free Cash Flow Per Share	($1.52)	($1.53)	($1.64)	($9.07)	($5.00)	$0.69

Company Name: **STAR GAS PARTNERS LP SBI**

Historical Balance Sheet

In Thousands (Except Per Share Data)	MRQ 2006/12	For the year ended: 2006/09	2005/09	2004/09	2003/09	2002/09
Cash and Equivalents	$69,736	$91,121	$99,148	$16,058	$10,111	$61,481
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	136,064	87,393	89,703	103,432	105,639	83,452
Inventories	76,139	75,859	52,461	47,624	42,391	39,453
Prepaid Expenses	35,472	37,741	70,120	67,057	52,968	37,815
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	8,839	3,766	0	0	0	0
Total Current Assets	**326,250**	**295,880**	**311,432**	**234,171**	**211,109**	**222,201**
Gross Fixed Assets	123,379	122,502	120,844	384,239	375,095	331,162
Accumulated Depreciation & Depletion	82,028	80,125	70,822	136,715	112,794	89,270
Net Fixed Assets	41,351	42,377	50,022	247,524	262,301	241,892
Intangibles	55,875	61,007	248,867	456,376	480,641	473,001
Cost in Excess	166,522	166,522	0	0	0	0
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	14,288	15,422	18,940	22,905	21,559	6,672
Total Non-Current Assets	**278,036**	**285,328**	**317,829**	**726,805**	**764,501**	**721,565**
Total Assets	**$604,286**	**$581,208**	**$629,261**	**$960,976**	**$975,610**	**$943,766**
Accounts Payable	$23,655	$21,544	$19,780	$35,940	$31,026	$20,360
Notes Payable	0	0	0	0	0	0
Short Term Debt	96	96	7,358	32,418	34,847	98,308
Accrued Expenses	69,657	62,651	56,580	73,168	83,197	69,444
Accrued Liabilities	0	0	0	0	0	0
Deferred Revenues	43,567	36,634	36,602	36,768	32,036	30,549
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	90,132	87,653	65,287	84,162	77,558	70,583
Total Current Liabilities	**227,107**	**208,578**	**185,607**	**262,456**	**258,664**	**289,244**
Long Term Debt	174,005	174,056	287,417	503,668	499,341	396,733
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Liabilities	25,133	25,249	11,129	25,081	27,829	25,523
Minority Interest	0	0	0	0	0	0
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**199,138**	**199,305**	**298,546**	**528,749**	**527,170**	**422,256**
Total Liabilities	**426,245**	**407,883**	**484,153**	**791,205**	**785,834**	**711,500**
Preferred Stock Equity	0	0	0	0	0	0
Common Par	199,514	194,818	144,312	167,367	210,636	243,091
Additional Paid In Capital	0	0	0	0	0	0
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	0	0	0	12,874	(17,721)	(10,827)
Treasury Stock	0	0	0	0	0	0
Other Equity Adjustments	(21,473)	(21,493)	796	(10,470)	(3,139)	0
Total Equity	**178,041**	**173,325**	**145,108**	**169,771**	**189,776**	**232,264**
Total Liabilities & Stock Equity	**$604,286**	**$581,208**	**$629,261**	**$960,976**	**$975,610**	**$943,764**

Company Name: **STAR GAS PARTNERS LP SBI**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/12	For the year ended: 2006/09	2005/09	2004/09	2003/09	2002/09
Operating Revenue	**$1,212,376**	**$1,296,512**	**$1,259,478**	**$1,453,937**	**$1,463,748**	**$1,025,058**
Adjustments to Revenue	0	0	0	0	0	0
Cost of Revenue	951,952	1,014,908	983,779	996,053	1,010,347	661,978
Gross Profit	260,424	281,604	275,699	457,884	453,401	363,080
Operating Expenses:						
Selling, General & Administrative	212,101	226,710	274,999	355,715	351,634	277,707
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	31,301	32,415	35,480	57,343	53,160	59,049
Amortization	2,377	2,438	2,540	3,646	2,232	1,447
Total Operating Expenses	245,779	261,563	313,019	416,704	407,026	338,203
Operating Income	**14,645**	**20,041**	**(37,320)**	**41,180**	**46,375**	**24,877**
Plus: Depreciation & Amortization	33,679	34,853	38,020	60,989	55,392	60,496
EBITDA	**48,324**	**54,894**	**700**	**102,169**	**101,767**	**85,373**
Other Income (Expense):						
Special Income/Charges	0	0	(109,082)	0	(181)	0
Interest Expense	(23,856)	(26,288)	(36,152)	(49,362)	(44,449)	(37,502)
Interest Income	6,021	5,085	4,314	3,459	3,868	0
Earnings from Equity Interest	0	0	0	0	0	0
Other Income, Net	(58,595)	(52,280)	0	0	0	0
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(76,430)	(73,483)	(140,920)	(45,903)	(40,762)	(37,502)
Income Before Taxes	(61,785)	(53,442)	(178,240)	(4,723)	5,613	(12,625)
Income Taxes	292	477	696	1,525	1,500	(1,456)
Minority Interest	0	0	0	0	0	0
Income From Continuing Operations	(62,077)	(53,919)	(178,936)	(6,248)	4,113	(11,169)
Income From Discontinued Operations	0	0	153,008	923	0	0
Income From Total Operations	(62,077)	(53,919)	(25,928)	(5,325)	4,113	(11,169)
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	(344)	0	0	(3,901)	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	(538)	0	0
Total Net Income	**($62,077)**	**($54,263)**	**($25,928)**	**($5,863)**	**$212**	**($11,169)**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	5,433	5,433	3,153	9,424	18,473	15,070
Per Share Data						
Basic Weighted Shares	75,774	52,944	35,821	35,205	32,659	28,790
Basic EPS from Continuing Operations	$0.25	($0.01)	($4.95)	($0.18)	$0.01	($0.38)
Basic EPS from Total Operations	$0.25	($0.02)	($0.72)	($0.18)	$0.01	($0.38)
Diluted Weighted Shares	75,774	52,944	35,821	35,205	32,767	28,790
Diluted EPS from Continuing Operations	$0.25	($0.01)	($4.95)	($0.16)	$0.01	($0.38)
Diluted EPS from Total Operations	$0.25	($0.02)	($0.72)	($0.16)	$0.01	($0.38)
Dividends Paid Per Share	$0.00	$0.00	$0.00	$2.30	$2.30	$2.30
Year-Over-Year Growth Rates						
Operating Revenue	-6.5%	2.9%	-13.4%	-0.7%	42.8%	NA
Operating Income	-26.9%	-153.7%	-190.6%	-11.2%	86.4%	NA
EBITDA	-12.0%	7742.0%	-99.3%	0.4%	19.2%	NA
Total Net Income	14.4%	109.3%	342.2%	-2865.6%	-101.9%	NA
Profit Margins						
Gross Profit	21.5%	21.7%	21.9%	31.5%	31.0%	35.4%
Operating Income	1.2%	1.5%	-3.0%	2.8%	3.2%	2.4%
EBITDA	4.0%	4.2%	0.1%	7.0%	7.0%	8.3%
Total Net Income	-5.1%	-4.2%	-2.1%	-0.4%	0.0%	-1.1%

Company Name: **STAR GAS PARTNERS LP SBI**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/12	**2006/09**	**2005/09**	**2004/09**	**2003/09**	**2002/09**
Profitability Ratios:						
Gross Profit Margin (%)	21.5	21.7	21.9	31.5	31.0	35.4
Pre-Tax Profit Margin (%)	(5.1)	(4.1)	(14.2)	(0.3)	0.4	(1.2)
Net Profit Margin (%)	(5.1)	(5.1)	(2.1)	(0.4)	0.3	(1.1)
Management Effectiveness Ratios:						
Return on Equity (%)	NE	NE	NE	NE	2.2	NE
Return on Invested Capital (%)	(17.6)	(15.5)	(6.3)	(0.8)	0.6	(1.8)
Return on Assets (%)	(10.3)	(9.3)	(4.1)	(0.6)	0.4	(1.2)
Efficiency Ratios:						
Inventory Turnover	13.4	15.8	19.7	22.1	24.7	16.4
Receivables Turnover	7.6	14.6	13.0	13.9	15.5	10.9
Receivables Per Day Sales	40.4	24.3	25.6	25.6	26.0	29.3
Asset Turnover	2.0	2.1	1.6	1.5	1.5	1.1
Revenue Per Dollar of Cash	$17.39	$14.23	$12.70	$90.54	$144.77	$16.67
Revenue Per Dollar of Plant (Net)	$29.32	$30.59	$25.18	$5.87	$5.58	$4.24
Revenue Per Dollar of Common Equity	$6.81	$7.48	$8.68	$8.56	$7.71	$4.41
Revenue Per Dollar of Invested Capital	$3.44	$3.73	$3.05	$2.16	$2.12	$1.63
Revenue Per Dollar of Receivables	$8.91	$14.84	$14.04	$14.06	$13.86	$12.28
Revenue Per Dollar of Inventory	$15.92	$17.09	$24.01	$30.53	$34.53	$25.98
Revenue to Assets	$2.00	$2.20	$2.00	$1.50	$1.50	$1.10
Liquidity Ratios:						
Quick Ratio	0.9	0.9	1.0	0.5	0.4	0.5
Current Ratio	1.4	1.4	1.7	0.9	0.8	0.8
Valuation Ratios:						
Price to Revenue Ratio	0.2	0.2	0.1	0.5	0.5	0.5
Price to Book Value	1.5	1.1	0.6	4.2	3.6	2.1
Price to Tangible Book Value	(6.0)	(3.5)	(0.8)	(2.5)	(2.3)	(2.0)
Price to Cash Flow Ratio	(9.5)	(10.0)	6.5	12.7	11.3	9.7
Price to Free Cash Flow Ratio	(12.1)	14.6	(1.1)	(17.3)	(5.7)	442.8
Close Price to Earnings Ratio	14.1	NE	NE	NE	NM	NE
High Price to Earnings Ratio	15.4	NE	NE	NE	NM	NE
Low Price to Earnings Ratio	7.3	NE	NE	NE	NM	NE
Leverage Ratios:						
Long Term Debt to Equity Ratio	1.0	1.0	1.8	3.0	2.6	1.7
LT Debt as a % of Invested Capital	49.4	50.1	64.8	74.8	72.5	63.1
LT Debt as a % of Total Liabilities	40.8	42.7	55.2	63.7	63.5	55.8
Total Liabilities as a % of Total Assets	70.5	70.2	76.9	82.3	80.5	75.4
Coverage Ratios:						
Interest Coverage From Continuing Ops.	NC	NC	NC	0.9	1.1	0.7
Interest as a % of Invested Capital	6.8	7.6	8.8	7.3	6.5	6.0
Per Share Ratios:						
Current Assets Per Share	$4.31	$3.90	$9.68	$7.28	$6.88	$8.19
Total Assets Per Share	$7.97	$7.67	$19.56	$29.88	$31.81	$34.79
Long Term Debt Per Share	$2.30	$2.30	$8.31	$15.66	$16.28	$14.62
Current Liabilities Per Share	$3.00	$2.75	$5.77	$8.16	$8.43	$10.66
Cash Per Share	$0.92	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$16.00	$17.11	$39.16	$45.20	$47.72	$37.78
Book Value Per Share	$2.35	$2.29	$4.51	$5.28	$6.19	$8.56
Tangible Book Value Per Share	($0.59)	($0.72)	($3.23)	($8.91)	($9.48)	($8.87)
Working Capital Per Share	$1.31	$1.15	$3.91	($0.88)	($1.55)	($2.47)
Cash Flow Per Share	($0.37)	($0.25)	$0.38	$1.73	$1.94	$1.82
Free Cash Flow Per Share	($0.29)	$0.17	($2.16)	($1.27)	($3.86)	$0.04

Company Name: **SUBURBAN PROPANE PARTNR**

Historical Balance Sheet

In Thousands (Except Per Share Data)	MRQ 2006/12	For the year ended: 2006/09	2005/09	2004/09	2003/09	2002/09
Cash and Equivalents	$26,378	$60,571	$14,411	$53,481	$15,765	$40,955
Restricted Cash	0	0	0	0	0	0
Marketable Securities	0	0	0	0	0	0
Receivables	127,788	78,547	109,918	91,000	36,437	33,002
Inventories	89,389	79,418	80,565	65,119	41,510	36,367
Prepaid Expenses	33,252	16,815	31,909	43,294	5,200	6,465
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Assets	0	0	0	0	0	0
Total Current Assets	**276,807**	**235,351**	**236,803**	**252,894**	**98,912**	**116,789**
Gross Fixed Assets	715,308	716,214	703,989	689,610	568,055	568,291
Accumulated Depreciation & Depletion	325,831	325,831	304,004	282,908	255,265	237,282
Net Fixed Assets	389,477	390,383	399,985	406,702	312,790	331,009
Intangibles	19,949	18,098	302,044	307,597	244,271	1,474
Cost in Excess	281,359	281,359	0	0	0	243,260
Non-Current Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Assets	29,572	28,695	26,765	24,814	9,657	7,614
Total Non-Current Assets	**720,357**	**718,535**	**728,794**	**739,113**	**566,718**	**583,357**
Total Assets	**$997,164**	**$953,886**	**$965,597**	**$992,007**	**$665,630**	**$700,146**
Accounts Payable	$80,649	$57,372	$63,569	$60,664	$26,204	$27,412
Notes Payable	0	0	0	0	0	0
Short Term Debt	0	0	27,225	42,940	42,911	88,939
Accrued Expenses	0	0	0	0	0	0
Accrued Liabilities	41,474	51,241	42,771	47,943	36,065	38,766
Deferred Revenues	0	0	0	0	0	0
Current Deferred Income Taxes	0	0	0	0	0	0
Other Current Liabilities	76,315	84,003	88,647	93,417	32,533	32,428
Total Current Liabilities	**198,438**	**192,616**	**222,212**	**244,964**	**137,713**	**187,545**
Long Term Debt	548,362	548,304	548,070	472,975	340,915	383,830
Capital Lease Obligations	0	0	0	0	0	0
Deferred Income Taxes	0	0	0	0	0	0
Other Non-Current Liabilities	115,352	112,265	119,199	105,950	102,924	109,485
Minority Interest	0	0	0	0	0	0
Preferred Securities of Subsidiary Trust	0	0	0	0	0	0
Preferred Equity Outside Stock Equity	0	0	0	0	0	0
Total Non-Current Liabilities	**663,714**	**660,569**	**667,269**	**578,925**	**443,839**	**493,315**
Total Liabilities	**862,152**	**853,185**	**889,481**	**823,889**	**581,552**	**680,860**
Preferred Stock Equity	0	0	0	0	0	0
Common Par	0	0	159,199	239,732	165,950	105,604
Additional Paid In Capital	202,496	170,151	0	0	0	0
Cumulative Translation Adjustment	0	0	0	0	0	0
Retained Earnings	0	0	0	0	0	0
Treasury Stock	0	0	0	0	0	0
Other Equity Adjustments	(67,484)	(69,450)	(83,083)	(71,614)	(81,872)	(86,318)
Total Equity	**135,012**	**100,701**	**76,116**	**168,118**	**84,078**	**19,286**
Total Liabilities & Stock Equity	**$997,164**	**$953,886**	**$965,597**	**$992,007**	**$665,630**	**$700,146**

Company Name: **SUBURBAN PROPANE PARTNR**

Annual Income Statement

In Thousands (Except Per Share Data)	TTM 2006/12	For the year ended: 2006/09	2005/09	2004/09	2003/09	2002/09
Operating Revenue	**$1,578,099**	**$1,666,575**	**$1,620,234**	**$1,307,254**	**$771,679**	**$570,280**
Adjustments to Revenue	0	0	0	0	0	0
Cost of Revenue	1,425,202	1,526,372	1,463,483	779,029	376,783	523,195
Gross Profit	152,897	140,203	156,751	528,225	394,896	47,085
Operating Expenses:						
Selling, General & Administrative	(37,457)	(36,143)	47,191	418,761	287,359	30,771
Research & Development	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Depreciation	32,076	33,151	37,762	36,743	27,520	29,693
Amortization	0	0	0	0	0	0
Total Operating Expenses	(5,381)	(2,992)	84,953	455,504	314,879	60,464
Operating Income	**158,278**	**143,195**	**71,798**	**72,721**	**80,017**	**(13,379)**
Plus: Depreciation & Amortization	33,020	34,709	41,199	39,335	29,674	30,678
EBITDA	**191,298**	**177,904**	**112,997**	**112,056**	**109,691**	**17,299**
Other Income (Expense):						
Special Income/Charges	(6,461)	(6,076)	(39,673)	(2,942)	0	6,768
Interest Expense	(39,959)	(41,310)	(40,684)	(41,261)	(33,963)	(33,987)
Interest Income	630	630	310	429	334	0
Earnings from Equity Interest	0	0	0	0	0	0
Other Income, Net	(4,935)	(4,935)	0	0	0	94,825
Preferred Securities of Sub. Trust	0	0	0	0	0	0
Total Other Income (Expense)	(50,725)	(51,691)	(80,047)	(43,774)	(33,629)	67,606
Income Before Taxes	107,553	91,504	(8,249)	28,947	46,388	54,227
Income Taxes	1,376	764	803	3	202	703
Minority Interest	0	0	0	0	0	0
Income From Continuing Operations	106,177	90,740	(9,052)	28,944	46,186	53,524
Income From Discontinued Operations	0	0	976	25,360	2,483	0
Income From Total Operations	106,177	90,740	(8,076)	54,304	48,669	53,524
Extraordinary Income (Losses)	0	0	0	0	0	0
Cumulative Effect of Accounting Change	0	0	0	0	0	0
Income from Tax Loss Carryforward	0	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0	0
Total Net Income	**$106,177**	**$90,740**	**($8,076)**	**$54,304**	**$48,669**	**$53,524**
Preferred Dividends	0	0	0	0	0	0
Capital Expenditures	23,057	29,301	29,301	26,527	14,050	17,464
Per Share Data						
Basic Weighted Shares	32,193	30,310	30,276	29,599	25,359	24,631
Basic EPS from Continuing Operations	$3.25	$2.73	($0.29)	$0.96	$1.78	$2.12
Basic EPS from Total Operations	$3.28	$2.73	($0.26)	$1.79	$1.87	$2.12
Diluted Weighted Shares	32,376	30,453	30,276	29,705	25,495	24,665
Diluted EPS from Continuing Operations	$3.24	$2.72	($0.29)	$0.96	$1.77	$2.12
Diluted EPS from Total Operations	$3.27	$2.72	($0.26)	$1.78	$1.86	$2.12
Dividends Paid Per Share	$2.52	$2.47	$2.45	$2.39	$2.31	$2.26
Year-Over-Year Growth Rates						
Operating Revenue	-5.3%	2.9%	23.9%	69.4%	35.3%	NA
Operating Income	10.5%	99.4%	-1.3%	-9.1%	-698.1%	NA
EBITDA	7.5%	57.4%	0.8%	2.2%	534.1%	NA
Total Net Income	17.0%	-1223.6%	-114.9%	11.6%	-9.1%	NA
Profit Margins						
Gross Profit	9.7%	8.4%	9.7%	40.4%	51.2%	8.3%
Operating Income	10.0%	8.6%	4.4%	5.6%	10.4%	-2.3%
EBITDA	12.1%	10.7%	7.0%	8.6%	14.2%	3.0%
Total Net Income	6.7%	5.4%	-0.5%	4.2%	6.3%	9.4%

Company Name: **SUBURBAN PROPANE PARTNR**

Annual Ratio Analysis

	MRQ	For the year ended:				
	2006/12	**2006/09**	**2005/09**	**2004/09**	**2003/09**	**2002/09**
Profitability Ratios:						
Gross Profit Margin (%)	9.7	14.2	9.9	40.6	51.5	8.4
Pre-Tax Profit Margin (%)	6.8	5.5	(0.5)	2.2	6.0	9.5
Net Profit Margin (%)	6.7	6.7	(0.5)	4.2	6.3	9.4
Management Effectiveness Ratios:						
Return on Equity (%)	78.6	90.1	NE	32.3	57.9	277.5
Return on Invested Capital (%)	15.5	14.0	(1.3)	8.5	11.5	13.3
Return on Assets (%)	10.6	9.5	(0.8)	5.5	7.3	7.6
Efficiency Ratios:						
Inventory Turnover	15.4	17.8	20.0	14.6	9.6	13.3
Receivables Turnover	10.1	17.6	16.1	20.5	22.2	15.1
Receivables Per Day Sales	29.2	17.0	24.4	25.1	17.0	20.8
Asset Turnover	1.5	1.7	1.7	1.6	1.1	0.8
Revenue Per Dollar of Cash	$59.83	$27.43	$112.43	$24.44	$48.95	$13.92
Revenue Per Dollar of Plant (Net)	$4.05	$4.26	$4.05	$3.21	$2.47	$1.72
Revenue Per Dollar of Common Equity	$11.69	$16.50	$21.29	$7.78	$9.18	$29.57
Revenue Per Dollar of Invested Capital	$2.31	$2.56	$2.60	$2.04	$1.82	$1.41
Revenue Per Dollar of Receivables	$12.35	$21.15	$14.74	$14.37	$21.18	$17.28
Revenue Per Dollar of Inventory	$17.65	$20.92	$20.11	$20.07	$18.59	$15.68
Revenue to Assets	$1.60	$1.70	$1.70	$1.30	$1.20	$0.80
Liquidity Ratios:						
Quick Ratio	0.8	0.7	0.6	0.6	0.4	0.4
Current Ratio	1.4	1.2	1.1	1.0	0.7	0.6
Valuation Ratios:						
Price to Revenue Ratio	0.8	0.6	0.5	0.8	1.1	1.2
Price to Book Value	9.2	10.2	11.4	6.2	9.8	34.4
Price to Tangible Book Value	(7.5)	(5.2)	(3.9)	(7.5)	(5.1)	(2.9)
Price to Cash Flow Ratio	8.9	8.2	26.3	11.2	10.5	7.8
Price to Free Cash Flow Ratio	(34.9)	14.7	(13.0)	(4.8)	(48.6)	(116.5)
Close Price to Earnings Ratio	11.6	11.9	NE	19.4	16.2	12.6
High Price to Earnings Ratio	12.0	12.7	NE	19.9	16.6	13.4
Low Price to Earnings Ratio	8.0	8.3	NE	15.5	13.2	9.4
Leverage Ratios:						
Long Term Debt to Equity Ratio	4.1	5.4	7.2	2.8	4.1	19.9
LT Debt as a % of Invested Capital	80.2	84.5	87.8	73.8	80.2	95.2
LT Debt as a % of Total Liabilities	63.6	64.3	61.6	57.4	58.6	56.4
Total Liabilities as a % of Total Assets	86.5	89.4	92.1	83.1	87.4	97.2
Coverage Ratios:						
Interest Coverage From Continuing Ops.	3.7	3.2	0.8	1.7	2.4	2.6
Interest as a % of Invested Capital	5.8	6.4	6.5	6.4	8.0	8.4
Per Share Ratios:						
Current Assets Per Share	$8.47	$7.76	$7.82	$8.36	$3.63	$4.74
Total Assets Per Share	$30.52	$31.47	$31.89	$32.79	$24.42	$28.43
Long Term Debt Per Share	$16.78	$18.09	$18.10	$15.63	$12.51	$15.58
Current Liabilities Per Share	$6.07	$6.35	$7.34	$8.10	$5.05	$7.61
Cash Per Share	$0.81	N/A	N/A	N/A	N/A	N/A
Revenue Per Share	$48.30	$54.81	$53.51	$43.21	$28.31	$23.15
Book Value Per Share	$4.13	$3.32	$2.51	$5.56	$3.08	$0.78
Tangible Book Value Per Share	($5.09)	($6.56)	($7.46)	($4.61)	($5.88)	($9.15)
Working Capital Per Share	$2.40	$1.41	$0.48	$0.26	($1.42)	($2.87)
Cash Flow Per Share	$4.26	$4.14	$1.09	$3.09	$2.87	$3.42
Free Cash Flow Per Share	($1.09)	$2.29	($2.21)	($7.18)	($0.62)	($0.23)

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RE Update.msg	32 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
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Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
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Thursday, Apr 10, 2008 10:08 AM

Clara Leider

From: Cox Doreen
Sent: Wednesday, January 17, 2007 1:54 PM
To: 'Sprouse,Kevin E'
Cc: Bachman George
Subject: Updated NPV Analysis
Attachments: Edward Jones 5.9 Coupon.xls

Kevin
Attached is the updated worksheet using the Coupon Rate of 5.9% and Bond Insurance of 0.15%.
Regards
Doreen

Florida Public Utilities

$15mm 6.850% due 10/01/31

Refunding Savings Analysis

Refunding Comparison

Florida Public Utilities	Current Bonds	Refunding Bonds	Difference
Principal	$15,000,000	$15,000,000	
Maturity	10/1/2031	12/15/2036	5.2 yr
Coupon	**6.85%**	**5.90%**	**-0.95%**
Annual Interest Expense	$1,027,500	$885,000	-$142,500
U/W Fee		3.15%	
PV Bond Insurance	n/a	0.15%	
All-In Cost	**6.85%**	**6.43%**	**-0.42%**
NPV Savings through Initial Maturity			**$762,252**

Highlights

? **The average coupon is reduced by .95% resulting in annual savings of $142,500 and NPV savings of $0.76 million.**

? **The all-in cost of debt is reduced by 0.42%.**

? **This structure retains short-term, par call flexibility (no call 5 yrs)**

? **The refunding bonds include an estate feature limited annually to $25,000 per holder and to 1.0% of the original principal amount in the aggregate.**

FLORIDA PUBLIC UTILITIES

Edward **Jones**

Florida Public Utilities Savings Analysis

Detailed

Series	Florida Public Utilities 6.85% due 10/1/2031
Savings Analysis	
Annual Interest Savings	$142,500
Annual Financing Cost of Expenses	(80,182)
Annual Savings	62,318
NPV Savings	**$762,252**
Expenses	
Call Premium	150,000
Underwriting fee	472,500
Bond Insurance	331,419
Other Expenses	100,000
Total	**$1,053,919**
Annual Financing Cost of Expenses	$80,182
Current Bonds	
Principal	$15,000,000
Current Coupon Rate	6.85%
Issue Date	09/27/01
Maturity Date	10/01/31
Original issue maturity (years)	30.0
Remaining Life (years)	24.8
All-in Cost	6.85%
Call Date	12/18/2006
Call Premium	101.00%
Refunding Bonds	
Principal	$15,000,000
New Coupon Rate	5.900%
Underwriting fee upfront	3.15%
PV Bond Insurance per annum	0.15%
Issue Date	1/1/2007
Maturity date	12/15/2036
Maturity (years)	30.0
New Call Date	12/31/2011
All-in Cost (Discount Rate)	**6.43%**

* Other Expenses include legal, rating and auditor fees.

** Expenses are financed at a rate of 6.43% and amortized for 30.0 years

FLORIDA PUBLIC UTILITIES

Edward **Jones**

Refunding Bond Analysis
Edward Jones Assumptions
Dec-06

Pg. 1 of 2

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
ORIGINAL BOND																		
Interest	2		(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)
NPV		**($12,650,126)**																
Coupon Rate		6.85%																

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
REFUNDING BOND																		
Other Expenses	1 2		(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)
Interest	2		(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)
Total Outflows		-	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)
NPV		**($11,882,894)**																
Coupon Rate		5.90%																
UF Underwriting Fee		3.15%																
Bond Insurance		0.15%																

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
SAVINGS		-	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318
		$767,233																
Discount Rate	3	6.40%																

Assumptions:

1 Call Premium, Bond Insurance, Underdwriting Fee and Other Expenses financed over 30 years
2 Expenses not tax effected
3 Discount Rate of 6.4%

2023	2024	2025	2026	2027	2028	2029	2030	2031
(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)

2023	2024	2025	2026	2027	2028	2029	2030	2031
(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)	(80,182)
(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)
(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)	(965,182)

62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318	62,318

Pg. 1 of 2

Refunding Bond Analysis
FPU's Analysis
Dec-06

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ORIGINAL BOND		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Interest tax effected	2		(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)
NPV		**($8,193,550)**																	
Coupon Rate		6.85%																	
REFUNDING BOND		**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Call Premium	1	(150,000)																	
Underwriting Fee and tax ddn	1 2	(472,500)	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925
Bond Insurance tax effected	2		(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)
Other Expenses and tax ddn	1 2	(100,000)	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254
Interest tax effected	2		(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)
Total Outflows		(722,500)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)
NPV		**($7,867,365)**																	
Coupon Rate		5.90%																	
UF Underwriting Fee		3.15%																	
Bond Insurance		0.15%																	
SAVINGS		**(722,500)**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**
		$326,185																	
Discount Rate	3	6.00%																	

Assumptions:

1 Call Premium, Underdwriting Fee and Other Expenses eg. Legal Paid Up-front
2 All expenses except Call Premium are Tax Deductible
3 Discount Rate of 6%

2024	2025	2026	2027	2028	2029	2030	2031
(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)	(640,955)

2024	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
5,925	5,925	5,925	5,925	5,925	5,925	5,925	5,925
(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)	(14,036)
1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254
(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)	(552,063)
(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)	(558,919)

82,035	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**	**82,035**

Pg. 1 of 2

Refunding Bond Analysis
FPU's Analysis
Dec-06

ORIGINAL BOND		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Interest	2		(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)
NPV		**($12,650,126)**																
Coupon Rate		6.85%																

REFUNDING BOND		**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Call Premium	1	(150,000)																
Underwriting Fee	1 2	(472,500)																
Bond Insurance	2		(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)
Other Expenses	1 2	(100,000)																
Interest	2		(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)
Total Outflows		(722,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)
NPV		**($11,895,239)**																
Coupon Rate		5.90%																
UF Underwriting Fee		3.15%																
Bond Insurance		0.15%																

SAVINGS		**(722,500)**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**
		$754,887																
Discount Rate	3	6.40%																

Assumptions:

1 Call Premium, Underdwriting Fee and Other Expenses eg. Legal Paid Up-front
2 No tax effect
3 Discount Rate of 6.4%

Pg. 2 of 2

2023	2024	2025	2026	2027	2028	2029	2030	2031
(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)	(1,027,500)

2023	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)
(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)	(885,000)
(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)	(907,500)

120,000	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**	**120,000**

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Untitled (45).msg	303 KB	Outlook Item	10/16/2007 2:25 PM	Files Currently on the CD
Untitled (66).msg	303 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled (85).msg	230 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
Untitled.msg	198 KB	Outlook Item	10/16/2007 1:33 PM	Files Currently on the CD
Update 2 Schedule.msg	37 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update on cost of capital.msg	30 KB	Outlook Item	10/16/2007 1:35 PM	Files Currently on the CD
Update On Schedule D-2.msg	30 KB	Outlook Item	10/16/2007 2:24 PM	Files Currently on the CD
Update.msg	33 KB	Outlook Item	10/16/2007 1:36 PM	Files Currently on the CD
updated cash capital expenditure forecast.msg	22 KB	Outlook Item	10/16/2007 2:27 PM	Files Currently on the CD
Updated FPU Draft Report.msg	914 KB	Outlook Item	10/16/2007 1:16 PM	Files Currently on the CD
Updated NPV Analysis.msg	163 KB	Outlook Item	10/16/2007 2:28 PM	Files Currently on the CD
Wellington Woods.msg	1,003 KB	Outlook Item	10/16/2007 1:37 PM	Files Currently on the CD

start · Inbox - ... · Case Ma... · Case Ma... · Case Ma... · D:\Exhi... · Links · Desktop · 10:15 AM

Thursday, Apr 10, 2008 10:15 AM

Clara Leider

From: Kitner Don
Sent: Tuesday, February 06, 2007 2:29 PM
To: Cox Doreen; Dysard Heidi; Seagrave Marc
Subject: Wellington Woods
Attachments: Wellington Woods Services.xls; BUILDER AGRMT - MORRISON.DOC; Copy of REGULATED 15 YEAR.xls; DEVELOPER AGREEMENT - EARLEY.DOC; NGS_10_2003_W_NEW_LOWER THERMS.xls; Wellington Woods Main 1.25in PE.xls; Wellington Woods Main 2in PE.xls; Summary.doc

Marc,
We need to have this in the builder's hands by Friday or they have stated they will go all electric. Sorry for the short timeframe but we just received an email stating they are ahead of schedule on this project.

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL
140 Minimum Services — Prep. by: Scribben — Date: 04/10/08 — Sheet No.
3/4" CTS. PE Serv. to Serve: — C:\Documents and Settings\CLEIDER\Local Setting:
Wellington Woods
Orange Camp Road, Deland

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
3/4" PE Service Line:									
3/4" PE Pipe	7,000	LF.	$0.15		1050.00				$1,050.00
3/4" PE Tap Tee	140	EA.	$7.00		980.00				$980.00
3/4" Tap Tee (Stl.)	0	EA.	$20.00		0.00				$0.00
3/4" Trans. Fitting	0	EA.	$10.00		0.00				$0.00
3/4" Riser Assy.	140	EA.	$13.50		1890.00				$1,890.00
3/4" Meter Stop & Plug	140	EA.	$13.00		1820.00				$1,820.00
3/4" PE 90 Degrees or 3-Way Tee	0	EA.	$2.50		0.00				$0.00
Tracer Wire & Warning Tape	7,000	FT.	$0.07		490.00				$490.00
Misc. Fitting	1	Lot	$420.00		420.00				$420.00
Frt. & Handling	$6,650.00		37.00%		2460.50				$2,460.50
Sub - Total				0.00	9110.50	0.00	0.00	0.00	$9,110.50
Install Service:									
3/4" PE Pipe	0	LF.	$2.05				0.00		$0.00
Directional Bore	0	LF.	$10.50				0.00		$0.00
3/4" PE Bore	0	FT.	$6.80				0.00		$0.00
3/4" PE Tap Tee	0	EA.	$9.00				0.00		$0.00
3/4" Tap Tee (Stl.)	0	EA.	$11.00				0.00		$0.00
3/4" Trans Fitting	0	EA.	$8.25				0.00		$0.00
3/4" Riser Assy.	0	EA.	$5.75				0.00		$0.00
3/4" PE Fittings	0	EA.	$5.40				0.00		$0.00
Under 75' Minimum	140	LF.	$225.00				31500.00		$31,500.00
Asph.(Remove & Replace)	0	CF.	$19.40				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$21.25				0.00		$0.00
Restore Sod	0	SF.	$0.90				0.00		$0.00
Hand Ditch	0	FT.	$1.70				0.00		$0.00
FPUC Crew	0	Day	$350.00	0.00		0.00			$0.00
Eng. & Inspection	1	Lot		0.00		0.00			$0.00
Permit	1	Lot						0.00	$0.00
SUB - TOTAL				0.00	0.00	0.00	31500.00	0.00	$31,500.00
Meter Set & Reg.	1	Lot	$20,538.00	6161.40	12322.80	2053.80			$20,538.00
140 AC-250 Meter Sets									
EST. SERVICE COST				6161.40	21433.30	2053.80	31500.00	0.00	$61,148.50
TOTAL EST. MAIN COST									$0.00
TOTAL EST. MAIN COST									
CIAC BASED EST. MAIN COST									
CIAC BASED TOTAL EST. PROJECT COST				6161.40	21433.30	2053.80	31500.00	0.00	$61,148.50
TOTAL EST. PROJECT COST (PROPOSED IR AMOUNT EARNINGS BASIS)				6161.40	21433.30	2053.80	31500.00	0.00	$61,148.50

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Don Kitner
General Manager, Central Florida
386-668-9201

BUILDER AGREEMENT

THIS BUILDER AGREEMENT (this "Agreement") is made and entered into effective this ____ day of___________, 2007 (the "Effective Date"), by and between Florida Public Utilities Company, a Florida corporation ("Company"), and Morrison Homes, a Florida corporation ("Builder") (Company and Builder may sometimes be collectively referred to as the "Party" or "Parties").

WITNESSETH

WHEREAS, Builder intends to build a community named Wellington Woods, consisting of, among other improvements, approximately one hundred forty-seven (147) residences, located in Volusia County, Florida (the "Project"). A legal description of the Project is attached hereto as Exhibit "A" and incorporated herein by this reference; and

WHEREAS, Company desires to install a natural gas distribution system within the Project in order to make service available from time to time to owners, occupants and residents of the Project and Builder has agreed to permit Company to install such a system to service the Project, pursuant to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Company and Builder hereby agree as follows.

1. **Installation of Gas Distribution System**.

1.1. Installation. Company agrees to install a natural gas distribution system within the residential portions of the Project, including all necessary distribution lines, meters and ancillary facilities (collectively, the "Gas Distribution System") as Company deems reasonably necessary to provide natural gas service to owners, occupants and residents within the Project. From time to time, Company shall install additional lines, meters and ancillary facilities ("System Extensions") which Company deems reasonably necessary to extend the Gas Distribution System to other areas of the Project in order to supply gas service to non-residential portions of the Project that apply for and qualify for gas service from Company. For purposes of this Agreement, the term "Gas Distribution System" shall include any System Extensions that are added by Company.

1.2. Location. The location of the gas lines and all infrastructure and improvements relating to the Gas Distribution System shall be subject to Builder's prior written approval, which approval shall not be unreasonably withheld or delayed. Prior to commencing installation of the Gas Distribution System, Company shall provide, for Builder's review and comment, plans and specifications in accordance with which the Gas Distribution System is to be installed ("Gas Distribution System Plans and Specifications"). Upon completion of installation of each three thousand (3000) linear feet of the Gas Distribution System (each being a, "Completed Portion"), Company shall commence restoration of those portions of the Project disturbed by Company during installation of the Completed Portion and shall continue diligently such restoration work until complete. Restoration work shall be completed so that the surface of the land shall be restored to substantially the same condition existing immediately prior to commencement of the installation of the Completed Portion.

1.3. Preparation for Installation and Easements.

1.3.1. Builder agrees to provide adequate physical and legal access (including the easements described below) to all areas of the Project where portions of the Gas Distribution System are to be installed and such additional portions of the project as are reasonably necessary for Company to access, maintain and operate the Gas Distribution System. Within fifteen (15) days after Builder approves the location of all or any portion of the Gas Distribution System (in accordance with Section 1.2 hereof), Builder shall grant to Company (or cause the owner of the appropriate property to grant to Company) such easements as are reasonably necessary for Company to construct, operate, maintain and repair the Gas Distribution System within the Project.

1.3.2. Builder has provided Company a plat of all or a portion of the Project (recorded in Official Records Book ______, Page ______, Public Records of Volusia County, Florida), which depicts the location of streets, lots and easements encompassed therein (the "Plat"). If additional plats ("Additional Plats") are created for the Project, Builder shall provide Company a copy thereof within ten (10) days after recording. The Plat and all Additional Plats (whether or not provided to Company) shall be collectively referred to herein as "Project Plats". Notwithstanding any provision contained herein to the contrary and in addition to the easements referenced in Section 1.3.1 hereof, Builder hereby grants Company an easement over those portions of the Project designated on Project Plats as a utility easement or right-of-way (public or private) (or other similar designations) for purposes of installing, operating, maintaining, repairing and replacing the Gas Distribution System.

1.3.3. Builder reserves the right to relocate any easement granted to Company if Builder deems such relocation to be necessary for the development of the Project. If Company has not installed the portion of the Gas Distribution System proposed to be installed in the relocated easement, but has commenced the design and engineering thereof prior to the date Company receives written notice from Builder of its desire to amend an easement, Builder shall be required (prior to amendment of the easement) to reimburse Company for Company's actual, out-of-pocket expenses incurred in redesigning and/or reengineering the applicable portion of the Gas Distribution System. If Builder desires to relocate any easement relating to a portion of the Gas Distribution System after the system has been installed, Builder must first, (i) obtain Company prior written consent (which consent shall not be unreasonably withheld or delayed) and (ii) reimburse Company for all costs incurred by Company in relocating the Gas Distribution System, including, but not limited to the cost of redesigning and/or reengineering the Gas Distribution System, and the cost of all materials and labor therefore.

1.4. Coordination of Installation. Company agrees to cooperate with Builder with respect to the construction of the Gas Distribution System so as to minimize interference with or delay to Builder's construction and development of the Project. Builder has provided Company a copy of its anticipated construction schedule for the Project, a true and correct copy of which is attached hereto as Exhibit "B" and incorporated herein (the "Builder's Construction Schedule"). Builder acknowledges that Company will rely upon the Builder's Construction Schedule for purposes of coordinating its acquisition of materials, mobilization of equipment and labor at the worksite and installation of the Gas Distribution System.

1.5. Ownership of Gas Distribution System; Maintenance. Notwithstanding any provision contained herein to the contrary, the Gas Distribution System shall remain the exclusive property of Company at all times during the term of this Agreement and following its expiration or earlier termination. Company shall have the sole obligation and responsibility for the maintenance of the Gas Distribution System. Company shall at all times maintain the Gas Distribution System in accordance with the requirements of all appropriate governmental and regulatory agencies.

1.6. Supply Date. Subject to any delay caused by Force Majeure or the actions or inactions of Builder, Company agrees that the Gas Distribution System shall be complete and operational to provide natural gas service to the first completed residential structure utilizing natural gas service, in the Project, at least ten (10) calendar days prior to the issuance of Certificate of Occupancy (CO) for the first residential structure within the Project.

2. Minimum Gas Compliant Units; Installation of Internal Piping

2.1. Minimum GCU.

2.1.1. Builder acknowledges that Company will make a substantial economic investment in order to construct the Gas Distribution System and that Company is willing to undertake such investment given Company's anticipated usage of the Gas Distribution System by current and future owners, occupants or residents in the Project. In consideration for the substantial investment made by Company in constructing the Gas Distribution System and the mutual covenants contained herein, Builder agrees that at least one hundred forty (140) residential units ("Minimum Required GCU") in the Project shall have installed therein (a) 50-gallon gas water heater, (b) gas central heating or hydro heat system, and (c) a gas range or gas cook top/wall oven combination. In addition, Builder agrees that all model and speculative residential units in the Project shall have installed therein the GCU minimum, plus at least one additional gas appliance, i.e., gas fireplace, gas dryer, gas summer kitchen or gas spa /pool heater. Each residential unit constructed in compliance with the foregoing two (2) sentences shall be referred to herein as a "Gas Compliant Unit" or "GCU" and each of the appliances installed in a GCU shall be referred to herein as an "Appliance" and collectively as the "Appliances".

2.1.2. Builder shall, within fifteen (15) days after completion of the last GCU in the Project, pay Company an omission fee ("Omission Fee") equal to the Omission Rate (as hereinafter defined) multiplied by the integer obtained by subtracting the actual number of GCU in the Project from the Minimum Required GCU. The Omission Rate shall equal <u>$570.00</u> x (1+ (Time x .04)). Time shall mean the number of years (and partial years) between the Effective Date and the date upon which the Omission Fee is paid. Nothing contained in this Section 2.1.2 shall be construed as limiting other remedies available to Company as result of the Builder's failure to comply with the Minimum Required GCU requirement set forth herein.

2.2. <u>Installation</u>. Builder shall provide all labor, materials, equipment and supervision to install (at no cost to Company) each Appliance. Company shall provide all gas internal piping, venting and other equipment (the "Internal Piping") necessary to service the gas appliances installed in each GCU and to connect same to the external gas meter installed by Company at an external location (reasonably selected by Company) at each GCU.

2.2.1. <u>Optional Additional piping.</u> At the request of owner or Authorized Builder, whichever is applicable, the Company shall install any or all of the optional piping and/or apparatus (the "Optional Piping and Facilities") in any qualified Unit, provided owner or Authorized Builder provides company sufficient notice such that it may install the Optional piping and Facilities simultaneously with installation of the qualified Unit Connection and Piping.

2.2.2. Owner or Builder shall reimburse Company for the cost of installation of the Optional Piping and Facilities in accordance with Exhibit "C." For purposes of this Agreement, references to the "Qualified Unit Connection and Piping" shall include any Optional Piping and Facilities requested to be installed by owner or authorized Builder.

2.3. <u>Ownership of Internal Piping, Appliances and External Piping</u>.

2.3.1. All piping, meters, vents and other equipment installed by company between the main line of the Gas Distribution System and the external meter installed by Company at each GCU (including such meter) (the "External Piping") shall be the exclusive property of the Company. Company shall at all times maintain the External Piping, including the meter, in accordance with the requirements of all appropriate governmental agencies.

2.3.2. The Internal Piping and the Appliances shall be the exclusive property of the Builder and its successors and assigns. Builder or the successor or assign of Builder with respect to each GCU shall at all times during and following the expiration or earlier termination of this Agreement, service, maintain, repair and replace the Internal Piping and the Appliances.

3. **Successors, Assigns And Assignment**. The Builder and the Company each bind itself, its successors, assigns and legal representatives to the other party in respect to all covenants, agreements and obligations contained in this Agreement. If Builder desires to convey to other builders or Builders any or all of the land upon which the Project is to be constructed, such conveyance may not be undertaken and shall not be effective until such builder or Builder expressly assumes all of the obligations and responsibilities of Builder hereunder (to the reasonable satisfaction of Company). Similarly, if Builder desires to assign this Agreement or any portion hereof to a homeowner's association, as a condition of such assignment, the homeowner's association shall pass a valid and appropriate resolution expressly assuming all of the obligations and responsibilities of Builder hereunder (such resolution being to the reasonable satisfaction of Company).

4. **Force Majeure**. Neither Party shall be liable to the other for any failure to perform pursuant to the terms and conditions of this Agreement to the extent such performance was prevented by an event of Force Majeure. The term "Force Majeure" shall mean Acts of God, strikes, lockouts, or other industrial disturbance, acts of the public enemy, wars, riots, epidemics, industrial disturbances that affect the Parties or its customers, breakage or non-foreseeable accident to machinery or lines of pipe, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the Party whose performance is affected and which, in each of the above cases, by the exercise of due diligence such Party is unable to prevent or overcome utilizing commercially reasonable efforts; such term shall likewise include the inability of a Party to acquire, or delays on the part of such Party in acquiring at reasonable cost and by the exercise of reasonable diligence, servitudes, rights of way, grants, permits, permissions, licenses, materials or supplies which are required to enable such Party to fulfill its obligations hereunder. The Party whose performance is excused by an event of Force Majeure shall promptly notify the other Party in writing of such occurrence and its estimated duration, shall promptly remedy such Force Majeure if and to the extent reasonably possible and shall resume such performance as soon as possible; provided, however, that neither Party shall be required to settle any labor dispute against its will.

5. **Duration**.

5.1. Expiration; Automatic Extension. Subject to Subsection 5.2 hereof, this Agreement shall automatically expire on June 1, 2017. The term of this Agreement shall be automatically extended for terms of one (1) year periods unless written notice is provided at least ninety (90) days but no greater than one hundred twenty (120) days prior to the expiration of the initial term of this Agreement or any extension thereto by one Party to the other Party that it will not allow the extension of the term of this Agreement.

5.2. Early Termination. Notwithstanding any provision contained herein to the Contrary, either Party may terminate this Agreement by providing the other at least fifteen (15) days prior written notice if the Minimum Required GCU has been constructed and Company has made the GCU Payment thereof.

5.3. Survival of Easements. Notwithstanding the expiration or earlier termination of this Agreement (regardless of the cause therefore), the easements created herein and required to be granted herein shall survive, and the rights, privileges and responsibilities created therein shall not be adversely affected by, the termination or expiration of this Agreement

6. **Notices**. Any notices sent by either party to the other pursuant to this Agreement shall be sent by either U.S. mail, postage prepaid, return requested, or by receipted overnight national delivery service (e.g., Federal Express), and shall, if not sooner received, be deemed received three (3) business days after deposit in the United States Mail, or one business day after receipt by any overnight national delivery service, as aforesaid. All notices shall be addressed to each party at the following address, or such other address as either party may hereafter designate to the other party in writing:

If to Builder:	Morrison Homes Orlando 151 Southhall Lane, Suite 200 Maitland, FL 32751-7172 Attn: Steven R. Earl, Vice President, Purchasing Fax No. 407.629.5282 Phone No. 407.629.0077
If to Company:	Florida Public Utilities Company 401 South Dixie Highway West Palm Beach, Florida 33401-5807 Attn: Marc Seagrave, Director of Marketing Fax No. 561.833.8562 Phone No. 561.838.1714
With a copy to:	Florida Public Utilities Company 450 South Highway 17-92

Debary, FL 32713
Attn: Donald Kitner, Director
Fax No. 386.668.2692
Phone No. 386-668-2600

7. **Governing Law: Dispute Resolution**. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without reference to the laws of any other jurisdiction. Builder and Company agree to submit any disputes arising under this agreement to non-binding mediation; provided, that applicable statutes of limitation will be tolled during the pendency of such mediation. In the event Company and Builder cannot in good faith agree on a mediator within fifteen (15) days of the request of either party for mediation, or, if the parties remain in dispute following mediation, any such dispute will be resolved by final, binding arbitration. Arbitration shall be accomplished expeditiously in Orange County, Florida, and shall be conducted by the American Arbitration Association (in accordance with its rules) which will appoint three arbitrators, one of which must be an attorney. The arbitrators shall render a written judgment accompanied by findings of fact and conclusions of law, which are subject to review by the appellate courts of the State of Florida. Judgment upon the award rendered by the arbitrator(s) may be entered in any Court having jurisdiction thereof. The parties shall share equally the arbitrators' fees and costs until the prevailing party is determined or the parties have agreed in writing to an alternate allocation of fees and costs. In any suit or arbitration proceeding brought by either party, the prevailing party will be entitled to recover attorneys' fees, costs and expenses actually incurred by the prevailing party in such suit or arbitration proceeding or in any appeal. The parties consent that any arbitration may be consolidated with any other arbitration concerning this Agreement to which Company or Builder is a party and that a dispute shall not be submitted to such binding arbitration if there are any third parties who are not subject to such binding arbitration but who are proper parties to such dispute. This Section 8 shall survive expiration or any termination of this Agreement.

8. **Indemnity**.

    8.1. Company agrees to protect, defend, reimburse, indemnify and hold the Builder, its agents and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as Builder, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by Builder by reason of the negligent or intentional installation of the Gas Distribution System by Company; provided however, that Company shall not be responsible to Builder for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of Builder, its respective agents, servants, employees, officers, tenants, residents or homeowners.

    8.2. Builder agrees to protect, defend, reimburse, indemnify and hold the Company, its agents, and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as Company, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by Company by reason of the negligent or intentional acts of Builder and its respective agents, servants, employees, officers, tenants, residents or homeowners; provided however, that Builder shall not be responsible to Company for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of Company.

8.3. This Section 8 shall survive the expiration or early termination of this Agreement.

9. **Damages to Property; Limitation on Liability**.

9.1. Any damage to the Project caused by Company, its agents or employees, shall be promptly repaired to the reasonable satisfaction of Builder at Company's expense. Any damage caused to Company's equipment by Builder, its agents, employees, contractors, subcontractors, tenants, residents or homeowners shall be promptly repaired by Company at Builder's expense. Builder will take all reasonable precautions to notify its agents, employees, contractors, subcontractors, tenants, residents and homeowners of the location of Company's equipment.

9.2. Company shall have no liability to Builder or any third party for any special, indirect, incidental or consequential damages or loss of any kind, including, without limitation, damages for personal injury, loss of profits or savings, loss of use, or any other damages, whether based on strict liability, or negligence, whether resulting from installation, use or maintenance of the Gas Distribution System, breach of this Agreement or otherwise, except for direct, specific damages to the extent caused by Company's negligence or misconduct.

10. **Miscellaneous**. This Agreement constitutes the entire understanding and agreement between the Parties and supersedes any and all prior negotiations, understandings or agreements with respect to this subject matter. This Agreement may be amended only by written instrument signed by both of the Parties. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under Florida law, but if any provision of this Agreement or the application thereof to any Party or circumstance is prohibited by or invalid under applicable law, that provision shall be effective only to the extent of such prohibition or invalidity, without invalidating the remaining provisions of this Agreement or the application of the same. Nothing contained herein shall be construed as a joint venture, partnership or any other similar relationship between Company and Builder. The captions, headings, titles, and subtitles herein are inserted for convenience of reference only and are to be ignored in any construction of the provisions of this Agreement. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties, and their respective successors and assigns, and no assignment shall relieve either Party of such Party's obligations hereunder without written consent of the other Party. This

Agreement shall be subject to all applicable laws, rules, orders, permits, and regulations of any federal, state, or local governmental authority having jurisdiction over the Parties, their facilities, or the transactions contemplated. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one in the same instrument.

11. **<u>Recording</u>**. This Agreement may be recorded by Company among the Public Records of the County in which the Project is located.

12. **<u>Exclusivity</u>**. During the term of this Agreement and for any subsequent terms thereafter, Builder agrees that Company has an exclusive right to provide natural gas services to the Project and that Builder will not grant, or allow others to grant any easement or right-of-way for purposes of delivering natural gas service. Builder certifies that there is no existing contractual agreement with any third party for the provision of natural gas service to the Project, with the exception of this Agreement.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

COMPANY:

FLORIDA PUBLIC UTILITIES COMPANY,
a Florida corporation

Witnesses:

Sign: ____________________

Print: ____________________

By: ______________________________

Name: ______________________________

Title: ______________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, personally appeared, Marc S. Seagrave, as Director of Marketing and Sales of FLORIDA PUBLIC UTILITES COMPANY, a Florida corporation, who is personally known to me, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said corporation.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ___________________________
My Commission Expires: ________________
(AFFIX NOTARY SEAL)

BUILDER:

MORRISON HOMES ORLANDO
a Florida corporation

Witnesses:

Sign: ____________________

Print: ____________________

By: ______________________________

Name: ______________________________

Title: ______________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF ____________

BEFORE ME, the undersigned authority, personally appeared __________________, as ______________________ of Morrison Homes Orlando, a Florida corporation, who is either personally known to me or who provided ______________ as identification, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said corporation.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ____________________________
My Commission Expires: _________________
(AFFIX NOTARY SEAL)

EXHIBIT "A"
LEGAL DESCRIPTION

EXHIBIT "B"
BUILDER'S CONSTRUCTION SCHEDULE

EXHIBIT "C"
SCHEDULE OF CHARGES FOR OPTIONAL GAS PIPING AND FACILITIES

The following per single-family residence optional piping charges shall apply for the first two (2) years of the term of this Agreement:

	CHARGE
Fuel Line to Gas Grill	$95.00
Fuel Line to Fireplace	$95.00
Fuel Line to Gas Pool/Spa Heater	$95.00
Fuel Line to Gas Generator	$95.00

At the beginning of the third year of the term of this Agreement and continuing annually thereafter, the above-listed costs shall increase at the rate of three percent (3%).

Clara Leider

From: Kitner Don
Sent: Tuesday, February 06, 2007 2:29 PM
To: Cox Doreen; Dysard Heidi; Seagrave Marc
Subject: Wellington Woods
Attachments: Wellington Woods Services.xls; BUILDER AGRMT - MORRISON.DOC; Copy of REGULATED 15 YEAR.xls; DEVELOPER AGREEMENT - EARLEY.DOC; NGS_10_2003_W_NEW_LOWER THERMS.xls; Wellington Woods Main 1.25in PE.xls; Wellington Woods Main 2in PE.xls; Summary.doc

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Don Kitner
General Manager, Central Florida
386-668-9201

Instructions for using the AEP & Net Present Value (NPV) Templates

Revised 5/18/2005

OBJECTIVE

The AEP & Net Present Value (NPV) Templates are to be used as an analytical tool for evaluating potential revenue generating investments and to determine the AEP surcharge rate for the recovery of the Excess Construction Costs.

INPUT

The general input areas are shaded in light blue - all relevant cells should be updated for all projects. Enter data as follows:

1	**Project Name**	Short description of investment.
2	**Beginning In Year**	Projected year that the project will commence.
3	**Piping Allowance**	Estimated Piping Allowance per class of customer if not capitalized (see note 24).
4	**Occupancy Rate**	Anticipated occupancy level.
5	**Cost of Service per Customer**	Estimated cost of providing service to each class of customer.
6	**Mains**	Cost of installing main per year.
7	**New Residential Customers**	Estimated residential customer added each month for each year.
8	**Therms per Customer each Month**	Average monthly therms per residential customer.
9	**New General Service Customers**	Estimated General Service customers added each month for each year.
10	**Therms per Customer each Month**	Average monthly therms per General Service customer.
11	**New Large Volume Customers**	Estimated Large Volume customer added each month for each year.
12	**Therms per Customer each Month**	Average monthly therms per Large Volume customer.
13	**Gas Lighting Service**	Estimated other customer added each month for each year.
14	**Therms per Customer each Month**	Average monthly therms per other customer.
15	**Customer Charge**	Estimated Customer Charge for Other Customers added.
16	**Other Income**	Other "non base revenue" estimated positive cash flows to be generated by the project for each year. Note - pass-through revenues, such as fuel and gross receipts tax are not to be included.
17	**Other Expenses**	Other expenses estimated to be incurred from the project for each year eg Sales Rep Commissions. Note - pass-through expenses, such as fuel and gross receipts tax are not to be included.
18	**AEP Worksheet**	Enter AEP surcharge rate that provides cost recovery within 8-10 years.

GENERAL INFORMATION

19 Contracts with Access Fees (up-front payments to Developers) should be carefully worded to ensure that there is a corresponding clause for a penalty for units not connected. The payments to the Developer should be entered on the cash flow analysis as a capital expenditure in the year that it is anticipated that the payment will be made. The access fee should be treated as an up-front capital expenditure.

20 On the Income Statement Section of the NPV analysis it is assumed that the up-front access fee, including piping allowance (capitalized) will be depreciated at the same rate as the other capital expenditure items. The actual contract, however, should be worded such that it allows us to depreciate the piping allowance over the life of the contract.

Instructions for using the AEP & Net Present Value (NPV) Templates

NPV MODEL ASSUMPTIONS

25 Inflation is not included in either revenues or expenses - null effect, in addition to which the discount rate includes the inflation risk.

26 Asset Remaining Value - represents the value of the investment at the end of the analysis. Can also be seen as representative of the future income streams beyond the time frame of the template. For regulated companies it is calculated as the average of the last three years Net Income Before Interest, Taxes and Depreciation times a multiplier of 8. A multiplier of 6 is used for non-regulated projects.

27 Required Return - WACC as per Year End Survellance Report using Cost of Equity Rate as per last Rate Case.

28 Ratio of Debt Financing - assumes that future projects will be financed by debt and equity equally.

29 O&M Expenses - "R" = 31% Base Revenue "NR" = 35% Base Revenue (Budgeted Expenses). For acquisitions this percentage can be replaced by a $ amount by entering the estimated O&M expenses in cell B94.

30 Interest Rate - Weighted Average Cost of Debt.

31 Depreciation Book % - Book Depreciation Rate.

32 Income Tax % - Income Tax Rate.

PROCESS

33 **Ensure that the variables, such as rates, are correct and review to ensure that the results, such as revenues and expenses seem reasonable.**

34 Submit NPV (& AEP) worksheets for approval as per steps below.

35 Prepare IR after approval has been granted.

36 Submit approved IR , AEP worksheet and NPV to General Accounting.

37 A copy of all approved NPVs and AEPs must also be forwarded to the Accounting Department for the attention of the Executive Assistant.

APPROVAL STEPS

Director
↓
Director - Propane Operations — If Propane Project
Barry Kennedy
↓
Marketing Director
Marc Seagrave
↓
Accounting
George Bachman / Doreen Cox
↓
Senior VP & COO
Chuck Stein
↓
President & CEO
Jack English
↓
Director

INPUT SHEET

Project Name **WELLINTON WOODS, DELAND**
Beginning in Year **2007**

Prepared By: B.Z.
Date: **4/10/2008**
I.R. #:
AEP #:

	Residential	Commercial	R Industrial	Gas Lights
Piping Allowance				

Occupancy Rate : **100%**

Construction:

SERVICES-cost per customer:	Residential	General Serv	Large Volume	Gas Lights
	$ 437			

Year:	1st	2nd	3rd	4th	Total Main $
MAINS:	**79,305**				79,305

Enter Customers ADDED each Month by Tariff Rate Schedule below:

Total Service $	Total Const.
61,149	$ 140,454

RESIDENTIAL CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1							1	1	1	1	1	1	6	6	516.25	516.25	249.56	168
2	2	2	2	2	2	2	2	2	2	2	2	2	24	30	3835	5605	2709.46	1,824
3	2	3	2	2	3	2	3	2	1	2	2	1	25	55	4326.6667	13176.66667	6369.60	4,288
4	2	2	3	2	2	3	2	2	2	2	2	3	27	82	4277.5	20502.5	9910.91	6,672
5	2	3	3	3	2	3	2	2	2	2	2	2	28	110	4744.5833	28934.58333	13986.98	9,416
6	2	1	3	1	2	3	1	2	3	1	2	1	22	132	3613.75	36063.75	17433.22	11,736
7	1	2	1	2	1	1							8	140	1892.9167	40832.91667	19738.63	13,288
8													0	140	0	41300	19964.42	13,440
9													0	140	0	41300	19964.42	13,440
10													0	140	0	41300	19964.42	13,440

Therms per Customer each month: 24.58 << Enter average therms used per customer in a month

Base Rate per Therm Residential : 0.48340 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $8.00 << Per Tariff

GENERAL SERVICE CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Customer each month: << Enter average therms used per customer in a month

Base Rate per Therm General Serv $ 0.32107 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $15.00 << Per Tariff

LARGE VOLUME CUSTOMERS ADDED EACH MONTH

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total New Customers added	Year End Customers	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-

Year						
4	0	0	0	0	0.00	-
5	0	0	0	0	0.00	-
6	0	0	0	0	0.00	-
7	0	0	0	0	0.00	-
8	0	0	0	0	0.00	-
9	0	0	0	0	0.00	-
10	0	0	0	0	0.00	-

Therms per Customer each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Large Volume $ 0.23809 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge $45.00 << Per Tariff

GAS LIGHTING SERVICE

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total New Gas Lights added	Year End Gas Lights	Total Added Therms	Therm Sales for the Year	Energy Charge	Customer charge
1													0	0	0	0	0.00	-
2													0	0	0	0	0.00	-
3													0	0	0	0	0.00	-
4													0	0	0	0	0.00	-
5													0	0	0	0	0.00	-
6													0	0	0	0	0.00	-
7													0	0	0	0	0.00	-
8													0	0	0	0	0.00	-
9													0	0	0	0	0.00	-
10													0	0	0	0	0.00	-

Therms per Light each month: ______ << Enter average therms used per customer in a month

Base Rate per Therm Gas Lights $ 0.17689 <<Enter as $. For example: 33.51¢ = .3351)

Customer Charge ______ **<< Per Tariff - applicable for customers with only Gas Lights**

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Income															
Other Expenses	1,624	496	516	558	578	454	165								

Area Expansion Program

Project Name: **WELLINTON WOODS, DELAND**
I.R. #: 0
AEP #: 0
Prepared By: B.Z.

Procedure No. MKT 1.1
Effective Date: 8/28/2006
Revision # 12.4

Construction and Revenue Summary:

Estimated Construction Cost (CC):	$ 115,121	Four year Construction Costs
Four Years Revenue (MACC)*:	66,332	Four years revenue
Net Excess Construction Cost (ECC):	$ 48,789	

Calculation of AEP Surcharge:

AEPS= (ECC+(ROR*T1*.5*ECC))/T2*TH)

ECC	48,789	As computed on Wkst
ROR	8.070%	Company's Authorized Rate
T1	10	Years for collection
T2	1	(1 if total therms used forT1)
TH	269,532	Total 10 year therms
AEPS	$ 0.254	Original calculation

Manual Input: Override Computed AEPS $ 0.300
and Rate breakdown

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Summary of projected Therms:

Year	Total Annual Residential Usage	Total Annual General Serv Usage	Total Annual Large Volume Usage	Total Annual Gas Light Usage	Total Therm Load Added
1	516	0	0	0	516
2	5605	0	0	0	5605
3	13177	0	0	0	13177
4	20503	0	0	0	20503
5	28935	0	0	0	28935
6	36064	0	0	0	36064
7	40833	0	0	0	40833
8	41300	0	0	0	41300
9	41300	0	0	0	41300
10	41300	0	0	0	41300
Total	269,532	-	-	-	269,532

	** Rate Breakdown:	AEPS / therm	Ratio : This % of therms per class are counted in 10 year therm total
RS	Residential	0.300	100.0000%
GS	General Service	0.199	66.4191%
LVS	Large Volume Service	0.148	49.2532%
Gas Lights		0.110	36.5929%

Projected Cash Flow of:
Revenue

Year	Residential Non-fuel Revenue	Residential Customer Charge	General Serv. Non-fuel Revenue	General Serv. Customer Charge	Large Volume Non-fuel Revenue	Large Volume Customer Charge	Lights Non-fuel Revenue	Lights Customer Charge	Total Base Revenue	AEP collection: Excess Construction Cost	AEPS Surcharge	Balance before Interest	Interest charge (cost of money)	Total Cost To be recovered
1	250	168	-	-	-	-	-	-	$ 418	$ 48,789	$ 155	$ 48,634	$ 1,962	$ 50,597
2	2,709	1,824	-	-	-	-	-	-	4,533	-	1,682	48,915	4,015	52,931
3	6,370	4,288	-	-	-	-	-	-	10,658	-	3,953	48,978	4,112	53,090
4	9,911	6,672	-	-	-	-	-	-	16,583	-	6,151	46,939	4,036	50,975
5	13,987	9,416	-	-	-	-	-	-	23,403	-	8,680	42,295	3,763	46,058
6	17,433	11,736	-	-	-	-	-	-	29,169	-	10,819	35,239	3,280	38,519
7	19,739	13,288	-	-	-	-	-	-	33,027	-	12,250	26,269	2,614	28,884
8	19,964	13,440	-	-	-	-	-	-	33,404	-	12,390	16,494	1,831	18,325
9	19,964	13,440	-	-	-	-	-	-	33,404	-	12,390	5,935	979	6,913
10	19,964	13,440	-	-	-	-	-	-	33,404	-	12,390	(5,477)	58	(5,419)
Total	$ 130,292	$ 87,712	$ -	$ -	$ -	$ -	$ -	$ -	$ 218,004	$ 48,789	$ 80,860		$ 26,652	

Cash Flow Investment Analysis

Date: 4/10/2008 | Revision # 12.4
Procedure No. ACT-5.11
Effective Date: 8/28/2006

REGULATED / NON-REGULATED
R

Project Title: **WELLINTON WOODS, DELAND**
Beginning in Year: **2007**

	Initial	Date
Prepared By:		
Approved By: Dir of Mktg		
Fin Analyst		
CFO		
COO		
CEO		

Input Area:

Overall Result: **Project meets or exceeds minimum 15 year required return!**

	Residential	Commercial	Industrial	Gas Lights
Annual Therms per Customer / Light	295	-	-	-
Piping Allowance	$ -	$ -	$ -	$ -
Cost of SERVICE per Customer	$ 437	$ -	$ -	$ -
Customer Charge (mth)	$8.00	$15.00	$45.00	$0.00
Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$0.17689

Occupancy Rate : 100%

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New Residential Customers	6	24	25	27	28	22	8	-	-	-					
New Commercial Customers	-	-	-	-	-	-	-	-	-	-					
New Industrial Customers	-	-	-	-	-	-	-	-	-	-					
New Gas Lights	-	-	-	-	-	-	-	-	-	-					
Total Customers added for year	6	24	25	27	28	22	8	0	0	0	0	0	0	0	0
Cumulative Customers	6	30	55	82	110	132	140	140	140	140	140	140	140	140	140
Total Gas Lights added for year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Gas Lights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	1623.9	495.6	516.25	557.55	578.2	454.3	165.2	0	0	0	0	0	0	0	0
Capital expenditures on Services	2,621	10,483	10,919	11,793	12,230	9,609	3,494	-	-	-					
Capital Expenditures (Exc. Services)	79,305	-	-	-	-	-	-	-	-	-					
Upfront Capital Exp (Contributions)[1]	(48,789)														
Total Capital Expenditures by Year (List AEP ECC as contribution (credit))	$ 33,137	$ 10,483	$ 10,919	$ 11,793	$ 12,230	$ 9,609	$ 3,494	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Output Area: Cash Flow by Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Base Revenue	$418	$4,533	$10,658	$16,583	$23,403	$29,169	$33,027	$33,404	$33,404	$33,404	$33,404	$33,404	$33,404	$33,404	$33,404
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$418	$4,533	$10,658	$16,583	$23,403	$29,169	$33,027	$33,404	$33,404	$33,404	$33,404	$33,404	$33,404	$33,404	$33,404
O&M Expense (Incl TOTI)	129	1,405	3,304	5,141	7,255	9,042	10,238	10,355	10,355	10,355	10,355	10,355	10,355	10,355	10,355
Other Expenses	1,624	496	516	558	578	454	165	0	0	0	0	0	0	0	0
Amortized Piping Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation, Book	2,209	2,908	3,636	4,422	5,237	5,878	6,111	6,111	6,111	6,111	6,111	6,111	6,111	6,111	6,111
	3,962	4,809	7,456	10,120	13,071	15,375	16,514	16,466	16,466	16,466	16,466	16,466	16,466	16,466	16,466
Operating Income before Income Tax	(3,545)	(275)	3,202	6,463	10,332	13,794	16,512	16,938	16,938	16,938	16,938	16,938	16,938	16,938	16,938
Adjust to cash flow:															
Add: Depreciation, Book	2,209	2,908	3,636	4,422	5,237	5,878	6,111	6,111	6,111	6,111	6,111	6,111	6,111	6,111	6,111
Add: Amortized Piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Actual Income Tax	(1,596)	(960)	295	1,520	3,026	4,456	5,712	6,203	6,473	6,560	6,609	6,631	6,634	6,635	6,634
After Tax Cash Flow (before capital investments)	260	3,592	6,542	9,365	12,544	15,216	16,912	16,846	16,576	16,489	16,440	16,418	16,415	16,414	16,415
Less: Piping Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Capital Expenditure - Cash Outlay	33,137	10,483	10,919	11,793	12,230	9,609	3,494	-	-	-	-	-	-	-	-
Memo: Cumulative Capital Expenditure	33,137	43,619	54,539	66,332	78,561	88,170	91,665	91,665	91,665	91,665	91,665	91,665	91,665	91,665	91,665
Asset remaining value															184,392
Net Cash Flow (w/ 15 yr ending book value)	(32,877)	(6,890)	(4,377)	(2,428)	314	5,607	13,417	16,846	16,576	16,489	16,440	16,418	16,415	16,414	200,807
Net Present Value (fifteen years) $	**89,000** Zero = Meets Required Return														
Operating Income before Income Tax	(3,545)	(275)	3,202	6,463	10,332	13,794	16,512	16,938	16,938	16,938	16,938	16,938	16,938	16,938	16,938
Less:Interest Costs*	1,249	1,511	1,678	1,770	1,758	1,545	1,035	395	0	0	0	0	0	0	0
Net Income before Taxes	(4,794)	(1,787)	1,524	4,693	8,575	12,250	15,477	16,543	16,938	16,938	16,938	16,938	16,938	16,938	16,938
Less: Book Income Tax (37.63%)	(1,804)	(672)	573	1,765	3,226	4,608	5,823	6,224	6,372	6,372	6,372	6,372	6,372	6,372	6,372
Net Income after Book I/T	(2,991)	(1,115)	951	2,927	5,349	7,641	9,655	10,320	10,566	10,566	10,566	10,566	10,566	10,566	10,566
Earnings Per Share - Investment															
Corporate EPS after Investment	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Cumulative Net Cash Flow	(32,877)	(39,767)	(44,144)	(46,572)	(46,258)	(40,651)	(27,233)	(10,387)	6,189	22,678	39,117	55,535	71,950	88,363	289,171
Cumulative Depr Reserve	2,209	5,117	8,753	13,175	18,413	24,291	30,402	36,512	42,623	48,734	54,845	60,956	67,067	73,178	79,289
Cumulative Piping Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book Rate of Return	-5.63%	1.03%	5.74%	8.84%	11.82%	14.38%	17.45%	19.43%	21.55%	24.61%	28.70%	34.41%	42.96%	57.16%	85.38%
Economic Value Added (EVA)	(4,237)	(2,710)	(1,067)	407	2,253	4,031	5,746	6,264	6,608	7,102	7,595	8,088	8,581	9,074	193,960
NPV (EVA) $	90,000														

Net Present Value of Cap. Exp.	79,207
Net Present Value of Pip. Exp.	0

Average Rate of Return on Investment:

15 Years (IRR) **20%**

Revenue Comparison:

Four Year Revenue $66,332

Customer Totals:	**15 Yr Total**
Added Residential Customers	140
Added Commercial Customers	-
Added Industrial Customers	-
Cumulative Customers	140
Capital Expenditure per Customer $	655

Summary of Rates used

Depreciation Book %		6.67%
Income Tax %		37.62%
Base Earnings per Share	$	0.71

Required Return	8.07%
Ratio of Debt Financing	50.00%
O&M Expense %	31.00%
Interest Rate	7.60%

7082

CONFIDENTIAL

Copy of REGULATED 15 YEAR xlsNPV Template4/10/2008 10 34 AM

RATES :		RESIDENTIAL	COMMERCIAL	INDUSTRIAL	GAS LIGHTS
REGULATED	Customer Charge (mth)	$8.00	$15.00	$45.00	$ -
	Non-Fuel Charge (therm)	$0.48340	$0.32107	$0.23809	$ 0.17689

	REGULATED	NON-REGULATED
REQUIRED RETURN	8.07%	15.00%

Clara Leider

From: Kitner Don
Sent: Tuesday, February 06, 2007 2:29 PM
To: Cox Doreen; Dysard Heidi; Seagrave Marc
Subject: Wellington Woods
Attachments: Wellington Woods Services.xls; BUILDER AGRMT - MORRISON.DOC; Copy of REGULATED 15 YEAR.xls; DEVELOPER AGREEMENT - EARLEY.DOC; NGS_10_2003_W_NEW_LOWER THERMS.xls; Wellington Woods Main 1.25in PE.xls; Wellington Woods Main 2in PE.xls; Summary.doc

Marc,
We need to have this in the builder's hands by Friday or they have stated they will go all electric. Sorry for the short timeframe but we just received an email stating they are ahead of schedule on this project.

Don Kitner
General Manager, Central Florida
386-668-9201

DEVELOPER AGREEMENT

THIS DEVELOPER AGREEMENT (this "Agreement") is made and entered into effective this ____ day of___________, 2007 (the "Effective Date"), by and between Florida Public Utilities Company, a Florida corporation ("Company"), and Earley Development, Inc., a Florida corporation ("Developer") (Company and Developer may sometimes be collectively referred to as the "Party" or "Parties").

WITNESSETH

WHEREAS, Developer intends to build a community named Wellington Woods, consisting of, among other improvements, approximately one hundred forty-seven (147) residences, located in Volusia County, Florida (the "Project"). A legal description of the Project is attached hereto as Exhibit "A" and incorporated herein by this reference; and

WHEREAS, Company desires to install a natural gas distribution system within the Project in order to make service available from time to time to owners, occupants and residents of the Project and Developer has agreed to permit Company to install such a system to service the Project, pursuant to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Company and Developer hereby agree as follows.

1. **Installation of Gas Distribution System**.

   1.1. Installation. Company agrees to install a natural gas distribution system within the residential portions of the Project, including all necessary distribution lines, meters and ancillary facilities (collectively, the "Gas Distribution System") as Company deems reasonably necessary to provide natural gas service to owners, occupants and residents within the Project. From time to time, Company shall install additional lines, meters and ancillary facilities ("System Extensions") which Company deems reasonably necessary to extend the Gas Distribution System to other areas of the Project in order to supply gas service to non-residential portions of the Project that apply for and qualify for gas service from Company. For purposes of this Agreement, the term "Gas Distribution System" shall include any System Extensions that are added by Company.

   1.2. Location. The location of the gas lines and all infrastructure and improvements relating to the Gas Distribution System shall be subject to Developer's prior written approval, which approval shall not be unreasonably withheld or delayed. Prior to commencing installation of the Gas Distribution System, Company shall provide, for Developer's review and comment, plans and specifications in accordance with which the Gas Distribution System is to be installed ("Gas Distribution System Plans and Specifications"). Upon completion of installation of each three thousand (3000) linear feet of the Gas Distribution System (each being a, "Completed Portion"), Company shall commence restoration of those portions of the Project disturbed by Company during installation of the Completed Portion and shall continue diligently such restoration work until complete. Restoration work shall be completed so that the surface of the land shall be restored to substantially the same condition existing immediately prior to commencement of the installation of the Completed Portion.

1.3. Preparation for Installation and Easements.

1.3.1. Developer agrees to provide adequate physical and legal access (including the easements described below) to all areas of the Project where portions of the Gas Distribution System are to be installed and such additional portions of the project as are reasonably necessary for Company to access, maintain and operate the Gas Distribution System. Within fifteen (15) days after Developer approves the location of all or any portion of the Gas Distribution System (in accordance with Section 1.2 hereof), Developer shall grant to Company (or cause the owner of the appropriate property to grant to Company) such easements as are reasonably necessary for Company to construct, operate, maintain and repair the Gas Distribution System within the Project.

1.3.2. Developer has provided Company a plat of all or a portion of the Project (recorded in Official Records Book ______, Page ______, Public Records of Volusia County, Florida), which depicts the location of streets, lots and easements encompassed therein (the "Plat"). If additional plats ("Additional Plats") are created for the Project, Developer shall provide Company a copy thereof within ten (10) days after recording. The Plat and all Additional Plats (whether or not provided to Company) shall be collectively referred to herein as "Project Plats". Notwithstanding any provision contained herein to the contrary and in addition to the easements referenced in Section 1.3.1 hereof, Developer hereby grants Company an easement over those portions of the Project designated on Project Plats as a utility easement or right-of-way (public or private) (or other similar designations) for purposes of installing, operating, maintaining, repairing and replacing the Gas Distribution System.

1.3.3. Developer reserves the right to relocate any easement granted to Company if Developer deems such relocation to be necessary for the development of the Project. If Company has not installed the portion of the Gas Distribution System proposed to be installed in the relocated easement, but has commenced the design and engineering thereof prior to the date Company receives written notice from Developer of its desire to amend an easement, Developer shall be required (prior to amendment of the easement) to reimburse Company for Company's actual, out-of-pocket expenses incurred in redesigning and/or reengineering the applicable portion of the Gas Distribution System. If Developer desires to relocate any easement relating to a portion of the Gas Distribution System after the system has been installed, Developer must first, (i) obtain Company prior written consent (which consent shall not be unreasonably withheld or delayed) and (ii) reimburse Company for all costs incurred by Company in relocating the Gas Distribution System, including, but not limited to the cost of redesigning and/or reengineering the Gas Distribution System, and the cost of all materials and labor therefore.

1.4. Coordination of Installation. Company agrees to cooperate with Developer with respect to the construction of the Gas Distribution System so as to minimize interference with or delay to Developer's construction and development of the Project. Developer has provided Company a copy of its anticipated construction schedule for the Project, a true and correct copy of which is attached hereto as Exhibit "B" and incorporated herein (the "Developer's Construction Schedule"). Developer acknowledges that Company will rely upon the Developer's Construction Schedule for purposes of coordinating its acquisition of materials, mobilization of equipment and labor at the worksite and installation of the Gas Distribution System.

1.5. Ownership of Gas Distribution System; Maintenance. Notwithstanding any provision contained herein to the contrary, the Gas Distribution System shall remain the exclusive property of Company at all times during the term of this Agreement and following its expiration or earlier termination. Company shall have the sole obligation and responsibility for the maintenance of the Gas Distribution System. Company shall at all times maintain the Gas Distribution System in accordance with the requirements of all appropriate governmental and regulatory agencies.

1.6. Supply Date. Subject to any delay caused by Force Majeure or the actions or inactions of Developer, Company agrees that the Gas Distribution System shall be complete and operational to provide natural gas service to the first completed residential structure utilizing natural gas service, in the Project, at least ten (10) calendar days prior to the issuance of Certificate of Occupancy (CO) for the first residential structure within the Project.

2. **Successors, Assigns And Assignment**. The Developer and the Company each bind itself, its successors, assigns and legal representatives to the other party in respect to all covenants, agreements and obligations contained in this Agreement. If Developer desires to convey to other Developers or Developers any or all of the land upon which the Project is to be constructed, such conveyance may not be undertaken and shall not be effective until such Developer or Developer expressly assumes all of the obligations and responsibilities of Developer hereunder (to the reasonable satisfaction of Company). Similarly, if Developer desires to assign this Agreement or any portion hereof to a homeowner's association, as a condition of such assignment, the homeowner's association shall pass a valid and appropriate resolution expressly

assuming all of the obligations and responsibilities of Developer hereunder (such resolution being to the reasonable satisfaction of Company).

3. **Force Majeure**. Neither Party shall be liable to the other for any failure to perform pursuant to the terms and conditions of this Agreement to the extent such performance was prevented by an event of Force Majeure. The term "Force Majeure" shall mean Acts of God, strikes, lockouts, or other industrial disturbance, acts of the public enemy, wars, riots, epidemics, industrial disturbances that affect the Parties or its customers, breakage or non-foreseeable accident to machinery or lines of pipe, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the Party whose performance is affected and which, in each of the above cases, by the exercise of due diligence such Party is unable to prevent or overcome utilizing commercially reasonable efforts; such term shall likewise include the inability of a Party to acquire, or delays on the part of such Party in acquiring at reasonable cost and by the exercise of reasonable diligence, servitudes, rights of way, grants, permits, permissions, licenses, materials or supplies which are required to enable such Party to fulfill its obligations hereunder. The Party whose performance is excused by an event of Force Majeure shall promptly notify the other Party in writing of such occurrence and its estimated duration, shall promptly remedy such Force Majeure if and to the extent reasonably possible and shall resume such performance as soon as possible; provided, however, that neither Party shall be required to settle any labor dispute against its will.

4. **Duration**.

   4.1. Expiration; Automatic Extension. Subject to Subsection 4.2 hereof, this Agreement shall automatically expire on June 1, 2017. The term of this Agreement shall be automatically extended for terms of one (1) year periods unless written notice is provided at least ninety (90) days but no greater than one hundred twenty (120) days prior to the expiration of the initial term of this Agreement or any extension thereto by one Party to the other Party that it will not allow the extension of the term of this Agreement.

   4.2. Early Termination. Notwithstanding any provision contained herein to the Contrary, either Party may terminate this Agreement by providing the other at least fifteen (15) days prior written notice if the Minimum Required GCU has been constructed and Company has made the GCU Payment thereof.

   4.3. Survival of Easements. Notwithstanding the expiration or earlier termination of this Agreement (regardless of the cause therefore), the easements created herein and required to be granted herein shall survive, and the rights, privileges and responsibilities created therein shall not be adversely affected by, the termination or expiration of this Agreement

5. **Notices**. Any notices sent by either party to the other pursuant to this Agreement shall be sent by either U.S. mail, postage prepaid, return requested, or by receipted

overnight national delivery service (e.g., Federal Express), and shall, if not sooner received, be deemed received three (3) business days after deposit in the United States Mail, or one business day after receipt by any overnight national delivery service, as aforesaid. All notices shall be addressed to each party at the following address, or such other address as either party may hereafter designate to the other party in writing:

If to Developer:	Earley Development, Inc. 337 Ferncreek Avenue Orlando, FL 32803 Attn: Thorpe Earley, Principal Fax No. 407.898.8229 Phone No. 407.898.0023
If to Company:	Florida Public Utilities Company 401 South Dixie Highway West Palm Beach, Florida 33401-5807 Attn: Marc Seagrave, Director of Marketing Fax No. 561.833.8562 Phone No. 561.838.1714
With a copy to:	Florida Public Utilities Company 450 South Highway 17-92 Debary, FL 32713 Attn: Donald Kitner, Director Fax No. 386.668.2692 Phone No. 386-668-2600

6. **Governing Law: Dispute Resolution**. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without reference to the laws of any other jurisdiction. Developer and Company agree to submit any disputes arising under this agreement to non-binding mediation; provided, that applicable statutes of limitation will be tolled during the pendency of such mediation. In the event Company and Developer cannot in good faith agree on a mediator within fifteen (15) days of the request of either party for mediation, or, if the parties remain in dispute following mediation, any such dispute will be resolved by final, binding arbitration. Arbitration shall be accomplished expeditiously in Orange County, Florida, and shall be conducted by the American Arbitration Association (in accordance with its rules) which will appoint three arbitrators, one of which must be an attorney. The arbitrators shall render a written judgment accompanied by findings of fact and conclusions of law, which are subject to review by the appellate courts of the State of Florida. Judgment upon the award rendered by the arbitrator(s) may be entered in any Court having jurisdiction thereof. The parties shall share equally the arbitrators' fees and costs until the prevailing party is determined or the parties have agreed in writing to an alternate allocation of fees and costs. In any suit or arbitration proceeding brought by either party, the prevailing party will be entitled to recover

attorneys' fees, costs and expenses actually incurred by the prevailing party in such suit or arbitration proceeding or in any appeal. The parties consent that any arbitration may be consolidated with any other arbitration concerning this Agreement to which Company or Developer is a party and that a dispute shall not be submitted to such binding arbitration if there are any third parties who are not subject to such binding arbitration but who are proper parties to such dispute. This Section 8 shall survive expiration or any termination of this Agreement.

7. **<u>Indemnity</u>.**

7.1. Company agrees to protect, defend, reimburse, indemnify and hold the Developer, its agents and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as Developer, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by Developer by reason of the negligent or intentional installation of the Gas Distribution System by Company; provided however, that Company shall not be responsible to Developer for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of Developer, its respective agents, servants, employees, officers, tenants, residents or homeowners.

7.2. Developer agrees to protect, defend, reimburse, indemnify and hold the Company, its agents, and employees and each of them, hereinafter collectively referred to, for the purposes of this paragraph, as Company, free and harmless from and against any and all claims or damages (including attorneys' fees) incurred by Company by reason of the negligent or intentional acts of Developer and its respective agents, servants, employees, officers, tenants, residents or homeowners; provided however, that Developer shall not be responsible to Company for damages resulting out of bodily injury or damages to property which are attributable to the negligent acts or omissions of Company.

7.3. This Section 7 shall survive the expiration or early termination of this Agreement.

8. **<u>Damages to Property; Limitation on Liability</u>.**

8.1. Any damage to the Project caused by Company, its agents or employees, shall be promptly repaired to the reasonable satisfaction of Developer at Company's expense. Any damage caused to Company's equipment by Developer, its agents, employees, contractors, subcontractors, tenants, residents or homeowners shall be promptly repaired by Company at Developer's expense. Developer will take all reasonable precautions to notify its agents, employees, contractors, subcontractors, tenants, residents and homeowners of the location of Company's equipment.

FPU Initials: ______
Date: ______
Developer Initials: ______
Date: ______

8.2. Company shall have no liability to Developer or any third party for any special, indirect, incidental or consequential damages or loss of any kind, including, without limitation, damages for personal injury, loss of profits or savings, loss of use, or any other damages, whether based on strict liability, or negligence, whether resulting from installation, use or maintenance of the Gas Distribution System, breach of this Agreement or otherwise, except for direct, specific damages to the extent caused by Company's negligence or misconduct.

9. **Miscellaneous**. This Agreement constitutes the entire understanding and agreement between the Parties and supersedes any and all prior negotiations, understandings or agreements with respect to this subject matter. This Agreement may be amended only by written instrument signed by both of the Parties. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under Florida law, but if any provision of this Agreement or the application thereof to any Party or circumstance is prohibited by or invalid under applicable law, that provision shall be effective only to the extent of such prohibition or invalidity, without invalidating the remaining provisions of this Agreement or the application of the same. Nothing contained herein shall be construed as a joint venture, partnership or any other similar relationship between Company and Developer. The captions, headings, titles, and subtitles herein are inserted for convenience of reference only and are to be ignored in any construction of the provisions of this Agreement. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties, and their respective successors and assigns, and no assignment shall relieve either Party of such Party's obligations hereunder without written consent of the other Party. This Agreement shall be subject to all applicable laws, rules, orders, permits, and regulations of any federal, state, or local governmental authority having jurisdiction over the Parties, their facilities, or the transactions contemplated. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one in the same instrument.

10. Recording. This Agreement may be recorded by Company among the Public Records of the County in which the Project is located.

11. **Exclusivity**. During the term of this Agreement and for any subsequent terms thereafter, Developer agrees that Company has an exclusive right to provide natural gas services to the Project and that Developer will not grant, or allow others to grant any easement or right-of-way for purposes of delivering natural gas service. Developer certifies that there is no existing contractual agreement with any third party for the provision of natural gas service to the Project, with the exception of this Agreement.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

COMPANY:

FLORIDA PUBLIC UTILITIES COMPANY,
a Florida corporation

Witnesses:

Sign: ____________________

Print: ____________________

By: ______________________________

Name: ______________________________

Title: ______________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, personally appeared, Marc S. Seagrave, as Director of Marketing and Sales of FLORIDA PUBLIC UTILITES COMPANY, a Florida corporation, who is personally known to me, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said corporation.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ___________________________
My Commission Expires: ________________
(AFFIX NOTARY SEAL)

DEVELOPER:

EARLEY DEVELOPMENT, INC.
a Florida corporation

Witnesses:

Sign: ____________________

Print: ____________________

By: ________________________________

Name: ________________________________

Title: ________________________________

Sign: ____________________

Print: ____________________

STATE OF FLORIDA

COUNTY OF _____________

BEFORE ME, the undersigned authority, personally appeared __________________, as ______________________ of Earley Development, Inc., a Florida corporation, who is either personally known to me or who provided ______________ as identification, and who acknowledged to and before me that he/she executed the foregoing instrument freely and voluntarily on behalf of said corporation.

____
NOTARY PUBLIC, STATE OF FLORIDA
Print Name: ____________________________
My Commission Expires: ________________
(AFFIX NOTARY SEAL)

EXHIBIT "A"
LEGAL DESCRIPTION

EXHIBIT "B"
DEVELOPER'S CONSTRUCTION SCHEDULE

Clara Leider

From: Kitner Don
Sent: Tuesday, February 06, 2007 2:29 PM
To: Cox Doreen; Dysard Heidi; Seagrave Marc
Subject: Wellington Woods
Attachments: Wellington Woods Services.xls; BUILDER AGRMT - MORRISON.DOC; Copy of REGULATED 15 YEAR.xls; DEVELOPER AGREEMENT - EARLEY.DOC; NGS_10_2003_W_NEW_LOWER THERMS.xls; Wellington Woods Main 1.25in PE.xls; Wellington Woods Main 2in PE.xls; Summary.doc

Marc,
We need to have this in the builder's hands by Friday or they have stated they will go all electric. Sorry for the short timeframe but we just received an email stating they are ahead of schedule on this project.

Don Kitner
General Manager, Central Florida
386-668-9201

FLORIDA PUBLIC UTILITIES COMPANY
REQUEST FOR NEW GAS SERVICE

Residential [x] Commercial [ ] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [x]

Customer Name: MORRISON HOMES
Social Security #:
DBA/ or C/O: **WELLINGTON WOODS**
Telephone #:
Service Address: Orange Camp Road
City & State: Deland Zip: 32724
Premise #:
Mailing Address: Zip:

Natural [X]
Propane [ ]
Metered [X]
Bulk [ ]

Request For: Main Extension [X] Relocation [ ] Set & Lock Date
New Service [X] Abandonment [ ] Turn-On Date
Reactivate Service [ ] Turn-On Charge

Gas Account Number: Meter Deposit: Converted From:
Tax District: DG70 Rate: (AEP)
State Tax:
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [ ] 2psi [X] 5 psi [ ] 20psi [ ]
S.I.C.: Meter Reading Route #: ??? Pressure Factor:

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1.0	Water Heater	40,000	150	150			40	
1.0	Range	60,000	35	35			60	
0.0	Dryer	80,000	50	0			80	
1.0	Central Heat	80,000	110	110			80	
0.0	Fireplace	40,000	40	0			40	
0.0	Spa/Pool Heater	400,000	250	0			400	
0.0	Grill/Summer Kitchen	40,000	20	0			40	
0.0	Light	2,000	120	0			2	
				0			0	
			Total Therms per Year	295			742	0.0

System Map Page: Hourly Max: 594 SCFH-Daily Hrs @ this rate:
Map Book Page: Demand: Ave: 371 SCFH-Daily Hrs @ this rate:
Plans Attached: Min.: 74 SCFH-Daily Hrs @ this rate:

Number of Customers: 140 Total Hours:
Total Annual Therms: 295
Annual Customer Charge: $96.00 Revenues - Customer Charge: $13,440.00
Non-Fuel Energy Charges: 0.48340 Revenues - Non-Fuel Charge: $19,964.42
Four Year Estimated Non-Fuel Revenues: $133,617.68
Estimated Construction Cost: $140,453.87
Negative Number Indicates Contribution Required: ($6,836.19)

Permits Required [ ] Easement Required [ ] Estimated Start Date: 03/01/07
Estimated Completion:

SPECIAL PROVISIONS: 140 out of 147 homes must be compliant (5% allowance)

Cycle/Route: Initial: Date Turned On: Completed By:
Submitted By: B. ZIEGLER
Approved By:
04/10/08

FLORIDA PUBLIC UTILITIES COMPANY
REQUEST FOR NEW GAS SERVICE

Residential [x] Commercial [ ] Industrial [ ]

Delray Beach [ ] West Palm Beach [ ] Central [x]

Customer Name: MORRISON HOMES — Social Security #
DBA/ or C/O: WELLINGTON WOODS — Telephone #
Service Address: Orange Camp Road — Alternate #
City & State: Deland — Zip 32724
Mailing Address: 0 — Zip

Natural [X]
Flo-Gas [ ]
Metered [X]
Bulk [ ]

Request For: Main Extension [X] Relocation [ ] Set & Lock Date
New Service [X] Abandonment [ ] Turn-On Date
Reactivate Service [ ] Turn-On Charge

Gas Account Number — Meter Deposit — Converted From
Tax District: DG70 — Rate (AEP)
State Tax
Gas Pressure: 5.5" [ ] 7" [ ] 11" [ ] 12" [ ] 2psi [X] 5 psi [ ] 20psi [ ]
S.I.C. 0 — Pressure Factor

units	Equipment	BTUH	Therms/Year	Total Therms	ON	MOD.	SCFH	LP CFH
1	Water Heater	40,000	150	150		0	40	
1	Range	60,000	35	35	0	0	60	
0	Dryer	80,000	50	0	0	0	80	
1	Central Heat	80,000	110	110	0	0	80	
0	Fireplace	40,000	40	0	0	0	40	
0	Spa/Pool Heater	400,000	250	0	0	0	400	
0	Grill/Summer Kitchen	40,000	20	0	0	0	40	
0	Light	2,000	120	0	0	0	2	
				0		0	0	
			Total Therms per Year	295			742	0

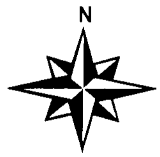
System Map Page — Hourly Max 594 0 — SCFH-Daily Hrs @ this rate 0
Map Book Page — Demand: Ave 371 0 — SCFH-Daily Hrs @ this rate 0
Plans Attached — Min. 74 0 — SCFH-Daily Hrs @ this rate 0

Information to be suppl - — Total Hours 0

Meter Required: Make — Size & Type — Capacity
Meter By-Pass Required — Full — Meter Only — Perm — Temp.
Meter in Stock ? — To Be Ordered — Date Ordered — P.R. No.
Regulator Required: Make — Size & Type — Capacity
Regulator in Stock ? — To Be Ordered — Date Ordered — P.R. No.
Overpressure Protection: IRV — Monitor Regulator — Relief Valve
Make — Size and Type — Capacity
In Stock ? — To Be Ordered — Date Ordered — P.R. No.
Metering Pressure — W.C. — PSI Compensating Index — Factor
Estimated Cost of Meter Set Installed $
Remarks

Completed By — Date
Approved By — Date
Meter # — Issued By — Date
Meter Set Date — Recorded By — Date

04/10/08 TO OPERATIONS - RETURN TO SALES


N

Clara Leider

From: Kitner Don

Sent: Tuesday, February 06, 2007 2:29 PM

To: Cox Doreen; Dysard Heidi; Seagrave Marc

Subject: Wellington Woods

Attachments: Wellington Woods Services.xls; BUILDER AGRMT - MORRISON.DOC; Copy of REGULATED 15 YEAR.xls; DEVELOPER AGREEMENT - EARLEY.DOC; NGS_10_2003_W_NEW_LOWER THERMS.xls; Wellington Woods Main 1.25in PE.xls; Wellington Woods Main 2in PE.xls; Summary.doc

Marc,
We need to have this in the builder's hands by Friday or they have stated they will go all electric. Sorry for the short timeframe but we just received an email stating they are ahead of schedule on this project.

Don Kitner
General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL

Prep. by: Scribben Date: 04/10/08 Sheet No.

1_1/4" IPS. PE Main Ext. to Serve: C:\Documents and Settings\CLEIDER\Local Settings\

Wellington Woods

Orange Camp Road, Deland

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
1_1/4" PE Main Extension:									
1_1/4" PE Pipe	6,200	LF.	$0.33		$2,046.00				$2,046.00
1_1/4" PE Tap Tee	0	EA.	$12.00		$0.00				$0.00
1_1/4" (Stl.) Tap Tee	0	EA.	$68.50		$0.00				$0.00
1_1/4" Trans. Fitting	0	EA.	$14.00		$0.00				$0.00
1_1/4" PE 90 Degrees or 3-Way Tee	6	EA.	$3.50		$21.00				$21.00
1_1/4" PE Cap	0	EA.	$2.50		$0.00				$0.00
1_1/4" PE Valve	0	EA.	$160.00		$0.00				$0.00
Tracer Wire & Warning Tape	6,200	FT.	$0.07		$434.00				$434.00
Misc. Fitting	1	Lot	$25.00		$25.00				$25.00
Frt. & Handling	$2,526.00		$0.37		$934.62				$934.62
Sub - Total				$0.00	$3,460.62	$0.00	$0.00	$0.00	$3,460.62
Install Main: 1_1/4" PE									
1_1/4" PE Pipe	6,200	LF.	$2.25				$13,950.00		$13,950.00
1_1/4" PE Tap Tee	0	EA.	$9.00				$0.00		$0.00
1_1/4" (Stl.) Tap Tee	0	EA.	$11.00				$0.00		$0.00
1_1/4" Trans Fitting	0	EA.	$10.85				$0.00		$0.00
1_1/4" PE Fittings	6	EA.	$6.75				$40.50		$40.50
1_1/4" PE Valve	0	EA.	$11.00				$0.00		$0.00
Directional Bore	0	LF.	$10.50				$0.00		$0.00
Push & Pull 1_1/4" PE	0	LF.	$6.80				$0.00		$0.00
Under 500'Premium	0	FT.	$0.32				$0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$19.40				$0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$21.25				$0.00		$0.00
Restore Sod	0	SF.	$0.90				$0.00		$0.00
Hand Ditch	650	FT.	$1.90				$1,235.00		$1,235.00
Extra Depth (Over 42")	0	FT.	$0.75				$0.00		$0.00
FPUC Crew	2.00	Day	$350.00	$595.00		$105.00			$700.00
Eng. & Inspection	1	Lot	$4,500.00	$3,825.00		$675.00			$4,500.00
Survey	1	Lot							$0.00
Permit	1	Lot							$0.00
Misc. Labor	1	Lot	$500.00				$500.00		$500.00
SUB - TOTAL				$4,420.00	$0.00	$780.00	$15,725.50	$0.00	$20,925.50
TOTAL EST. MAIN COST				$4,420.00	$3,460.62	$780.00	$15,725.50	$0.00	$24,386.12
									===========
(MAIN Cost Per FT.)	$3.93								

Clara Leider

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General Manager, Central Florida
386-668-9201

COST ESTIMATE DETAIL

Prep. by: Scribben Date: 04/10/08 Sheet No.

2" PE Main Ext. To Serve: C:\Documents and Settings\CLEIDER\Local Setting:

Wellington Woods

Orange Camp Road, Deland

DESCRIPTION	#	UNIT OF MEASR.	Unit Price	FPUC. Labor	Mat. & Sup.	Equip.	Outside Labor	Other Cost	Total Estimate
2" PE Main Ext.									
2" PE Pipe	11500	LF.	$0.53		6095.00				$6,095.00
2" PE H.V.S.P.	0	EA.	$74.00		0.00				$0.00
2" T.D.W. (Stl.) Punch Tee	0	EA.	$90.00		0.00				$0.00
2" Trans Fitting	0	EA.	$21.00		0.00				$0.00
2" PE 90 Degree or 3-Way Tee	6	EA.	$7.50		45.00				$45.00
2" PE Cap	1	EA.	$3.50		3.50				$3.50
2" PE Valve	0	EA.	$210.00		0.00				$0.00
Tracer Wire & Warning Tape	11500	FT.	$0.07		805.00				$805.00
Misc. Fitting	1	Lot	$25.00		25.00				$25.00
Frt. & Handling	$6,973.50		37.00%		2580.20				$2,580.20
Sub - Total				0.00	9553.70	0.00	0.00	0.00	$9,553.70
Install 2" PE Main:									
2" PE Pipe	11500	LF.	$2.85				32775.00		$32,775.00
2" H.V.S.P.	0	EA.	$14.00				0.00		$0.00
2" T.D.W. Tap Tee	0	EA.	$16.25				0.00		$0.00
2" Trans Fitting	0	EA.	$11.00				0.00		$0.00
2" PE Fittings	7	EA.	$8.65				60.55		$60.55
Directional Bore	0	LF.	$10.50				0.00		$0.00
Push & Pull 2" PE	0	LF.	$8.10				0.00		$0.00
2" PE Valve	0	EA.	$11.00				0.00		$0.00
Under 500'Premium	0	LF.	$0.32				0.00		$0.00
Asph.(Remove & Replace)	0	CF.	$19.40				0.00		$0.00
Conc.(Remove & Replace)	0	CF.	$21.25				0.00		$0.00
Restore Sod	0	SF.	$0.90				0.00		$0.00
Hand Ditch	1200	FT.	$1.90				2280.00		$2,280.00
Extra Depth (Over 42")	0	FT.	$0.75				0.00		$0.00
FPUC Crew	3	Day	$350.00	892.50		157.50			$1,050.00
Eng. & Inspection	1	Lot	$8,000.00	6800.00		1200.00			$8,000.00
Survey	1	Lot						0.00	$0.00
Permit	1	Lot						0.00	$0.00
Misc. Labor or Minimum Charges	1	Lot	$1,200.00				1200.00		$1,200.00
SUB - TOTAL				$7,692.50	$0.00	$1,357.50	#########	$0.00	$45,365.55
TOTAL EST. MAIN COST				7692.50	9553.70	1357.50	36315.55	0.00	$54,919.25
(MAIN Cost Per FT.)	$4.78								

Clara Leider

From: Kitner Don

Sent: Tuesday, February 06, 2007 2:29 PM

To: Cox Doreen; Dysard Heidi; Seagrave Marc

Subject: Wellington Woods

Attachments: Wellington Woods Services.xls; BUILDER AGRMT - MORRISON.DOC; Copy of REGULATED 15 YEAR.xls; DEVELOPER AGREEMENT - EARLEY.DOC; NGS_10_2003_W_NEW_LOWER THERMS.xls; Wellington Woods Main 1.25in PE.xls; Wellington Woods Main 2in PE.xls; Summary.doc

Marc,
We need to have this in the builder's hands by Friday or they have stated they will go all electric. Sorry for the short timeframe but we just received an email stating they are ahead of schedule on this project.

Don Kitner
General Manager, Central Florida
386-668-9201

FLORIDA PUBLIC
UTILITIES

Approved By:		
	Dir of Mktg	____
	Dir of Propane	____
	Fin Analyst	____
	CFO	____
	COO	____
	CEO	____
	Division Dir	____

Wellington Woods, Deland

- Project is a medium-size natural gas community on Orange Camp Road, located near three of our other natural gas communities – Crystal Cove, Carriage Homes and Victoria Park.
- The builder, Morrison Homes, opted to go with natural gas to remain competitive in our natural gas corridor.
- This is an AEP project that is expected to be paid off in its ninth year.
- Proposed development will service 147 homes of which 140 will be required to be gas-compliant homes.
- The first homes are expected to be built by mid-2007.
- The developer of the project is Earley Development, Inc. of Orlando. There will be a separate agreement for builder and for developer.
- Homes will be approximately 2500 square feet, with beginning prices of $300,000.
- Homes will utilize water heater, furnace, and range. Builder anticipates piping for gas dryers, but revenue has not been included. Fireplaces and summer kitchens will be offered, but not included in the revenue analysis. Builder is seriously considering adding gas lighting for the entry way.
- NPV yields a 20% Average ROR on investment.
- The distribution system will consist of approximately 11500' of 2" PE main, 6200' of 1 ¼" PE main, and approximately 7000' of 3/4" service line.
- Morrison Homes ranks as one of the nation's top 25 homebuilders for home sales, with presence in California, Nevada, Arizona, Colorado, Texas and Florida.
- This is the first time FPU has partnered with this national builder.

450 S. Hwy. 17-92, DeBary, Florida, 32713-9703

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Address D:\Exhibit 2.8

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Name	Size	Type	Date Modified	Location
BACHMAN		File Folder	2/25/2008 7:37 AM	Files Currently on the...
COX		File Folder	2/25/2008 7:36 AM	Files Currently on the...
KHOJASTEH		File Folder	2/25/2008 7:36 AM	Files Currently on the...
MARTIN		File Folder	2/25/2008 7:36 AM	Files Currently on the...
MESITE		File Folder	2/25/2008 7:36 AM	Files Currently on the...

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Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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Thursday, Apr 10, 2008 02:50 PM

D:\Exhibit 2.8\KHOJASTEH\Propane Projections - Impairment Testing_files

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colorschememapping.xml	1 KB	XML Document	10/16/2007 9:25 AM	Files Currently on the...
filelist.xml	1 KB	XML Document	10/16/2007 9:25 AM	Files Currently on the...
themedata.thmx	4 KB	THMX File	10/16/2007 9:25 AM	Files Currently on the...

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Thursday, Apr 10, 2008 02:55 PM

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<?xml version="1.0" encoding="UTF-8" standalone="yes" ?>
<a:clrMap xmlns:a="http://schemas.openxmlformats.org/drawingml/2006/main"
  bg1="lt1" tx1="dk1" bg2="lt2" tx2="dk2" accent1="accent1" accent2="accent2"
  accent3="accent3" accent4="accent4" accent5="accent5" accent6="accent6"
  hlink="hlink" folHlink="folHlink" />
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D:\Exhibit 2.8\KHOJASTEH\Propane Projections - Impairment Testing_files

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themedata.thmx	4 KB	THMX File	10/16/2007 9:25 AM	Files Currently on the...

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Thursday, Apr 10, 2008 02:55 PM

- <xml xmlns:o="**urn:schemas-microsoft-com:office:office**">
<o:MainFile HRef="**../Propane%20Projections%20-%20Impairment%20Testing.htm**" />
<o:File HRef="**themedata.thmx**" />
<o:File HRef="**colorschememapping.xml**" />
<o:File HRef="**filelist.xml**" />
</xml>

D:\Exhibit 2.8\KHOJASTEH\Propane Projections - Impairment Testing_files

Back · Search · Folders

Address D:\Exhibit 2.8\KHOJASTEH\Propane Projections - Impairment Testing_files

Name	Size	Type	Date Modified	Location
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start · 2 Micro... · Case Man... · Case Man... · D:\Exhibit... · Links · Desktop · 2:57 PM

Thursday, Apr 10, 2008 02:57 PM

Microsoft Application Search - Windows Internet Explorer

http://shell.windows.com/fileassoc/0409/xml/redir.asp?Ext=thmx

Microsoft Application Search

Page ▾ Tools ▾

Windows® File Association

Windows has the following information about this file type. This page will help you find software needed to open your file.

File Type: Unknown

Can't open

Description: Windows does not recognize this file type.

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Have questions? See these Frequently Asked Questions

Internet 100%

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Name	Size	Type	Date Modified	Location
Files Currently on the CD				
colorschememapping.xml	1 KB	XML Document	10/16/2007 9:19 AM	Files Currently on the...
filelist.xml	1 KB	XML Document	10/16/2007 9:19 AM	Files Currently on the...
themedata.thmx	4 KB	THMX File	10/16/2007 9:19 AM	Files Currently on the...

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Monday, Apr 14, 2008 08:43 AM

<?xml version="1.0" encoding="UTF-8" standalone="yes" ?>
<a:clrMap xmlns:a="**http://schemas.openxmlformats.org/drawingml/2006/main**" bg1="**lt1**" tx1="**dk1**" bg2="**lt2**" tx2="**dk2**" accent1="**accent1**" accent2="**accent2**" accent3="**accent3**" accent4="**accent4**" accent5="**accent5**" accent6="**accent6**" hlink="**hlink**" folHlink="**folHlink**" />

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Monday, Apr 14, 2008 08:44 AM

- <xml xmlns:o="**urn:schemas-microsoft-com:office:office**">
  <o:MainFile HRef="**../RE%20OE.htm**" />
  <o:File HRef="**themedata.thmx**" />
  <o:File HRef="**colorschememapping.xml**" />
  <o:File HRef="**filelist.xml**" />
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Monday, Apr 14, 2008 08:44 AM

Windows® File Association

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nents	Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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19	Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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COX	BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
KHOJASTEH	Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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themedata.thmx	4 KB	THMX File	10/16/2007 9:18 AM	Files Currently on the...

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accent3="**accent3**" accent4="**accent4**" accent5="**accent5**" accent6="**accent6**"
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- <xml xmlns:o="**urn:schemas-microsoft-com:office:office**">
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Windows® File Association

Windows has the following information about this file type. This page will help you find software needed to open your file.

File Type: Unknown

Description: Windows does not recognize this file type.

You may search the following Web site for related software and information:

- Windows Live Search

You may purchase or download software related to this file type from the following Web site:

- Windows Marketplace

Have questions? See these Frequently Asked Questions.

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Clara Leider

From: Martin Cheryl
Sent: Friday, February 23, 2007 3:00 PM
To: Dale Buschmann (E-mail)
Cc: Khojasteh Mehrdad; Lundgren April
Subject: 10K
Attachments: 10 K 2006.doc

Here is the tracked changes version. We did not track changes on the Pension tables within the footnote. We are still waiting to determine if there are any changes to the Cash flow statement as a result of the FASB 158 journal entry, as well as confirmation that the deferred taxes on the regulated portion is a regulatory tax asset vs. just a deferred tax asset. Also, the breakdown in the segment information for total assets has to be updated for FASB 158. We show that in red. We are also still waiting on a pending fuel item to determine if a late JE is necessary. We should know this early next week. Finally, we are waiting on legal clarification on our gas contract exhibits. They are shown in red as well. That should be early next week as well. Thanks Cheryl Martin

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)
☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2006

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ____________ to ____________

Commission file number 001-10608

Florida Public Utilities Company
(Exact name of the registrant as specified in its charter)

Florida	59-0539080
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification Number)

401 South Dixie Highway, West Palm Beach, FL 33401
(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code (561) 832-0872

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock par value $1.50 per share	American Stock Exchange

Securities registered pursuant to section 12(g) of the Act:

____
(Title of class)

____
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. [ ] Yes [X] No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. [ ] Yes [X] No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [ ] No

Indicate by check mark if disclosure of the delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). [ ] Yes [X] No

As of June 30, 2006, the aggregate market value of the Registrant's Common Stock held by non-affiliates (based upon the closing price of the Common Stock on that date on the American Stock Exchange) was approximately $71,300,000.

On February 9, 2007, 6,024,739 shares of the Registrant's $1.50 par value common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the May 8, 2007 Annual Meeting of Shareholders are incorporated by reference in Part III hereof.

PART I

Item 1. Business

General

Florida Public Utilities Company (FPU) was incorporated on March 6, 1924 and reincorporated on April 29, 1925 under the 1925 Florida Corporation Law. We provide natural gas, electricity and propane gas to residential, commercial and industrial customers in Florida. We do not produce energy and are not a generating utility. Our regulated segments sell natural gas and electricity to approximately 82,000 customers, and our unregulated segment sells propane through a wholly owned subsidiary, Flo-Gas Corporation, to approximately 13,000 customers. We also sell merchandise and other service related products on a limited basis as a complement to the natural and propane gas segments.

Our three primary business segments are aligned with our products and are natural gas, electric and propane gas. The Florida Public Service Commission (FPSC) regulates the natural gas and electric segments. We operate through five divisions based on geographic areas:

(1) South Florida Division - provides natural and propane gas to customers in West Palm Beach, Palm Beach Gardens, North Palm Beach, Jupiter, Riviera Beach, Palm Beach, Lake Worth, Royal Palm Beach, Wellington, Boynton Beach, Delray Beach, Boca Raton, Lauderdale Lakes, Deerfield Beach, Stuart, Palm City and other areas near these major cities.
(2) Central Florida Division - provides natural and propane gas to customers in Sanford, Deland, Deltona, DeBary, Orange City, Lake Mary, Winter Springs, New Smyrna Beach, Edgewater, Longwood, Port Orange and other areas near these major cities.
(3) Northwest Florida Division - provides electricity to customers in Marianna, Bristol, Altha, Cottondale, Malone, Alford and other areas near these major cities.
(4) Northeast Florida Division - provides electricity and propane gas to customers in Fernandina Beach, Jacksonville, Callahan, Yulee and other areas near these major cities.
(5) West Florida Division - provides propane gas to customers in Dunnellon, Inglis, Crystal River, Inverness, Brooksville and other areas near these major cities.

Business Environment

Natural and propane gas are some of the most popular forms of energy today. Gas is used for heating, cooling, cooking, backup generation and decorative lighting by businesses and homeowners and in many other ways by various industries. Natural gas is also used in combination with other fuels to improve environmental performance and decrease pollution in the generation of electricity.

Natural and propane gas have seen increased demand in Florida as a result of the recent hurricanes and the popularity of generators. Generators themselves do not impact usage significantly for a region; however, gas appliances have been added as a result of generator popularity, and that does increase gas usage. Prices of natural and propane gas

have decreased during 2006 due in part to the absence of a hurricane affecting the Gulf of Mexico.

As a result of historically high natural gas costs in 2005, alternatives such as coal and nuclear power for generation of electricity have seen increased interest. Our sales in the electric segment have not been impacted by higher electricity costs due to long-term favorable fixed price contracts for purchasing electricity. However, our contracts expire at the end of 2006 for our Northeast division and 2007 for our Northwest division and our electric prices are expected to significantly increase to close to market prices with the new contracts. Although this will not directly impact our income from operations because increased fuel costs are passed through to the customer, this may impact the number of units sold.

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Because of the hurricanes in 2004 and 2005, the electric industry in Florida has seen increased interest in improving reliability of electric services during and after hurricanes. Regulators have been researching the issue and have introduced new storm hardening requirements to improve electric reliability with storm hardening rules regarding pole inspections, strengthened design specifications for wind loading, vegetation management practices and installation of underground facilities for electric distribution and transmission systems. We are able to comply with these reliability standards and are seeking rate relief and implementation for these new requirements in 2007.

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Business Segments
We are organized in three operating and reporting segments: natural gas, electric and propane gas. We are also involved in limited merchandise sales and other services within our natural gas and propane areas to complement these segments. For information concerning revenues, operating income and identifiable assets of each of our segments, see Note 13 in Notes to Consolidated Financial Statements.

Natural Gas
Natural gas is primarily composed of methane, which is a colorless, odorless fuel that burns cleaner than many other traditional fossil fuels. Odorant is added to enable easy detection of a gas leak.

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We provide natural gas to customers in our South and Central Florida divisions. The vast majority of the natural gas we distribute is purchased in the Gulf Coast region, both onshore and offshore.

We use Florida Gas Transmission (FGT) as our natural gas pipeline in peninsular Florida. FGT is under the jurisdiction of the Federal Energy Regulatory Commission (FERC). We use gas marketers and producers independently to procure all gas supplies for our markets. We use Florida City Gas and Indiantown Gas Company to provide wholesale gas transportation services in areas distant from our interconnections with FGT. We pass all fuel costs on to our customers. We also transport natural gas for customers who purchase their own gas supplies and arrange for pipeline transportation. Our operating results are not adversely affected if our customers purchase gas from third parties because we do not profit on the fuel portion of sales.

Our natural gas revenues are affected by the rates charged to customers, supply costs for natural gas purchased for resale, economic conditions in our service areas and weather.

Although the FPSC permits us to pass through to customers the increase in price for our gas supply, higher rates may cause customers to purchase less natural gas.

Our current portfolio of natural gas customers is reasonably diverse, with the largest customer using natural gas for the generation of electricity. We are not dependent on any single natural gas customer for over ten percent of our total natural gas revenues.

The FPSC approved joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We plan to transport natural gas through Indiantown's system to new developments. In the early phase, Indiantown Gas Company will provide operational and customer service related work. We also began construction in the Indiantown area to install natural gas mains in the first phase of this development for approximately 100 homes. The next two developments are slated to break ground in 2007 for construction of approximately 1,000 homes.

Electric

We provide electricity to our customers in our Northwest and Northeast Florida divisions. Wholesale electricity is purchased from two suppliers: Gulf Power Company and JEA (formerly Jacksonville Electric Authority). In 1996, we executed ten-year fixed-price purchased power contracts with both suppliers. Gulf Power Company provides electric power to the Northwest division and JEA provides electric power to the Northeast division. Less than 1% of our power supply is purchased on an as-available basis from a self-generating paper mill in Fernandina Beach, located in our Northeast division. These long-term contracts provided our customers with the lowest consumer electric rates in Florida.

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During 2006 we completed the negotiations and executed final contracts for the supply of electricity in our Northeast division beginning January 1, 2007 and our Northwest division beginning in January 1, 2008. We are seeking approval of the contract with Gulf Power Company from the FPSC in 2007. We expect that rates charged to our customers will significantly increase to closer to market when the new contracts become effective in 2007 and 2008. We are unable to estimate what impact higher rates could have on electric consumption, but electricity usage could decrease.

The Northwest and Northeast divisions experience a variety of weather patterns. Hot summers and cold winters produce year-round electric sales that normally do not have highly seasonal fluctuations. None of the electric segment's customers represent more than ten percent of our total electric revenues.

The electric utility industry has not been deregulated in the state of Florida. All customers within a given service or franchise area purchase from a single electricity provider in that area.

Propane Gas

We provide propane gas to customers in our Northeast, West, Central and South Florida divisions and can purchase our propane supply from several different wholesale companies. Propane gas is delivered to Florida by barges and railcars to terminals in Tampa and Ft. Lauderdale, and through the Dixie Pipeline terminus at Alma and Albany, Georgia. Propane is also delivered by transport to our facilities and directly to a customer's premise. We believe that the propane gas supply infrastructure is adequate to meet the needs of the industry in Florida for the foreseeable future.

Propane gas is not as affected by environmental regulations as other petroleum products. However, propane gas is a hazardous material and as such is subject to strict code enforcement and safety requirements.

As with natural gas, the sales volume of propane gas is affected by the season and the weather. Typically, Florida has a tourist season that coincides with the winter months. The propane segment's sales volumes and revenues are closely balanced between residential and commercial customers. We employ two strategies to become less weather dependent, concentrating on the forklift propane gas cylinder exchange market and marketing propane gas appliances not used for heating air. We believe that water heaters and forklift cylinder exchange accounts are good ways to become less weather reliant. None of the propane gas segment's customers represent more than ten percent of our total propane sales volume or revenues.

Strategy

Our strategy is to leverage our expertise in the natural gas, electric and propane gas distribution business to assist us in consistently meeting our customer's expectations. Our core focus is to build mutually beneficial relationships with builders, developers and customers with high-energy usage requirements. Included in our strategy is a plan to enhance our future success by expanding our service territory into new areas with high growth potential.

Competition

We do not face substantial competition in our electric divisions. This is because no other competitor can currently provide the same energy in our areas due to FPSC regulations and territorial agreements between utilities. In addition, natural gas as an alternative fuel is only available in a small area served by our electric divisions. Although our natural gas segment operates with the same types of guidelines, there is competition in our natural gas segment from electric utilities. Normally each home will have electricity as a base fuel and natural gas as an alternative second source of energy used for cooking and heating. Electricity competes with natural gas, in large part based on the cost of fuel. Our propane gas segment is unregulated and faces competition from other suppliers of propane gas as well as alternative energy source suppliers. Competition in the propane gas segment is primarily based on price and service.

Rates and Regulation

The natural gas and electric segments are highly regulated by the FPSC. The FPSC has the authority to regulate our rates, conditions of service, issuance of securities and certain other matters affecting our natural gas and electric operations. As a result, FPSC regulation has a significant effect on our results of operations. The FPSC approves rates that are intended to permit a specified rate of return on investment. Our rate tariffs allow the cost of natural gas and electricity to be passed through to customers. Increases in the operating expenses of the regulated segments may require us to request increases in the rates charged to our customers. The FPSC has granted us the flexibility of automatically passing on increased expenses for certain fuel costs to customers. Other operational expenses, such as pension and medical expenses require us to petition the FPSC for rate increases. The FPSC is likely to grant rate increases to offset increased expenditures necessary for business operations. We successfully petitioned for an electric rate increase, which became effective on March 17, 2004, and for a natural gas rate increase that went into effect on November 18, 2004. We are currently seeking electric rate relief in 2007 for the recent storm hardening requirements implemented to improve reliability of electric utility systems.

We are subject to federal and state regulation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies.

Prior to the widespread availability of natural gas, we manufactured gas for sale to our customers or purchased utility assets from other companies that manufactured gas. The process for manufacturing gas produced by-products and residuals such as coal tar. The remnants of these residuals are sometimes found at former gas manufacturing sites. These sites face environmental regulation from various agencies including the FDEP and EPA on necessary cleanup and restoration.

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Franchises

We hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Generally, these franchises have terms ranging from 10 to 30 years and terminate on varying dates. We are currently in negotiations with certain municipalities for new service areas within our current operating divisions, and renewals of existing franchises. We continue to provide services to these municipalities and do not anticipate any interruption in our service.

Employees

As of January 18, 2007, we had 362 employees, of which 9 were part-time and 2 were temporary. Of these employees, 175 were covered under union contracts with two labor unions, the Internal Brotherhood of Electric Workers and the International Chemical Workers Union. We believe that our labor relations with employees are good.

Available Information

We file periodic reports including our Form 10-Qs, Form 10-Ks, and Form 8-Ks with the Securities and Exchange Commission (SEC). These reports and our Code of Ethics Policy can be obtained through our website (http://www.fpuc.com).

Item 1A. Risk Factors

A substantial portion of our revenues and, to a large extent, our profitability, depends upon rates determined by the FPSC.

FPSC regulates many aspects of our natural gas and electric operating segments, including the retail rates that we may charge customers for natural gas and electric service. Our retail rates are set by the FPSC using a cost-of-service approach that takes into account our historical operating expenses, our fixed obligations and recovery of our capital investments, including potentially stranded obligations. Using this approach, the FPSC sets rates at a level calculated to recover such costs, adjusted to reflect known and measurable changes, and a permitted return on investment. Any rate adjustments to recover increased costs or to otherwise improve our profitability must be obtained through a petition filed with the FPSC, which is referred to as a rate case. The rates permitted by the FPSC in rate cases will determine a substantial portion of our revenues for succeeding periods and may have a material impact on our consolidated earnings, cash flows and financial position, as well as our ability to maintain our common stock dividend at current levels or to increase our dividend in the future.

Some of our natural gas and electric service costs may not be fully recovered through retail rates.

Our natural gas and electric service retail rates, once established by the FPSC, remain fixed until changed in a subsequent rate case. We may at any time elect to file a rate case to request a change in our rates or intervening parties may request that the FPSC review our rates for possible adjustment, subject to any limitations that may have been ordered by the FPSC. Earnings could be reduced to the extent that our operating costs increase more than our revenues during the period between rate cases, which may occur because of maintenance and repair of plants, fuel and purchased power expenses, employee or labor costs, inflation or other factors. In addition, even if we decide to file rate cases, our requests for rate adjustments in such rate cases may be rejected. Other parties to a rate case or the FPSC staff may contend that our current rates, or rates proposed in a rate case, are excessive and our petition for rate adjustments may be denied on that or another basis.

Our segments are sensitive to variations in weather.

Most of our segments are affected by variations in general weather conditions and unusually severe weather. We forecast energy sales on the basis of normal weather, which represents a long-term historical average. Significant variations from normal weather could have a material impact on energy sales. Unusual weather, such as hurricanes, could also adversely affect operating costs and sales.

Our natural gas and propane gas customers use gas primarily for heating purposes. As a result, our natural gas and propane gas sales peak in the winter and are more weather sensitive than electricity sales, which peak in both summer and winter periods. Mild winter weather in Florida can be expected to negatively impact results from our natural gas and propane gas operations. Severe weather conditions could also interrupt or slow down service and increase the operating costs of all our segments.

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We operate in an increasingly competitive industry, which may affect our future earnings.

Natural Gas

The natural gas distribution industry has been subject to competitive forces for several years. We receive our supply of natural gas at thirteen city gate stations connected to an interstate pipeline system owned by FGT and one gate station connected to an intrastate pipeline owned by Florida City Gas Company. Gulfstream Natural Gas System currently also serves peninsular Florida with interstate natural gas transmission service;

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however we cannot predict if this system will be extended to areas near our existing facilities and how it could affect our gas operations.

Electric

The U.S. electric power industry has been undergoing restructuring. There is competition in wholesale power sales on a national level. Some states have mandated or encouraged competition at the retail level. While there is active wholesale competition in Florida, the retail electric business has remained substantially free from direct competition. Changes in the competitive environment occasioned by legislation, regulation, market conditions or initiatives of other electric power providers, particularly with respect to retail competition, could adversely affect our financial condition and results of operations. To the extent competitive pressures increase and the pricing and sale of electricity assumes more of the characteristics of a commodity business, the economics of our electric operating segment may come under increasing pressure. In addition, regulatory changes may increase access to electricity transmission grids by utility and non-utility purchasers and sellers of electricity, thus potentially resulting in a significant number of additional competitors.

Propane Gas

Our propane gas business is our only non-regulated business segment. Because the propane gas business is not regulated, we face significant competition in this segment. Our propane gas business competes directly with other distributors of propane gas, and other sources of energy including natural gas and electric. We may encounter increased competition in the propane gas business in the future. Our inability to compete effectively in the propane gas business, whether on the basis of price, customer service, alternative energy sources or otherwise, could have a material adverse effect on our financial condition and results of operations.

Our business could be adversely affected if our supply of natural gas is interrupted.

FGT's pipeline system transports all of our natural gas. FGT is owned by Citrus Corporation, which is jointly owned by Cross Country Energy Corporation and El Paso Corporation. Our ability to receive our normal supply of natural gas could be adversely affected by an interruption in FGT's service.

General economic conditions may adversely affect our segments.

Our segments are affected by general economic conditions. The consumption of the energy we supply is directly tied to the economy. A downturn in the economy in our local areas of operations, as well as on the state, national and international levels, could adversely affect the performance of our segments. Changes in political climate, including terrorist activities, could further negatively impact our performance. If tourism is down, then the demand for the energy we supply is reduced.

Commodity price changes may affect the operating costs and competitive position of our segments.

Most of our segments are sensitive to changes in coal, gas, oil and other commodity prices. If we are unable to increase the rates we charge to customers to reflect increases in these commodity prices, our margins and earnings will be lowered. If increased prices for any of these commodities persist for substantial periods, our competitive position could be adversely affected by customers who switch to cheaper energy sources. Further, natural gas prices have been increasingly volatile and, accordingly, the earnings from our natural gas operations are increasingly difficult to predict.

We could incur material expenses as a result of our obligations to comply with existing and new environmental laws and regulations.

We are subject to environmental regulations in connection with the ongoing conduct of our business and to civil and criminal liability for failure to comply with these regulations. In addition, new environmental laws and regulations, or new interpretations of existing laws and regulations, affecting our operations or facilities may be adopted which may cause us to incur additional material expenses.

We are subject to federal and state legislation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the FDEP, the United States Environmental Protection Agency (EPA) and other federal and state agencies. We may incur material future expenditures in order to comply with these existing environmental laws and regulations.

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We rely on a limited number of natural gas and electric suppliers, the loss of which could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under several firm contracts having expiration dates from 2007 to 2023 transport our natural gas to us. All of these contracts have provisions, which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2006 and 2007. We have renegotiated new contracts with these same suppliers for electric services beginning in 2007 and 2008. If we were to lose any of these contracts, we may not be able to replace the corresponding energy source on acceptable terms, if at all. In addition, in the event of the expiration of the contracts, we may not be able to renew them on favorable terms, if at all. As a result, the loss of any of these suppliers, the terminations of any of these supply contracts or the non-renewal of any of these supply contracts before or upon their expiration could have material adverse effects on our financial condition and results of operations.

New supply contracts could result in substantial increases to our prices, and could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under firm contracts having expiration dates from 2007 to 2023 transport our natural gas to us. All of these contracts have provisions which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2006 and 2007.

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Electricity supply contracts expiring in 2006 and 2007 will result in the cost of electricity more than doubling over existing prices. These increases could have a significant impact on our financial condition and results of operations.

Fluctuation in prices under long-term purchase and transportation commitments may have an adverse effect on our financial condition and results of operations.

To ensure a reliable supply of electricity and natural gas at competitive prices, we have entered into purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2023. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices.

As of December 31, 2006, we have firm purchase and transportation commitments adequate to supply our expected sales requirements for electricity with contracts that will expire in 2017. Our contract in the Northeast division of the electric segment began January 1, 2007 and expires on December 31, 2017. We have a contract with a supplier for the Northwest division beginning January 1, 2008 and expiring December 31, 2017. We are currently seeking approval with the FPSC for the Northwest division contract. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division.

Our natural gas pipeline transportation contracts expire in parts in 2010, 2015 and 2023. We are committed to pay demand or similar fixed charges monthly through 2023 related to the natural gas pipeline transportation agreements. Significant fluctuation in prices under these long-term purchase and transportation commitments may have a material adverse effect on our financial condition and results of operations.

Problems with operations could materially adversely impact us.

We are subject to various operational risks, including accidents, outages, equipment breakdowns or failures, or operations below expected levels of performance or efficiency. Problems such as the breakdown or failure of transmission lines, pipelines or other equipment or processes and interruptions in service which would result in performance below affected levels of output or efficiency, particularly if extending for prolonged periods of time, would have a material adverse effect on our financial condition and results of operations.

We are vulnerable to interest rate changes and may not have access to capital at favorable rates, if at all.

Changes in interest rates can affect our cost of borrowing on our line of credit, on refinancing of debt maturities and on incremental borrowing to fund new investments. Because our stock is not widely held and has a low trading volume, we may not be able to access the equity market or may be limited in the amount of equity financing. If we are unable to obtain equity or debt financing on terms satisfactory to us, our ability to fund capital expenditures and other commitments will be impaired. Moreover, even if available, the cost of such financing could reduce our margins and materially adversely affect our results of operations.

Failure to effectively and efficiently manage our growth, as well as changes in our business strategies, could have a negative impact on our performance.

An essential part of our business strategy is to grow our businesses. Much of our growth depends on our ability to find attractive development opportunities and to obtain the necessary financing for them. Our outlook is based on our expectation that we will be successful in finding and capitalizing on development opportunities, but our efforts may not be successful. Our failure to effectively and efficiently manage our growth, as well as changes in our business strategies, may have a material adverse effect on our financial condition and results of operations. If we grow our business with acquisitions there is a risk the acquisition will not have a positive effect on our financial condition.

Our ability to pay dividends on our common stock is limited.

We cannot guaranty that we will continue to pay dividends at our current annual dividend rate or at all. In particular, our ability to pay dividends in the future will depend upon, among other things, our future earnings, our cash requirements and our debt covenants.

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Provisions in our certificate of reincorporation, certain agreements, and the Florida Business Corporation Act may inhibit a takeover, which could adversely affect the value of our common stock.

Our certificate of reincorporation as well as provisions of the Florida Business Corporation Act (FBCA), contain provisions that could delay or prevent a change of control in our management that shareholders might consider favorable and may prevent them from receiving a takeover premium for their shares.

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Our certificate of reincorporation contains provisions that make it more difficult to obtain control of our company through transactions, which have not received the approval of our board of directors. These provisions include supermajority voting requirements for certain transactions with affiliated persons, staggering the terms of the members of our board of directors, and certain procedural requirements relating to shareholder meetings and amendments to our certificate of reincorporation or bylaws.

In addition, Florida has enacted legislation that may deter or frustrate takeovers of Florida corporations. Subject to certain exceptions, the "Control Share Acquisitions" section of the FBCA generally provides that shares acquired in excess of certain specified thresholds, beginning at 20% of a corporation's outstanding voting shares, will not possess any voting rights unless such voting rights are approved by a majority vote of the corporation's disinterested shareholders.

The "Affiliated Transactions" section of the FBCA generally requires majority approval by disinterested directors or supermajority approval by disinterested shareholders of certain specified transactions (such as mergers, consolidations, sales of assets, issuance or transfer of shares or reclassifications of securities) between a corporation and a holder of more than 10% of the outstanding shares of the corporation, or any affiliate of such shareholder.

Finally, we have agreements with three of our executive officers that provide for significant payments to those executives upon a change in control under certain circumstances. The existence of these contracts may make an acquisition of our company less attractive to a possible buyer.

Conflict or turmoil in oil producing countries could impact future prices for commodities including natural gas, propane gas and electricity, and increases in these prices could materially affect our financial condition and results of operations.

Worldwide turmoil could cause crude oil and its associated products to rise on concerns of the conflicts interfering with the production of crude oil. If these conflicts are large, escalate or spread, the impact to the cost of all fuel related commodities could increase substantially. These increases could materially adversely affect our financial condition and results of operations.

Item 1B. Unresolved Staff Comments

None

Item 2. Properties

We have natural gas, electric and propane gas utility related properties. These properties include transmission, distribution, storage and general facilities at various locations in our service areas. We do not have generating facilities. We maintain property that is adequate for our current operations and we expand our existing facilities as required by growth or other operational needs.

We own natural gas mains that distribute gas through 1,558 miles of pipe located in Central and South Florida. Additionally, we have adequate gate stations in each distribution system.

In the electric segment, we own 22 miles of electric transmission lines located in Northeast Florida and 1,082 miles of electric distribution lines located in Northeast and Northwest Florida. The distribution lines are installed both under and above ground with many of the coastal locations having under ground facilities. All transmission lines are installed above ground. Additionally, we own various substations and regulator stations that are used in our operations.

Our propane gas segment has bulk storage facilities and tank installations on the customers' premises. We also have 16 community gas systems that distribute propane gas to customers in a specific area. These systems are subject to the Federal Department of Transportation Office of Pipeline Safety Regulations.

We own office and warehouse facilities in Northwest, Northeast, Central, West and South Florida, which are used for our operations and materials storage by the natural gas, electric, and propane gas segments. We also have various easements and other assets located throughout our service areas that are utilized by all of our operations.

We also own a three-story building in West Palm Beach, where our corporate headquarters is located.

All of our property is subject to a lien collateralizing our funded indebtedness under our Mortgage Indenture. See Note 7 in Notes to Consolidated Financial Statements.

Item 3. Legal Proceedings

In our operations, we currently use or have used several contamination sites that have pending or threatened environmental litigation. We are in the process of investigating and assessing this litigation. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover any losses or expenses incurred as a result of this litigation. We believe all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the combined sum of any insurance proceeds received and any rate relief granted.

West Palm Beach Site

We are currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property we own in West Palm Beach, Florida. We previously operated a gasification plant at this site. We entered into a Consent Order with the FDEP, effective April 8, 1991. This requires us to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. We have submitted numerous reports to FDEP describing the results of soil and groundwater sampling conducted at the site. We completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant performed a feasibility study (FS) to evaluate appropriate remedies for the site. A FS was transmitted to FDEP on November 30, 2006.

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The FS evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the FS ranged from a low of $2.8 million to a high of $54.6 million. Based on the likely acceptability of proven remedial technologies described in the FS and implemented at similar sites in other states, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from $4.6 million to $17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA), or some combination of these remedies. The FS proposed a remedy of superficial soil excavation, installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from $4.6 million to $9.9 million.

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Prior to FDEP's approval of a final remedy for the site, we are unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately $4.8 million to $18 million.

Sanford Site

We own a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to our acquisition of the property. Following discovery of soil and groundwater impacts on the property, we have participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, we executed an Administrative Order on Consent (AOC) with the four former owners and operators (Group) and the United States Environmental Protection Agency (EPA) that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RIBS AOC and WFS Participation Agreement is now complete and we have no further obligations under either document.

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On July 5, 2000, EPA issued a Record of Decision (ROD) approving the final remedial action for contaminated soils at the site (OU1 Remedy). The initial estimated cost for the OU1 Remedy described in the ROD ranged from $5.6 million to $5.8 million. On June 12, 2001, EPA issued a ROD approving the final remedial action for contaminated groundwater at the site (OU2 Remedy). The present worth cost estimate for the OU2 Remedy was $320,252.

We are a party to the Second Participation Agreement entered into by members of the Group on August 1, 2000, as amended through June 19, 2002 (RD/RA Participation Agreement). The RD/RA Participation Agreement provided for funding the remedial design/remedial action (RD/RA) task for OU1 and OU2. Our share of costs for implementation of the RD/RA task for OU1 and OU2 was set at 10.5%, providing the total cost of the RD/RA task, including the pre-remedial design fieldwork, does not exceed $6 million. In 2002, we paid $210,178 to the Escrow Agent pursuant to a first call for funds in the total amount of $2 million under the RD/RA Participation Agreement. As of December 31, 2006, a balance of $550,000 remained in the Escrow Account from the first call for funds.

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In late September 2006, EPA sent us a Special Notice Letter, notifying us of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the other Group members and us sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended ROD for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, we, along with the Group, submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1-OU3.

We, along with the Group, recently reached agreement on the terms and conditions of a Third Participation Agreement, to provide for funding the remediation work specified in the RODs for OU1-OU3. The Third Participation Agreement, which supersedes and replaces the Second Participation Agreement, is expected to be signed by all Group members by the end of January 2007. Our share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13 million or $650,000. At present, it is not anticipated that the total cost of remediation will exceed $13 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13 million. In any such event, we anticipate that our share will not be greater than 5% and could be less than 5%.

Assuming the Third Participation Agreement becomes effective in 2007 and EPA accepts the Group's good faith offer, our total probable legal and remediation expenses for this site are projected to be approximately $710,000.

Pensacola Site

We are the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that we were one of several responsible parties for any environmental impacts associated with the former gasification plant site, we entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

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Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. Our share of these costs is less than $2,000 annually.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to us in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, we have not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, we are unable to determine whether additional fieldwork or site remediation will be required by EPA and, if so, the scope or costs of such work.

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Key West Site

From 1927-1938, we owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the current site owner and us and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified us that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished (SEA) disposition is recommended." FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 3 1, 2006, we have received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such work. In 1999, we received an estimate from our consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, our share would be approximately $83,000.

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Item 4. Submission of Matters to a Vote of Security Holders

None

Executive Officers of the Registrant

The following sets forth certain information about the executive officers of the Company as of February 17, 2007.

Name	Age	Position	Date
John T. English	63	Chairman of the Board	2006 - Present
		Chief Executive Officer	1998 - Present
		President	1997 - Present
		Chief Operating Officer	1997 - 2000
Charles L. Stein	57	Senior Vice President	1997 - Present
		Chief Operating Officer	2001 - Present
George M. Bachman	47	Corporate Secretary	2004 - Present
		Chief Financial Officer	2001 - Present
		Treasurer	2001 - Present

Mr. English was Senior Vice President from 1993 preceding his appointment as President and Chief Operating Officer.

Mr. Stein was Vice President from 1993 preceding his appointment as Senior Vice President.

Mr. Bachman was Controller from 1996 preceding his appointment as Chief Financial Officer and Treasurer.

Each of these executive officers has an employment agreement for a three-year term, which can be renewed at the Board Meeting preceding the expiration of the agreement subject to his earlier resignation or removal. There are no family relationships among any of the executive officers and directors of the Company.

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PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Quarterly Stock Prices and Dividends Paid

Our common shares are traded on the American Stock Exchange under the symbol FPU. The quarterly dividends declared and the reported last sale price range per share of our common stock for the most recent two years were as follows:

	2006			2005		
	Stock Prices		Dividends	Stock Prices *		Dividends
Quarter ended	Low	High	Declared	Low	High	Declared*
March 31	$13.25	$14.50	$0.1033	$11.47	$13.49	$0.1000
June 30	11.86	14.40	0.1075	11.45	12.67	0.1033
September 30	12.61	14.42	0.1075	12.67	16.84	0.1033
December 31	13.10	14.05	0.1075	13.46	16.44	0.1033

* On July 25, 2005 we issued a three for two stock split in the form of a stock dividend to our shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split.

As of February 16, 2007, there were approximately 3,900 holders of record of our common shares.

We intend to continue to pay quarterly cash dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon future earnings, cash flow, financial condition, capital requirements and other factors. Our Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9.0 million of retained earnings were free of such restriction and therefore available for the payment of dividends.

Securities Authorized for Issuance under Equity Compensation Plans

Equity Compensation Plan Information

Plan Category	Number of Securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	72,749*
Equity compensation plans not approved by security holders	0
Total	72,749

* This includes 20,714 shares for the Non-Employee Director Compensation Plan. This plan was adopted by the Board of Directors on March 18, 2005 and was approved at the 2005 meeting of shareholders. This also includes 52,035 shares for the Employee Stock Purchase Plan.

Item 6. Selected Financial Data

(Dollars in thousands, except per share data)

Years Ended December 31,	2006	2005	2004	2003	2002
Revenues	$ 134,235	$ 130,023	$ 110,039	$ 102,723	$ 88,461
Gross profit	$ 48,264	$ 47,219	$ 40,689	$ 37,733	$ 34,929
Earnings:					
Continuing operations	$ 4,264	$ 4,248	$ 3,594	$ 2,522	$ 2,761 (1)
Discontinued operations (3)	-	-	-	9,901	602
Net income	$ 4,264	$ 4,248	$ 3,594	$ 12,423	$ 3,363 (1)
Earnings per common share (basic and diluted) (5):					
Continuing operations	$ 0.71	$ 0.71	$ 0.60	$ 0.43	$ 0.47 (1)
Discontinued operations (3)	-	-	-	1.69	0.10
Total	$ 0.71	$ 0.71	$ 0.60	$ 2.12	$ 0.57 (1)
Dividends declared per common share (5)	$ 0.43	$ 0.41	$ 0.40	$ 0.39	$ 0.38
Total assets (2)(6)	$ 179,663	$ 181,883	$ 169,882	$ 160,944	$ 148,487
Utility plant – net (2)	$ 129,211	$ 123,061	$ 117,191	$ 107,942 (4)	$ 103,357 (4)
Current debt	$ 3,466	$ 9,558	$ 5,825	$ 2,278	$ 19,183
Long-term debt (6)	$ 50,702	$ 50,620	$ 50,538	$ 50,454	$ 50,367
Common shareholders' equity	$ 47,625	$ 45,503	$ 43,213	$ 41,463	$ 30,883

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Notes to the Selected Financial Data:

(1) 2002 includes gain after income taxes from the sale of non-utility real property of $70, or $0.01 per share.

(2) The Total assets and Utility plant - net for 2002 has been restated to conform to SFAS No. 143, "Accounting for Asset Retirement Obligations".

(3) On December 3, 2002, FPU entered into an agreement to sell the assets of its water utility system to the City of Fernandina Beach. The transaction closed on March 27, 2003. Revenues, Gross profit and Utility plant-net do not include discontinued operations.

(4) The Total assets and Utility plant - net for 2003 and 2002 have been restated to reflect the FPSC approved acquisition adjustment in the amount of approximately $1.0 million. (For additional information see "Goodwill and Intangible Assets" in the Notes to Consolidated Financial Statements).

(5) On July 25, 2005 we issued a three for two stock split in the form of a stock dividend to our shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split.

(6) Long-term debt is net of unamortized debt discount. Prior years have been restated to reflect the inclusion of unamortized debt discount.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation

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RESULTS OF OPERATIONS

General

Effects of seasonal weather conditions, the timing of rate increases, fluctuations in demand due to the cost of fuel passed on to customers and the migration of winter residents and tourists to Florida during the winter season all have an impact on income.

Revenues and Gross Profit

Revenues include normal sales revenues, along with cost recovery revenues. The FPSC allows cost recovery revenues to directly recover costs of fuel, conservation and revenue-based taxes in our natural gas and electric segments. Revenues collected for these expenses have no effect on result of operations and fluctuations could distort the relationship of revenues between periods. Because gross profit eliminates these cost recovery revenues, we believe it provides a more meaningful basis for evaluating utility revenues.

Revenues and Gross Profit
(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Natural Gas			
Revenues	$70,981	$69,094	$55,962
Cost of fuel and other pass through costs	43,909	42,815	34,232
Gross Profit	$27,072	$26,279	$21,730
Units sold:			
One thousand dekatherms (MDth)	6,230	6,224	6,124
Electric			
Revenues	$48,527	$47,450	$42,910
Cost of fuel and other pass through costs	34,259	33,352	29,732
Gross Profit	$14,268	$14,098	$13,178
Units sold:			
Mega watt hours (MWH)	849,124	814,353	766,349
Propane Gas			
Revenues	$14,727	$13,479	$11,167
Cost of fuel and other pass through costs	7,803	6,637	5,386
Gross Profit	$ 6,924	$6,842	$5,781
Units sold:			
One thousand dekatherms (MDth)	621	640	614
Consolidated			
Revenues	$134,235	$130,023	$110,039
Cost of fuel and other pass through costs	85,971	82,804	69,350
Gross Profit	$ 48,264	$ 47,219	$ 40,689

Natural Gas

Natural gas revenues increased $1.9 million, or 3% in 2006 over 2005 primarily due to increased revenue collected for taxes passed directly through to customers. A change in legislature regarding the calculation of Gross Receipts tax was effective January 1, 2006, and along with an increase to overall revenues, increased these taxes paid by our

customers by approximately $500,000. Franchise fee revenues also increased by $500,000 due to increased rates and area expansion.

Gross profit increased by $793,000, or 3% in 2006 over 2005. We had higher revenue and gross profit in 2006 compared to 2005 primarily due to lower over earning estimates. In 2006 we estimated over earnings of $230,000 and reduced our estimate for 2005 over earnings by $50,000 from $700,000 in 2005, which increased revenues and gross profit over the prior year by approximately $500,000. Other factors contributing to the increase in revenues and gross profit were 2% customer growth and storm surcharge revenues effective November 2005. The revenues and gross profit increases were slightly offset by $100,000 as a result of two transportation customers who went off-line for several months to do maintenance work.

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Natural gas revenues increased $13.1 million in 2005 over 2004 primarily due to an $8.6 million increase in the cost of fuel and other costs that were passed through to customers. The cost of natural gas increased significantly over prior years, partially as a result of recent hurricanes and their impact on supplies. Gross profit increased $4.5 million, or 21%, primarily as a result of rate relief effective in November 2004, normal customer growth and a 2% increase in units sold.

Electric

Electric revenues increased $1.1 million in 2006 over 2005. Cost of fuel and other costs that were passed through to customers contributed approximately $900,000 of the increase. Gross profit increased $170,000 or 1% in 2006 over 2005. The increase in gross profit was primarily due to a 1% increase in customer growth and units sold, excluding the two large industrial customers in our Northeast division.

Electric revenues increased $4.5 million in 2005 over 2004. Cost of fuel and other costs that were passed through to customers contributed $3.6 million of the increase. Gross profit increased $920,000 or 7% in 2005 over 2004. The increase in gross profit was primarily due to a 6% increase in units sold along with the rate increases granted in March 2004. A large distribution center was built recently in our Northwest division and increased revenues by approximately $700,000 and gross profit by approximately $91,000 in 2005 over 2004.

Propane Gas

Propane revenues increased $1.2 million, or 9.3% and gross profit increased $82,000 or 1% in 2006 compared to 2005. Revenues increased primarily due to rising fuel costs. Although customers increased by 5% in 2006, the usage per customer declined by 8% contributing to a decrease of 3% in units sold. Warmer weather was the primary reason for this decrease in usage per customer in 2006 compared to 2005. The increase in gross profit was minimal when compared to last year, primarily due to pre-buy gains of $383,000 received in 2005 not realized in 2006.

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Propane revenues increased $2.3 million and gross profit increased $1.1 million or 18% in 2005 compared to 2004. The Company realized gains of approximately $383,000 as a result of buying propane supplies before market price increases. The remaining increase of 12% from the previous year resulted from propane unit sales increasing 4% due primarily to a 13% growth in residential bulk customers and units sold.

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Operating Expenses

Operating expenses include operation, maintenance, depreciation, amortization and taxes other than income taxes, and exclude fuel costs, conservation and taxes based on revenues that are directly passed through to customers and recovered in revenues.

Operating Expenses
(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Natural gas	$ 20,954	$ 20,230	$ 16,752
Electric	$ 11,131	$ 10,596	$ 9,825
Propane gas	$ 5,850	$ 5,756	$ 5,126
Total Operating Expenses	$ 37,935	$ 36,582	$ 31,703

Natural Gas

Natural gas operating expenses increased $724,000, or 4%, in 2006 as compared with 2005. Outside of the normal inflationary impacts on our expenses, customer account expenses increased by $237,000 as a result of our customer service focus. We continued the focus on this area and increased the number of employees in an effort to respond more effectively to customers. Bad debt expense increased $49,000 over the prior year primarily due to increased revenues and aged accounts receivable on several major accounts. We increased our collection efforts in the fourth quarter of 2006 and will continue to do so in 2007.

In 2006 we had additional increases of $90,000 to sales expense resulting from initiatives to boost sales by increasing sales staff. Depreciation expense increased $137,000 principally due to construction of mains and new meters to distribute gas to a growing number of new developments in South Florida and capacity increase requirements for existing customers.

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Natural gas operating expenses increased $3.5 million or 21%, in 2005 as compared with 2004. Amortization expense increased $1.0 million. The bare steel replacement program and recovery of future environmental costs approved in our 2004 natural gas rate proceeding were the primary reasons for this increase. We are currently under a 50-year program to replace all bare steel mains and service lines with coated steel and polyethylene (PE) lines. We have received approval to recover the funds necessary to replace these mains and services over the 50-year period. Pursuant to an FPSC mandate, we accrue for amortization expense as an offset to the revenues received, and record a contribution to the related construction expenditures. The FPSC also approved recovery of our expected environmental liability over a 20-year period.

Based on our strategic plan, we have increased efforts in our customer service area to respond to customers. Customer account expense increased $373,000 in 2005 as compared to 2004 primarily due to increased payroll expenses for additional staffing and facility and equipment upgrades. There were also increased bad debt expenses as a result of the increases in accounts receivable due to general and fuel rate increases. The purchase of additional safety equipment, tools, hardware and office furniture contributed to a $942,000 increase in other operating expense. Other items affecting expenses included a research marketing study to provide us with data to better serve our customers and additional payroll expenses relating to hurricane preparedness and wage increases. Maintenance expense increased by $208,000 primarily due to maintenance expenditures in Central Florida for cleaning and painting a distribution regulator and gate stations and the purchase of maintenance related safety equipment and tools.

Electric
Electric operating expenses increased $535,000, or 5%, in 2006 as compared with 2005. As a result of our proactive efforts to inform and educate our electric customers about the expected 2007 and 2008 fuel rate increases in upcoming bills, sales expense increased by $120,000. Customer account expenses increased $106,000 in 2006 over the prior year mainly due to our efforts to provide adequate reserves for the increased aged accounts receivables not expected to be collected and additional revenues. Depreciation expense increased $202,000 largely due to major work done in the latter part of 2005 and the beginning of 2006. This included the rebuilding of a transmission sub-station, the rebuilding of an entire distribution sub-station with two transformers and the replacement of a failed sub-distribution station transformer.

Electric operating expenses increased $771,000, or 8%, in 2005 as compared with 2004. As we continue to focus on improving service reliability, we increased maintenance expense by $397,000 for additional tree trimming and the use of a temporary mobile substation while a new transformer was purchased and put into service. Depreciation expense increased $100,000 due to normal increases in plant assets. In 2005, other operating expenses increased $114,000 due to a shift from work on capital assets to operational needs along with personnel raises.

Propane Gas
Propane gas operating expenses increased $94,000, or 2%, in 2006 as compared with 2005. Depreciation expense increased $99,000 for the addition of plant assets including a propane delivery system that will increase the efficiency of our deliveries and improve our overall customer satisfaction. Aged accounts receivable and increased revenues contributed to an increase in our bad debt expense over the prior year.

Propane gas operating expenses increased $630,000, or 12%, in 2005 as compared with 2004. As we continued to focus on increasing our propane gas business, other operating costs increased $467,000. We placed additional emphasis in the sales area, which resulted in signing up new housing developments that will utilize propane gas. We incurred increased expenditures for piping homes, delivering propane gas, implementing a new delivery system and increasing commission payments. This increased effort in our sales area contributed to an increase of 150 customers and 4% overall units sold in our propane gas segment.

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Administrative Expenses
Administrative expenses increased $177,000, or 2%, in 2006 over 2005. These expenses generally are related to all of our operating segments. To continue to adequately support our internal and external customers, we increased staffing in our administrative areas. Payroll increases of $322,000 related to an increased number of employees, annual pay raises and normal inflationary impacts. In 2006, we discontinued eligibility to our defined benefit pension plan for new employees and replaced the defined benefit pension plan with a 401K-match plan for new employees. Although this change will take time to reduce pension expense, we did experience a reduction of $107,000 in our pension expenses for various reasons. Medical costs increased $120,000 over the prior year and these costs are expected to continue to rise.

Regulatory storm surcharge expenses approved in our 2005 natural gas petition increased natural gas expenses by $180,000.

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Administrative expenses increased $996,000, or 13%, in 2005 over 2004. These expenses related to all of our operating segments. Pension expense increased $274,000 due to our estimate that the return on the pension's assets will not keep pace with growing pension liabilities. In an effort to manage future expected increases in the pension liabilities, we decided to discontinue eligibility to our defined benefit pension plan for new employees. We replaced the defined benefit pension plan with a 401K-match plan for new employees. Medical insurance premiums continue to rise, increasing $130,000 in 2005. Compliance costs related to Sarbanes-Oxley and internal control requirements, as well as audit fees, increased outside services expenses by $156,000. With the impacts from our focus on hurricane preparations and the recent hurricanes, our safety expense increased by $235,000. A portion of this increase related to an additional safety employee and a new safety incentive program.

Total Other Income and Deductions

Other Income and Deductions include revenues and expenses from sales and installation service of merchandise, gains or losses on disposal or acquisition of property, interest expense and other miscellaneous income or expenses. The largest components of this section are merchandise sales and services income and interest expenses. Our services activities include the installation of merchandise and other contract work. Interest expense consists of interest on bonds, short-term borrowings and customer deposits.

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Merchandise and Services Revenue and Expenses

Although merchandise and services revenue decreased by approximately $268,000, the overall profitability in this area increased by $325,000, compared to 2005. This was primarily a result of significant strategic changes made by management. These changes included revising the product markup structure, increasing installation fees and increasing employee training. We experienced a revenue decrease due to lower demand for merchandise as a result of a quiet hurricane season and the slow down of new construction projects in our areas.

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Merchandise and services revenues and expenses both increased in 2005 from 2004 but merchandise profitability decreased $114,000. We experienced an increase in revenues and cost of sales primarily due to an increased demand for electric to gas conversions and installations of customer owned propane tanks to supply back-up generators. We had increased expenses from sub-contractors that were not passed on to customers in sales prices. Management is currently reviewing the profitability of the various merchandise installation costs and considering increasing installation fees to improve profitability in this area.

Interest Expenses

In 2006, total interest expense increased $40,000 compared to the prior year. The expense increased primarily as a result of rising interest rates.

In 2005, total interest expense increased $106,000. Interest on short-term debt increased $37,000. This was due to the increase in the average outstanding loan balance on the line of credit and higher interest rates. We also made an interest payment of $18,000 as the result of the IRS audit of prior years' tax returns. Interest on customer deposits increased $48,000 due to increased customer deposits primarily as a result of additional deposits required after implementing increased rates in our natural gas operation.

Other

Other revenues increased $51,000 compared to 2005 due to additional interest income associated with the sale of the water assets.

Income Taxes

Income tax expense decreased in 2006 over the normal tax rate on net income by $67,000. This decrease was due to tax return adjustments related to the regulatory deferred tax liabilities.

Income tax expense decreased in 2005 over the normal tax rate on net income by $43,000. Tax return adjustments related to the sale of water and the regulatory deferred tax liabilities decreased expenses by $118,000. We had an offsetting increase of $75,000 related to our IRS audit of the 2002 and 2003 income tax returns.

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Liquidity and Capital Resources

Summary of Primary Sources and Uses of Cash

(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Sources of Cash:			
Operating activities, including working capital changes	$20,090	$10,213	$11,673
Proceeds from issuance of short-term debt	0	3,733	3,547
Other sources of cash	1,179	1,214	648
Uses of Cash:			
Construction expenditures	13,116	12,441	13,731
Dividends paid	2,551	2,448	2,368
Payment of short-term debt	6,092	0	0
Other uses of cash	121	75	129
Net (use) source of cash	$ (611)	$ 196	$ (360)

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Cash Flows

Operating Activities

Net cash flow provided by continuing operating activities increased in 2006 by approximately $10 million compared to 2005. Amounts collected from customers exceeded payments for fuel by $6.2 million in 2006 primarily from an over recovery of fuel costs. The over recovery of fuel costs will be refunded in the following calendar year. Lower fuel costs in our natural gas segment in the latter part of the year resulted in a decrease in accounts receivable and accounts payable, contributing to a net $2 million increase to cash flow. Income taxes paid increased by approximately $600,000 primarily due to the tax effect of the collection of prior year's fuel under recoveries.

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Net cash flow provided by continuing operating activities decreased in 2005 by approximately $1.5 million compared to 2004. Payments for fuel exceeded the amount collected from customers by an additional $3.1 million in 2005. The under recovery of fuel costs are collected in the following calendar year. Income tax payments increased approximately $1.5 million, primarily as a result of less tax depreciation and higher income. The deduction for tax depreciation was higher in both 2003 and 2004 as a result of bonus depreciation, resulting in lower taxes in those years. We also received a refund in 2004 relating to the deferral of the gain on our water assets sale.

Offsetting the decreases to 2005 cash flow was additional cash received from rate increases in our natural gas segment. The rate increases also contributed to an increase to accounts receivable of $4.0 million. Accounts payable increased $3.3 million primarily due to the increased cost of fuel in our natural gas segment.

Investing Activities
Construction expenditures increased in 2006 compared to 2005 by approximately $700,000. The increase in 2006 included large expenditures for transportation equipment in our electric segment for approximately $400,000, vehicles in our natural gas segment above 2005 levels of approximately $600,000, and various other typical capital expenditures. Offsetting total 2006 increases was a non-recurring $663,000 transformer replacement in 2005.

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Construction expenditures decreased in 2005 compared to 2004 by approximately $1.3 million. In 2004, there were large projects to rebuild two substations in our electric segment and additional propane community gas systems costing approximately $3.3 million. In 2005 such expenditures were lower and consisted of the purchase of a transformer in our electric segment for approximately $600,000, a new natural gas mapping system to track our assets used in serving our customers for approximately $300,000, a propane delivery system for approximately $300,000, additional propane community gas systems for approximately $300,000 and other various capital expenditures.

Financing Activities
Short term borrowings decreased by $6 million in 2006. Over recovery of fuel costs provided a large source of cash during 2006 as well as the under recovery of fuel costs from the prior year recovered in 2006.

Although additional sources of cash were provided by our rate increases and lower construction expenditures in 2005, the additional expenditures from under recovery of fuel costs and additional income taxes slightly increased our short-term debt. Short-term borrowings increased in 2005 over 2004 by approximately $3.7 million.

Capital Resources
We currently have a $12 million line of credit (LOC), which expires on July 1, 2008. Upon 30 days notice by us we can increase the LOC to a maximum of $20 million. The LOC contains affirmative and negative covenants that, if violated, would give the bank the right to accelerate the due date of the loan to be immediately payable. The covenants include certain financial ratios. All ratios are currently met and management believes we are in full compliance with all covenants and anticipates continued compliance. We reserve $1 million of the LOC to cover expenses for any major storm repairs in our electric segment and an additional $250,000 for a letter of credit insuring propane gas facilities. As of December 31, 2006, the amount borrowed from the LOC was $3.5 million. The LOC, long-term debt and preferred stock as of December 31, 2006 comprised 53% of total capitalization and debt.

In prior years we periodically paid off short-term borrowings under lines of credit using the net proceeds from the sale of long-term debt or equity securities. We may use similar types of proceeds in the future to pay off short-term borrowings, dependent on the amount borrowed from the LOC, prevailing market conditions for debt and equity, the impact to our financial covenants and the effect on income.

Our 1942 Indenture of Mortgage and Deed of Trust, which is a mortgage on all real and personal property, permits the issuance of additional bonds based upon a calculation of unencumbered net real and personal property. At December 31, 2006, such calculation would permit the issuance of approximately $39.3 million of additional bonds.

On November 30, 2006 we received approval from the FPSC to issue and sell or exchange an additional amount of $45 million in any combination of long-term debt, short-term notes and equity securities and/or to assume liabilities or obligations as guarantor, endorser or surety during calendar year 2007.

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We have $3.4 million in invested funds for payment of future environmental costs. We expect to use some of these funds in 2007.

Capital Requirements
Portions of our business are seasonal and dependent upon weather conditions in Florida. This factor affects the sale of electricity and gas and impacts the cash provided by operations. Construction costs also impact cash requirements throughout the year. Cash needs for operations and construction are met partially through short-term borrowings from our LOC.

Construction expenditures are expected to be higher in 2007 compared to 2006 by approximately $3.9 million. The primary reason for the expected increase in expenditures is the anticipated purchase of land for a new South Florida division office. The current division office is on environmentally impacted property, which requires relocating the office to another location to allow for clean up of the property. It will not be possible to rebuild at the current location since the property has been rezoned with a residential designation. The estimated cost of land is $3.8 million. We are planning to build and complete this new facility in the next five years. We do not have any material commitments for construction expenditures in 2007 other than vehicles of approximately $102,000.

Cash requirements will increase significantly in the future due to environmental clean up costs, sinking fund payments on long-term debt and pension contributions. Environmental clean up is forecast to require payments of approximately $600,000 in 2007, with remaining payments, which could total approximately $10.3 million, beginning in 2008. Annual long-term debt sinking fund payments of approximately $1.4 million will begin in 2008 and will continue for eleven years. Based on current projections, we will make voluntary contributions in our defined benefit pension plan of $250,000 in 2007 and $500,000 in 2008. Required contributions will begin in 2009 and are forecast to be approximately $2 million in 2009 and 2010.

Based on our current expectations for cash needs, including the possible land purchase and related construction, we may choose to consider an equity or debt financing in 2008, between $12 million and $15 million, to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time. In addition, if we experience significant environmental expenditures in the next two or three years it is possible we may need to raise additional funds. If interest rates remain favorable we may consider re-financing one of our mortgage bonds. If refinancing is deemed practical, we may re-issue the bond for additional principle if this might allow

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us to defer a possible financing beyond 2008. There can be no assurance, however, that equity or debt financing will be available on favorable terms when the Company is seeking such financings.

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Outlook

Pension and Insurance Expenses

Insurance costs have been increasing and are expected to continue to increase while we expect pension costs to decrease. Pension expenses decreased in 2006 by $107,000 and our actuarial estimates show pension expense decreasing by $142,000 in 2007. Insurance expenses including Medical, Liability and Workers' Compensation increased $70,000 in 2006 and are expected to increase further in 2007.

The regulated segments received rate relief for some of the historical pension and insurance increases. Increases beyond those experienced through 2005, which are allocated to the regulated segments, may require requesting future rate relief. The propane gas segment may recover these expenses by increasing rates, depending on market conditions in the propane gas industry and the ability to remain competitive.

Due to significant cost increases for our defined benefit pension plan over the past several years and with expectations that these cost increases will continue in the years ahead, we discontinued eligibility to our pension plan for all new hires.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service.

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Electric Power Supply Contracts

Contracts with our two electric suppliers were set to expire on December 31, 2007. Those contracts provided electricity to our customers at rates much lower than market rates. As part of our negotiations, we agreed to end the current contract terms for our Northeast division on December 31, 2006 and executed an amended contract to begin January 1, 2007 and expire December 31, 2017. Although the contract rates will increase for 2007, this enabled us to obtain lower rates for the longer term of the contract than would have been available if we hadn't revised the contract. The savings are passed through to our customers without profit to the Company.

We executed a contract for the provider of electricity in our Northwest division in December 2006 and are seeking approval of this contract and its related terms and conditions from the FPSC on or before July 1, 2007. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division. This contract will be for the purchase of electricity beginning January 1, 2008. We anticipate that contract will result in rates closer to market, which could cause our customers' bills to double over existing prices in the next several years.

We are unable to estimate what impact, if any, the higher rates could have on electric consumption.

Propane Gas

We are currently reviewing the possibility of hedging activities in 2007 to help mitigate the risk of price changes for our cost of propane. We are unable to determine the impact this activity will have on our future operating income.

We used advance purchase agreements made in the normal course of procuring propane gas supplies in past years. These agreements resulted in a loss of gross profit of approximately $5,000 in 2006 and additional gross profit of approximately $383,000 in 2005 and $242,000 in 2004.

Over-earnings-Natural Gas Segment

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We currently estimate over-earnings in 2006 of $230,000 and in 2005 of $650,000. The prior year's 2005 estimate was $700,000. These liabilities have been included in an over-earnings liability on our balance sheet, with the potential of rate refunds to customers. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

Our 2005 and 2006 estimates of our over-earnings liabilities could change upon the FPSC finalization and review of our earnings in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

In 2007 we requested that the 2005 natural gas over-earnings disposition be used to provide additional funds to our regulatory liability – storm reserve and reduce the costs currently being recovered from our customers through a storm surcharge. If the FPSC approves this disposition, we will stop the storm surcharge in 2007.

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Electric Customers

A large commercial customer in our electric division closed its operations in late 2006. As a result we anticipate annual revenues to be reduced by approximately $300,000 and annual gross profit to be reduced by approximately $50,000.

A large distribution center was built in our Northwest division in 2004 and a second facility was added in 2006. A third distribution facility is expected to be added by the end of 2007. Additional industrial and commercial development is planned for this general area, which should increase load significantly. Additional gross profit is anticipated in the future to increase between $30,000 and $50,000 as a result of this additional development.

Natural Gas Customers

Two transportation customers in our Central Florida division performed maintenance work and as a result were off-line for approximately six months in 2006. We anticipate that they will not be fully operational until mid-2007. The decreased revenue and gross profit is estimated to be $100,000 in 2007.

Indiantown Gas Agreement
The FPSC approved our joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We began construction in the Indiantown area to install natural gas mains in the first phase of this development, for approximately 100 homes. The next two developments are slated to break ground in 2007 for construction of approximately 1,000 homes.

Storm Preparedness Expenses
Regulators continue to focus on hurricane preparedness and storm recovery issues for utility companies. Newly mandated storm preparedness initiatives could impact our operating expenses and capital expenditures beginning in 2007. The initial forecasts of these annual expenditures are approximately $700,000. It is possible that additional regulation and rules will be mandated regarding storm related expenditures over the next several years. We requested with the FPSC to recover the cost of the newly mandated storm preparedness initiatives and to defer these storm related expenditures until we receive recovery through a rate increase. If approved, both the recovery and expenditures may occur by mid-2007. If the FPSC does not approve our request, we plan to file a rate proceeding in 2007 as an alternative option for recovery of these expenditures.

Land Purchase
We are currently reviewing multiple sites for the new South Florida division office. We expect to purchase land for the new South Florida division office during 2007.

Contractual Obligations

Table of Contractual Obligations
(Dollars in thousands)

Payments due by period	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Long-term Debt Obligations	52,500		2,818	2,818	46,864
Long-term Debt Interest	63,904	3,949	7,623	7,074	45,258
Operating Lease Obligations	352	151	163	38	
Natural Gas and Propane Gas Purchase Obligations	64,904	37,768	16,244	4,568	6,324
Electric Purchase Obligations	242	53	98	91	
Other Purchase Obligations	2,682	940	1,726	14	2
Total	184,584	42,861	28,672	14,603	98,448

Long-term Debt Obligations
The Long-term debt obligations are principal amounts.

Long-term Debt Interest
The Long-term debt interest represents the interest obligation on our Mortgage Bonds.

Operating Leases
Our total operating lease obligation is $352,000. We are leasing property from the City of Fernandina Beach in our Northeast division. The total obligation for the duration of this lease is about $107,000 over the next five years. We lease our appliance showroom in the

same division for approximately $35,000 annually. We also have other operating lease agreements with various terms and expiration dates.

Purchase Obligations

A purchase order is considered an obligation if it is associated with a contract or is authorizing a specific purchase of material. The Other Purchase Obligation amount presented above represents the value of open purchase orders.

Pension, Medical Postretirement and Other Obligations

Our pension plan continues to meet all funding requirements under ERISA regulations; however, under current actuarial assumptions, contributions may be required as early as 2009. Current projections indicate that we will make voluntary contributions of $250,000 in 2007, $500,000 in 2008 and make required contributions of approximately $2 million in 2009 and 2010, decreasing to under $1 million in 2011. These payments are not included in the Contractual Obligations table.

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Environmental clean up is anticipated to require approximately $600,000 in 2007, the remainder to be paid in following years. These payments are not included in the Contractual Obligations table.

We have medical postretirement payments relating to retiree medical insurance. These payments are not included in the Contractual Obligations table. Estimated future payments are contained in Note 12 in the Notes to Consolidated Financial Statements.

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Dividends

We have historically paid dividends. It is our intent to continue to pay quarterly dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon our future earnings, cash flow, financial condition, capital requirements and other factors.

Other

Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48

In June 2006, the Financial Accounting Standards Board (FASB) issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with Statement of Accounting Standards (SFAS) No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

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We do not believe that the adoption of this interpretation will have a material impact on our financial condition. We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position (by relying on legislation and statutes, common legislative intent, regulations,

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rulings, and case law). We have determined that the Company has no material uncertain tax positions.

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Financial Accounting Standard No. 157

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

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Financial Accounting Standard No. 158

In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 will require the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

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The Company uses September 30 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will require the Company to perform the measurements at December 31 no later than fiscal years ending after December 15, 2008. The Company expects to make this change in 2008.

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on this liability has been recorded as a deferred income tax asset and as a regulatory deferred tax asset. As an offset, the regulatory portion of this loss of has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining loss has been included in other comprehensive income. The fair value of retirement plan assets is subject to change based on market fluctuations. See the table below for a summary of the effects to our financial statements.

FASB 158 Implementation Summary

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$0	$517	$517
Liabilities and Equity:			
Accumulated other comprehensive income/(loss)	0	(146)	(146)
Long term medical and pension reserve	3,819	1,063	(4,882)
Deferred income taxes	16,224	(88)	16,136

Regulatory tax liabilities	876	(312)	564

Staff Accounting Bulletin No. 108

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes both an income statement focused assessment and a balance sheet focused assessment. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

Financial Accounting Standard No. 154

In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. As of January 1, 2006, we adopted SFAS No. 154.

Financial Accounting Standard Board Interpretation No. 47

In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. We adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

This Interpretation addresses the legal obligation to retire an asset when the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the Company. This Interpretation is effective no later than the end of fiscal years ending after December 15, 2005 (December 31, 2005 for calendar-year entities). As of January 1, 2006, we adopted FIN No. 47. The adoption of this interpretation has not had an impact to our financial condition or result of operations.

Critical Accounting Policies and Estimates

Regulatory Accounting

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We prepare our financial statements in accordance with the provisions of SFAS No. 71, "Accounting for the Effects of Certain Types of Regulation" and it is our most critical accounting policy. In general, SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. As a result, a regulated utility may defer recognition of a cost (a regulatory asset) or recognize an obligation (a regulatory liability) if it is probable that, through the rate making process, there will be a corresponding increase or decrease in revenues or expenses. SFAS No. 71 does not apply to our unregulated propane gas operations.

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Use of Estimates
We are required to use estimates in preparing our financial statements so they will be in compliance with accounting principles generally accepted in the United States of America. Actual results could differ from these estimates. We believe that the accruals for potential liabilities are adequate. We use estimates including the accrual for pensions, environmental liabilities, over-earnings liability, unbilled revenues, uninsured liability claims, and the regulatory deferred income tax liability.

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- Pension- An actuary calculates the estimated pension liability in accordance with FASB 87, FASB 88 as amended by FASB 132 and FASB 158.
- Environmental liabilities-These liabilities are subject to certain unknown future events.
- Over-earnings liability-This liability is subject to regulatory review and possible disallowance of some expenses in determining the amount of over-earnings.
- Unbilled revenues-Unbilled revenue is estimated with certain assumptions including unaccounted for units and the use of current month sales to estimate unbilled sales.
- Uninsured liability claims-We are self-insured for the first $250,000 of each general and auto liability claim and accrue for estimated losses occurring from both asserted and unasserted claims. The estimate for unasserted claims arising from unreported incidents is based on an analysis of historical claims data and judgment. Until January 1, 2004, we were self-insured for medical claims and required accruals of estimated claims.
- Regulatory deferred income tax liability-This liability is estimated based on historical data and is subject to finalization of our income tax return. Actual results could differ from our estimates.

Revenue Recognition
We bill utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. We accrue estimated revenue for gas and electric customers for consumption used but not yet billed for in an accounting period. Determination of unbilled revenue relies on the use of estimates and historical data. We believe that the estimates for unbilled revenue materially reflect the unbilled gross profit for our customers for units used but not yet billed in the current period.

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Any earnings in excess of this maximum amount is accrued for as an over-earnings liability and revenues are reduced for this same amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the

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ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves or reducing any depreciation reserve deficiency.

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Effects of Inflation

Our tariffs for natural gas and electric operations provide for fuel clauses that adjust annually for changes in the cost of fuel. Increases in other utility costs and expenses not offset by increases in revenues or reductions in other expenses could have an adverse effect on earnings due to the time lag associated with obtaining regulatory approval to recover such increased costs and expenses, the uncertainty of whether regulatory commissions will allow full recovery of such increased costs and expenses and any effect on unregulated propane gas operations.

Environmental Matters

We currently use or have used in the past, several contamination sites that are currently involved in pending or threatened environmental litigation; see Note 10- "Contingencies" in the Notes to Consolidated Financial Statements. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover any expected losses or expenses. We believe that the aggregate of all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the insurance proceeds received and any rate relief granted. The final 2004 natural gas rate relief granted by the FPSC provided future recovery of $8.9 million for environmental liabilities. The remaining balance to be recovered from customers through future recovery is included on the balance sheet as "Other regulatory assets-environmental".

Off-Balance Sheet Arrangements

We do not have any "off-balance sheet arrangements". In simple terms, these are obligations of a company that are not disclosed on the balance sheet. For the full definition of this term, see Item 303(a)(4) of Regulation S-K.

Forward-Looking Statements (Cautionary Statement)

This report contains forward-looking statements including those relating to the following expectations:

- Based on our current expectations for cash needs, including cash needs relating to the possible land purchase and related construction, we may choose to consider an equity or debt financing in 2008 of $12 million to $15 million to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time.
- Pension expenses will continue to decrease in 2007.
- Other insurance costs will increase in 2007.
- Electric storm preparedness expenses and recovery will occur in mid 2007.
- Propane gas hedging activity may occur in 2007.
- The fuel supply contract in our Northwest Florida division beginning January 1, 2008 will be approved by the FPSC in 2007 and will be effective for the purchase of fuel supply beginning in 2008.
- Our 2005 and 2006 over-earnings liabilities in natural gas will materialize as estimated after the FPSC reviews and audits.
- We expect to have higher fuel costs for 2007, 2008 and beyond.

- The development in Indiantown will occur as estimated.
- The purchase of land for our new natural gas and propane gas division office will occur in 2007.
- The FPSC will allow our natural gas over-earnings to fund a future storm reserve and reduce our current regulatory asset related to historic storm costs and discontinue the related natural gas storm surcharge in 2007.
- We have increased our focus on collection efforts of bad debt and we expect our bad debt expense to return to normal levels in 2007 and beyond.
- The commercial and industrial growth will occur as expected in our Northwest division providing increases in our revenues and gross profit.
- The two transportation customers in our Central Florida division will be fully operational by mid-2007.

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These statements involve certain risks and uncertainties. Actual results may differ materially from what is expressed in such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed by the forward-looking statements include, but are not limited to, those set forth above in "Risk Factors".

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

All financial instruments held by us were entered into for purposes other than for trading. We have market risk exposure only from the potential loss in fair value resulting from changes in interest rates. We have no material exposure relating to commodity prices because under our regulatory jurisdictions, we are fully compensated for the actual costs of commodities (natural gas and electricity) used in our operations. Any commodity price increases for propane gas are normally passed through monthly to propane gas customers as the fuel charge portion of their rate.

None of our gas or electric contracts are accounted for using the fair value method of accounting. While some of our contracts meet the definition of a derivative, we have designated these contracts as "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

Beginning in 2007 we plan, on a rolling four-quarter basis, to purchase a "cap" on approximately one-third of our forecast propane gas volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane gas purchases. The remaining one-third will fluctuate with the market price. Our energy strategy allows us to participate in two-thirds of price declines but only one-third of price increases. As of December 31, 2006, we have not entered into any hedging activities. When we do enter into hedging activities, we will determine whether they meet the definition of normal sales and purchases and if not, we will determine whether we should use hedge accounting.

We have no exposure to equity risk, as we do not hold any equity instruments. Our exposure to interest rate risk is limited to investments held for environmental costs, the water sale long term receivable and short-term borrowings on the line of credit. The investments held for environmental costs are short-term fixed income debt securities whose carrying amounts are not materially different than fair value. The short-term borrowings were $3.5 million at the end of December 2006. Therefore, we do not believe we have material market risk exposure related to these instruments. The indentures governing our two first mortgage bond series outstanding contain "make-whole"

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provisions, which are pre-payment penalties that charge for lost interest, which render refinancing impracticable.

Our non-interest bearing long-term receivable from the sale of the water operations was discounted at 4.34%. A hypothetical 0.5% (50 basis points) increase in the interest rate used would change the current fair value from $6.0 million to $5.9 million.

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In 2006, a hypothetical 0.5% (50 basis points) decrease in the long-term interest rate on $52.5 million debt excluding unamortized debt discount would change the fair value from $63.0 million to $66.9 million.

Changes in short-term interest rates could have an effect on income depending on the balance borrowed on the variable rate line of credit. We had short-term debt of $3.5 million on December 31, 2006 and $9.6 million on December 31, 2005. A hypothetical 1% increase in interest rates would have resulted in a decrease in annual earnings for 2006 by $35,000 and for 2005 by $96,000, based on year-end borrowings.

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Item 8. Financial Statements and Supplementary Data

CONSOLIDATED STATEMENTS OF INCOME

(Dollars in thousands, except per share data)

	Years Ended December 31		
	2006	**2005**	**2004**
Revenues			
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910
Propane gas	14,727	13,479	11,167
Total revenues	134,235	130,023	110,039
Cost of Fuel and Other Pass Through Costs	85,971	82,804	69,350
Gross Profit	48,264	47,219	40,689
Operating Expenses			
Operation	23,724	22,881	20,068
Maintenance	3,484	3,566	2,982
Depreciation and amortization	7,742	7,266	5,900
Taxes other than income taxes	2,985	2,869	2,753
Total operating expenses	37,935	36,582	31,703
Operating Income	10,329	10,637	8,986
Other Income and (Deductions)			
Merchandise and service revenue	4,322	4,590	3,366
Merchandise and service expenses	(4,071)	(4,664)	(3,326)
Other income	620	569	625
Other deductions	(33)	(29)	20
Interest expense on long-term debt	(3.949)	(3,949)	(3,949)
Interest expense on short-term borrowings	(108)	(79)	(42)
Customer deposits and other interest expense	(551)	(540)	(471)
Total other deductions – net	(3,770)	(4,102)	(3,777)
Earnings Before Income Taxes	6,559	6,535	5,209
Income Taxes	(2,295)	(2,287)	(1,615)
Net Income	4,264	4,248	3,594
Preferred Stock Dividends	29	29	29
Earnings for Common Stock	$ 4,235	$ 4,219	$ 3,565
Earnings Per Common Share (basic and diluted)	$ .71	$ .71	$ .60
Dividends Declared Per Common Share	$ .43	$ .41	$ .40
Average Shares Outstanding	5,993,589	5,952,684	5,908,220

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Dollars in thousands)

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	Years Ended December 31		
	2006	2005	2004
Net income	$ 4,264	$ 4,248	$ 3,594
Other comprehensive income/(loss), net:			
Additional retirement plan liabilities	(234)		
Deferred income taxes benefit	88		
Comprehensive income	$ 4,118	$ 4,248	$ 3,594

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See Notes to Consolidated Financial Statements

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CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	December 31, 2006	December 31, 2005
ASSETS		
Utility Plant		
Natural gas	$ 95,393	$ 89,835
Electric	72,776	70,084
Propane gas	17,153	15,500
Common	3,646	3,859
Total	188,968	179,278
Less accumulated depreciation	59,757	56,217
Net utility plant	129,211	123,061
Current Assets		
Cash	84	695
Accounts receivable	12,199	14,997
Notes receivable	298	299
Allowance for uncollectible accounts	(429)	(272)
Unbilled receivables	1,957	1,918
Inventories (at average or unit cost)	4,120	3,781
Prepaid expenses	962	951
Income tax prepayments	98	1,159
Under-recovery of fuel costs	-	3,375
Total current assets	19,289	26,903
Other Assets		
Investments held for environmental costs	3,364	3,258
Other regulatory assets – storm reserve	270	452
Other regulatory assets – environmental	8,284	8,868
Other regulatory assets – retirement plans	517	
Long-term receivables and other investments	5,740	5,794
Deferred charges	6,178	6,751
Goodwill	2,405	2,405
Intangible assets (net)	4,405	4,391
Total other assets	31,163	31,919
Total	$ 179,663	$ 181,883

See Notes to Consolidated Financial Statements

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CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

CAPITALIZATION AND LIABILITIES	December 31, 2006	2005
Capitalization		
Common shareholders' equity	$ 47,625	$ 45,503
Preferred stock	600	600
Long-term debt	50,702	50,620
Total capitalization	98,927	96,723
Current Liabilities		
Line of credit	3,466	9,558
Accounts payable	10,279	13,166
Insurance accrued	181	296
Interest accrued	789	1,014
Other accruals and payables	2,034	1,984
Taxes accrued	1,158	1,512
Deferred income tax	698	1,066
Over-earnings liability	880	700
Over recovery of fuel costs	2,475	--
Over-recovery of conservation	355	24
Customer deposits	9,608	8,068
Total current liabilities	31,923	37,388
Other Liabilities		
Deferred income taxes	16,136	17,568
Unamortized investment tax credits	335	411
Environmental liability	13,753	14,001
Regulatory liability - cost of removal	8,800	8,256
Regulatory tax liabilities	564	991
Long-term medical and pension reserve	4,882	2,663
Customer advances for construction	2,707	2,346
Regulatory liability – storm reserve	1,636	1,536
Total other liabilities	48,813	47,772
Total	$ 179,663	$ 181,883

See Notes to Consolidated Financial Statements

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CONSOLIDATED STATEMENTS OF CAPITALIZATION
(Dollars in thousands)

	December 31, 2006	December 31, 2005
Common Shareholders' Equity		
Accumulated other comprehensive income/(loss), retirement plan adjustment, net of income tax benefit	$ (146)	$ -
Common stock, $1.50 par value, authorized 10,000,000 shares; issued 6,166,648 shares in 2006; issued 6,152,676 shares in 2005	9,250	9,229
Paid-in capital	6,054	5,998
Retained earnings	35,308	33,625
Treasury stock - at cost (160,349 shares in 2006, 188,994 shares in 2005)	(2,841)	(3,349)
Total common shareholders' equity	47,625	45,503
Preferred Stock		
4 ¾% Series A, $100 par value, redemption price $106, authorized and outstanding 6,000 shares	600	600
4 ¾% Series B Cumulative Preferred, $100 par value, redemption price $101, authorized 5,000 and none issued	-	-
$1.12 Convertible Preference, $20 par value, redemption price $22, authorized 32,500 and none issued	-	-
Total preferred stock	600	600
Long-Term Debt		
First mortgage bonds series		
9.57 % due 2018	10,000	10,000
10.03 % due 2018	5,500	5,500
9.08 % due 2022	8,000	8,000
4.90 % due 2031	14,000	14,000
6.85 % due 2031	15,000	15,000
Unamortized debt discount	(1,798)	(1,880)
Total long-term debt	50,702	50,620
Total Capitalization	$ 98,927	$ 96,723

See Notes to Consolidated Financial Statements

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CONSOLIDATED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY

(Dollars in thousands)

	Common Stock						
	Shares Issued	Aggregate Par Value	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Treasury Shares Cost	Treasury Shares
Balances as of December 31, 2003	6,097,478	$ 9,146	$ 5,632	$ 30,638	$	$(3,953)	223,062
Net income	-	-	-	3,594		-	-
Dividends	-	-	-	(2,383)		-	-
Stock plans	32,619	49	174			316	(17,821)
Balances as of December 31, 2004	6,130,097	9,195	5,806	31,849		(3,637)	205,241
Net income	-	-	-	4,248		-	-
Dividends	-	-	-	(2,472)		-	-
Stock plans	22,579	34	192			288	(16,247)
Balances as of December 31, 2005	6,152,676	9,229	5,998	33,625		(3,349)	188,994
Net income				4,264			
Other comprehensive loss, retirement plans adjustment, net of tax					(146)		
Dividends				(2,581)			0
Stock plans	13,972	21	56			507	(28,645)
Balances as of December 31, 2006	6,166,648	$ 9,250	$ 6,054	$ 35,308	$ (146)	$(2,842)	160,349

See Notes to Consolidated Financial Statements

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CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)

	Years Ended December 31, 2006	2005	2004
Cash Flows from Operating Activities:			
Net income	$ 4,264	$ 4,248	$ 3,594
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation and amortization	7,742	7,266	5,900
Deferred income taxes	(1,827)	(153)	2,470
Bad debt expense	623	359	409
Investment tax credits	(76)	(81)	(83)
Other	806	751	121
Interest income from sale of non-utility property	(252)	(192)	(271)
Compensation expense from the issuance of stock	88	58	91
Effects of changes in:			
Receivables	3,115	(4,351)	(1,688)
Unbilled receivables	(39)	367	(612)
Inventories and prepayments	711	(495)	2,746
Accounts payable and accruals	(1,248)	5,398	1,131
Over (under) recovery of fuel costs	6,181	(3,171)	(1,991)
Area expansion program deferred costs	238	109	(372)
Environmental liability	584	429	(586)
Other	(820)	(329)	814
Net cash provided by operating activities	20,090	10,213	11,673
Cash Flows from Investing Activities:			
Construction expenditures	(13,116)	(12,441)	(13,731)
Customer advances received for construction	361	454	144
Purchase of long-term investments	(106)	(75)	(34)
Proceeds received on notes receivable	321	304	57
Issuance of notes receivable	-	-	(95)
Issuance of Stock	(15)	-	-
Net cash used in investing activities	(12,555)	(11,758)	(13,659)
Cash Flows from Financing Activities:			
Net change in short-term borrowings	(6,092)	3,733	3,547
Proceeds from common stock plans	497	456	447
Dividends paid	(2,551)	(2,448)	(2,368)
Net cash provided by (used in) financing activities	(8,146)	1,741	1,626
Net Increase (Decrease) in Cash	(611)	196	(360)
Cash at Beginning of Year	695	499	859
Cash at End of Year	$ 84	$ 695	$ 499
Supplemental Cash Flow Information			
Cash was paid during the years as follows:			
Interest	$ 4,777	$ 4,469	$ 4,357
Income taxes	$ 3,298	$ 2,698	$ 1,215

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting and Reporting Policies

A. General

The Company is an operating public utility engaged principally in the purchase, transmission, distribution and sale of electricity and in the purchase, transmission, distribution, sale and transportation of natural gas. The Company is subject to the jurisdiction of the FPSC with respect to its natural gas and electric operations. The suppliers of electric power to the Northwest Florida division and of natural gas to the natural gas divisions are subject to the jurisdiction of the FERC. The Northeast Florida division is supplied most of its electric power by a municipality which is exempt from FERC and FPSC regulation. The Company also distributes propane gas through a non-regulated subsidiary.

B. Basis of Presentation

The consolidated financial statements include the accounts of Florida Public Utilities Company (FPU) and its wholly owned subsidiary, Flo-Gas Corporation. All significant intercompany balances and transactions have been eliminated. The Company's accounting policies and practices conform to accounting principles generally accepted in the United States of America (GAAP) as applied to regulated public utilities and are in accordance with the accounting requirements and rate-making practices of the FPSC and in accordance to the rule requirements of the Securities and Exchange Commission (SEC).

C. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Some of these estimates include the accruals for pensions, environmental liabilities, liability reserves, unbilled revenue, regulatory deferred tax liabilities and over-earnings liability. Actual results may differ from these estimates and assumptions.

D. Reclassifications

Certain amounts in the prior years' financial statements have been reclassified to conform to the 2006 presentation.

E. Regulation

The financial statements are prepared in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 71 – "Accounting for the Effects of Certain Types of Regulation". SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. A regulated utility may defer recognition of a cost (a regulatory asset) or show recognition of an obligation (a regulatory liability) if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in revenues. The Company has recognized certain regulatory assets and liabilities in the consolidated balance sheets. The Company believes that the FPSC will continue to allow recovery of

such items through rates. In the event that a portion of the Company's operations are no longer subject to the provisions of SFAS No. 71, the Company would be required to write-off related regulatory assets and liabilities that are not specifically recoverable through regulated rates. In addition, the Company would be required to determine if an impairment related to other assets exists, including plant, and write-down the assets, if impaired, to their fair value.

Summary of Regulatory Assets and Liabilities
(Dollars in thousands)

	2006	2005
Assets		
Deferred development costs (1)	$3,952	$4,190
Environmental assets (2)	8,284	8,868
Storm Reserve assets (3)	270	452
Deferred retirement plan costs (5)	517	
Unamortized Rate Case expense	368	541
Under recovery of fuel costs		3,375
Unamortized piping and conversion costs (1)	1,521	1,587
Unamortized loss on reacquired debt (1)	209	227
Total Regulatory Assets	$15,121	$19,240
Liabilities		
Tax liabilities (5)	$564	$991
Cost of removal	8,800	8,256
Storm reserve liabilities	1,636	1,536
Over recovery of fuel costs	2,475	
Over recovery of conservation	355	24
Over-earnings liability (4)	880	700
Total Regulatory Liabilities	$14,710	$11,507

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(1) Deferred development costs, unamortized piping and conversion costs, and unamortized loss on reacquired debt are included in deferred charges in the consolidated balance sheets.

(2) The Company has reclassified the amount due from customers as a regulatory asset for environmental costs. This was authorized by the FPSC in their most recent natural gas rate proceeding and will be recovered over 20 years.

(3) The Company has been authorized by the FPSC recovery of Storm damages incurred in 2004 in their natural gas operations and will recover those costs from customers over 30 months beginning November 2005.

(4) The Company has estimated 2005 over-earnings for regulated natural gas operations of $700, re-estimated in 2006 to be $650. The Company has estimated 2006 over earnings for regulated natural gas operations of $230. The Company has recorded these liabilities and reduced revenues. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

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(5) The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in a regulatory asset for the portion of the loss of $517, to be recovered in future rate proceedings. The Regulatory tax liabilities were reduced by $312.

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The base revenues rates for regulated segments are determined by the FPSC and remain constant until a request for an increase is filed and approved by the FPSC. For the Company to recover the effects of inflation and construction expenditures for regulated segments, a request for an increase in base revenues would be required with the filing of two separate rate cases, electric and natural gas. In 2003 the Company successfully filed for electric rate increases and petitioned to consolidate the two electric "entities" into one entity. In 2004 the Company successfully filed for a natural gas rate increase. The Company is seeking rate relief for electric storm preparedness initiatives in 2007.

F. Derivatives

None of the Company's gas or electric contracts is accounted for using the fair value method of accounting. All material contracts that meet the definition of possible derivative instruments are considered "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

On a rolling four-quarter basis, the Company will purchase a "cap" on approximately one-third of our forecast propane volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane purchases. The remaining one-third will fluctuate with the market price. The Company's energy strategy allows them to participate in two-thirds of price declines but only one-third of price increases. As of December 31, 2006, the Company has not entered into any hedging activities. When the Company does enter into hedging activities, they will determine whether they meet the definition of normal sales and purchases and if not, the Company will determine whether hedge accounting should be used.

G. Revenue Recognition

The Company's revenues include base revenues, fuel adjustment charges, conservation charges and the pass-through of certain governmental imposed taxes based on revenues. Specific revenues are collected from separate FPSC approved rates that allow direct recovery of expenses from the Company's customers for fuel, conservation, and revenue based taxes. Any over or under recovery of these expense items are deferred and subsequently refunded or collected in the following period.

The Company bills utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. The Company accrues estimated revenue for gas and electric customers on usage not yet billed for the accounting period. Determination of unbilled revenue relies on the use of estimates, fuel purchases and historical data.

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Any earnings in excess of this maximum amount, is accrued for as an over-earnings liability, and revenues are reduced for this same amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

H. Allowance for Doubtful Accounts

The Company records an allowance for doubtful accounts based on historical information and trended current economic conditions. The following is a summary of the activity in Allowance for Doubtful Accounts for the years ending December 31:

Allowance for Doubtful Accounts				
	Balance at Beginning of Year	Write-offs	Provisions to Bad Debt Expense	Balance at End of Year
2004	$ 180,000	320,000	409,000	$ 269,000
2005	$ 269,000	292,000	295,000	$ 272,000
2006	$ 272,000	353,885	510,885	$ 429,000

The Company increased bad debt expense in 2006 due to an increase in revenues and expected write-offs related to aging accounts receivables on several major accounts. The Company has increased its focus on collections and expects bad debt expense to return to normal levels in 2007 and beyond.

I. Utility Plant and Depreciation

Utility plant is stated at original cost. Propane utility plant that has been acquired in acquisitions is stated at fair market value at the time of each acquisition. Additions to utility plant include contracted services, direct labor, transportation and materials for additions. Units of property are removed from utility plant when retired. Maintenance and repairs of property and replacement and renewal of items determined not to be units of property are charged to operating expenses. Substantially all of the utility plant and the shares of Flo-Gas Corporation collateralize the Company's First Mortgage Bonds. See Note 2 for additional information relating to the acquisition adjustment.

Utility Plant
(Dollars in thousands)

Plant Classification	2006	2005
Land	$ 1,130	$ 1,124
Buildings	6,991	6,862
Distribution	158,010	147,580
Transmission	6,878	6,799
Equipment	12,700	11,534
Furniture and Fixtures	392	369
Work-in-Progress	2,867	5,010
	$ 188,968	$ 179,278

Depreciation for the Company's regulated segments is computed using the composite straight-line method at rates prescribed by the FPSC for financial accounting purposes. Propane depreciation is computed using a composite straight-line method at an average rate based on estimated average life of approximately 20-30 years. Such rates are based on estimated service lives of the various classes of property. Depreciation provisions on average depreciable property approximate 3.9% in 2006, 3.9% in 2005, and 3.6% in 2004.

J. Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48
In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

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We do not believe that the adoption of this interpretation will have a material impact on our financial condition. We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position (by relying on legislation and statutes, common legislative intent, regulations, rulings, and case law). We have determined that the Company has no material uncertain tax positions.

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Financial Accounting Standard No. 157
In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

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Financial Accounting Standard No. 158
In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 will require the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

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The Company uses September 30 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will require the Company to perform the measurements at December 31 no later than fiscal years ending after December 15, 2008. The Company expects to make this change in 2008.

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on this liability has been recorded as a deferred income tax asset and as a regulatory deferred tax asset. As an offset, the regulatory portion of this loss has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining loss of has been included in other comprehensive income. The fair value of retirement plan assets is subject to change based on market fluctuations. See the table below for a summary of the effects to our financial statements.

FASB 158 Implementation Summary

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$0	$517	$517
Liabilities and Equity:			
Accumulated other comprehensive income/(loss)	0	(146)	(146)
Long term medical and pension reserve	3,819	1,063	(4,682)
Deferred income taxes	16,224	(88)	16,136
Regulatory tax liabilities	876	(312)	564

Staff Accounting Bulletin No. 108

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes both an income statement focused assessment and a balance sheet focused assessment. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

Financial Accounting Standard No. 154

In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative

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Deleted: In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes both an income statement focused assessment and a balance sheet focused assessment. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company is currently assessing the impact of adopting SAB 108, but does not expect that it will have a material effect on our consolidated financial position or results of operations.

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effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. As of January 1, 2006, we adopted SFAS No. 154.

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Financial Accounting Standard Board Interpretation No. 47
In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. The Company adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

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This Interpretation addresses the legal obligation to retire an asset when the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the Company. This Interpretation is effective no later than the end of fiscal years ending after December 15, 2005 (December 31, 2005 for calendar-year entities). As of January 1, 2006, we adopted FIN No. 47. The adoption of this interpretation has not had an impact to our financial condition or result of operations.

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2. **Goodwill and Intangible Assets**

In accordance with SFAS No. 142, "Goodwill and Other Intangible Assets", the Company does not amortize goodwill or intangibles with indefinite lives. The Company periodically tests the applicable reporting segments, natural gas and propane gas, for impairment. In the event a segment becomes impaired, the Company would write down the associated goodwill and intangible assets to fair value. The impairment tests performed in 2005 and 2006 showed no impairment for either reporting segment.

Goodwill associated with the Company's acquisitions is identified as a separate line item on the consolidated balance sheet and consists of $500,000 in the natural gas segment and $1.9 million in the propane gas segment.

Intangible assets associated with the Company's acquisitions and software have been identified as a separate line item on the balance sheet. Summaries of those intangible assets at December 31 are as follows:

Intangible Assets
(Dollars in thousands)

		2006	2005
Customer distribution rights	(Indefinite life)	$ 1,900	$ 1,900
Customer relationships	(Indefinite life)	900	900

Software	(Five to nine year life)	3,122	2,971
Non-compete agreement	(Five year life)	35	35
Accumulated amortization		(1,552)	(1,415)
Total intangible assets, net of amortization		$4,405	$ 4,391

The 2006 amortization expense of computer software is approximately $300,000. The Company expects the amortization expense of computer software to be approximately $300,000 annually over the next five years, with the current level of software investment.

3. *Over-earnings-Natural Gas*
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. The Company has agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

The Company estimated 2005 over-earnings for regulated natural gas operations of $700,000. The 2005 over earnings estimate was revised in 2006 to be $650,000. The Company estimated 2006 over-earnings for regulated natural gas operations of $ 230,000. These liabilities have been included in over-earnings liability on the Company's balance sheet. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

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The Company feels the estimates of the 2005 and 2006 over-earnings liabilities are accurate, but it could change upon the FPSC finalization and review of earnings expected in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

4. *Storm Reserves*
As of December 31, 2006, the electric storm reserve was approximately $1.6 million. Since the last order on the 1999 electric disposition of over-earnings, the FPSC has allowed the Company the automatic flexibility of applying the electric over-earnings to the storm damage reserves each year since 1999 and allowing additional storm damage accruals up to a cap of $2.9 million in the electric divisions. In 2006, 2005, and 2004 there were no electric over-earnings and accordingly no additional over earnings amounts were applied to the storm damage reserves.

In October 2005, the FPSC approved recovery of 2004 natural gas storm costs plus interest and revenue taxes over a 30-month period beginning November 2005. The Company deferred storm costs as a regulatory asset due from customers on the balance sheet. As of December 31, 2006, the amount of natural gas regulatory asset relating to storm was $270,000.

The Company has requested the FPSC to allow disposition of the 2005 over recoveries in natural gas to be used to recover this regulatory asset and discontinue this storm surcharge. As part of this same request, the Company has also asked the FPSC to allow any excess over recovery amount to provide additional funds for the "regulatory liability- storm reserve" for natural gas. We expect the FPSC to rule on this request during 2007.

In 2005, the FPSC approved applying 2002 natural gas over-earnings of $118,000 to the storm reserve to cover future storm costs. This is included as part of the "regulatory liability – storm reserve" on the balance sheet.

5. Income Taxes

Deferred income taxes are provided on all significant temporary differences between the financial statements and tax basis of assets and liabilities at currently enacted tax rates. Investment tax credits have been deferred and are amortized based upon the average useful life of the related property in accordance with the rate treatment.

A. Income Taxes related to Deferred Gain on Water Sale

On March 27, 2003, the Company sold substantially all of its assets of the water division to the City of Fernandina Beach. The sale was made pursuant to a "threat of condemnation" during the fourth quarter of 2002. For tax purposes the Company elected to defer the gain on the sale of the assets pursuant to Code Section 1033 of the Internal Revenue Code of 1986 (IRC). Section 1033 allows non-recognition of gain if property is disposed as a result of threat of condemnation and property that is similar or related in service or use is purchased to replace the disposed property. To qualify, the replacement property must be purchased within the replacement period, which begins on the earlier of date of disposition (March 27, 2003) or date of threat of condemnation (December 31, 2002) and ending two years after the close of the year of sale (December 31, 2005). For real property, the replacement period is extended to three years (December 31, 2006).

The Company purchased property that is similar or related in service or use within the replacement periods with the exception of the intangible assets. During the IRS audit in 2005, the IRS disallowed a portion, approximately $900,000 of the deferral relating to the intangible assets, since replacement was no longer expected.

A $2.9 million estimated tax payment made in 2003 related to the gain on the sale of the water division. It was subsequently determined that the income tax would be deferred (see Note 3 – "Discontinued Operations"). The Company applied for a refund and received $3.9 million in July 2004, which included other estimated tax overpayments.

B. Provision for Income Taxes

The provision (benefit) for income taxes consists of the following:

(Dollars in thousands)	Years ended December 31, 2006	2005	2004
Current payable			
Federal	$ 3,550	$ 2,150	$ (566)
State	646	370	(96)
	4,196	2,520	(662)
Deferred			
Federal	(1,571)	(143)	2,003
State	(255)	(9)	358
	(1,826)	(152)	2,361

Investment tax credit	(75)	(81)	(84)
Total income taxes	$ 2,295	$ 2,287	$ 1,615

C. Effective Tax Rate Reconciliation

The difference between the effective income tax rate and the statutory federal income tax rate applied to pretax income is of continuing operations accounted for as follows:

(Dollars in thousands)	Years ended December 31,		
	2006	2005	2004
Federal income tax at statutory rate (34%)	$ 2,230	$ 2,222	$ 1,771
State income tax, net of federal benefit (5.5%)	238	237	189
Investment tax credit	(75)	(81)	(84)
Tax exempt interest	(85)	(71)	(94)
Other	(13)	(20)	(167)
Total provision for income taxes from continuing operations	$ 2,295	$ 2,287	$ 1,615

D. Deferred Income Taxes

The tax effects of temporary differences producing deferred income taxes in the accompanying consolidated balance sheets are as follows:

(Dollars in thousands)	Years ended December 31,	
Deferred tax assets:	**2006**	**2005**
Environmental	$ 2,063	$ 1,932
Self insurance	774	731
Storm reserve liability	509	408
Vacation Pay	357	320
Other deferred credits	15	61
Allowance for uncollectible accounts receivable	162	103
General liability	68	111
Rate refund	331	263
Pension	698	286
Under/Over recovery of Conservation Costs	134	9
Other	37	37
Total deferred tax assets	$ 5,148	$ 4,261
Deferred tax liabilities:		
Utility plant related	$ 20,274	$ 20,319
Deductible intangibles	696	577
Under recovery of fuel costs	762	1,704
Rate case expense	138	204
Loss on reacquired debt	79	85
Other	33	6
Total deferred tax liabilities	$ 21,982	$ 22,895
Net deferred income taxes	$ 16,834	$ 18,634

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Deferred tax liabilities included in the consolidated balance sheets are as follows:

(Dollars in thousands)	2006	2005
Deferred income tax – current	$ 698	$ 1,066
Deferred income tax – long term	16,136	17,568
Net deferred income tax liability	$ 16,834	$ 18,634

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E. IRS Audit
The IRS completed an audit in 2005 of the Company's 2002 and 2003 federal income tax returns. The audit resulted in a current income tax payable amount $361,000 due to adjustments to depreciation, reserve accounts and recognition of a portion of the water sale gain that was previously deferred. This amount was partially offset by $285,000 in deferred tax liabilities previously established.

6. Capitalization

A. Stock Dividend
On July 25, 2005 a three-for-two stock split in the form of a stock dividend was issued to the shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split for all periods presented.

B. Common Shares Reserved
The Company has reserved the following common shares for issuance as of December 31, 2006:

Dividend Reinvestment Plan	54,071
Employee Stock Purchase Plan	52,035
Board Compensation Plan	20,714
Common Stock	3,833,352

C. Preferred Stock
The Company has 6,000 shares of 4 ¾% Series A preferred stock $100 par value authorized for issuance of which 6,000 were issued and outstanding at December 31, 2006. The Company also has 5,000, 4 ¾% Series B preferred stock $100 par value authorized for issuance none of which has been issued. The annual dividend rate for the preferred stock is 4.75%.

The Company also has 32,500, $1.12 Convertible Preference stock, $20 par value and $22 redemption price, authorized for issuance none of which has been issued.

D. Dividend Restriction
The Company's Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9 million of retained earnings were free of such restriction and therefore available for the payment of dividends. The line of credit agreement contains covenants that, if violated, could restrict or prevent the payment of dividends. At December 31, 2006 the Company is not in violation of these covenants.

E. Treasury Shares

Common shares resulting from stock dividends have been allocated to common shares held as treasury shares. Treasury shares are not eligible to receive such allocations. Some of these Treasury shares were subsequently reissued, resulting in an overstatement of additional paid in capital. Accordingly the Company has restated all periods presented to reflect the correct number of treasury shares and the value of treasury shares and additional paid in capital at each year-end. As the adjustment is a reallocation of amounts between treasury stock and additional paid in capital, there is no effect on net income, earnings per common share or total stockholders' equity in any period presented.

F. Employee Stock Purchase Plan

The Company's Employee Stock Purchase Plan offers common stock at a discount to qualified employees. The following table shows the number of shares issued under the Plan and the total aggregate consideration received:

Year	Shares	Consideration
2006	25,655	$ 287,000
2005	22,427	$ 236,000
2004	24,164	$ 220,000

G. Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan is offered to all Company shareholders and allows the shareholder to reinvest dividends received and purchase additional shares without a fee. The following table shows the number of shares issued under the Plan and the total aggregate consideration received:

Year	Shares	Consideration
2006	13,972	$ 190,000
2005	14,456	$ 193,000
2004	18,513	$ 217,000

7. Long-term Debt

The Company issued its Fourteenth Series of FPU's First Mortgage Bond on September 27, 2001 in the aggregate principal amount of $15.0 million as security for the 6.85% Secured Insured Quarterly Notes, due October 1, 2031 (IQ Notes). Interest on the pledged bond accrues at the annual rate of 6.85% payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year beginning January 1, 2002.

The Company issued $14.0 million of Palm Beach County municipal bonds (Industrial Development Revenue Bonds) on November 14, 2001 to finance development in the area. The interest rate on the thirty-year callable bonds is 4.90%. The bond proceeds were restricted and held in trust until construction expenditures were actually incurred by the Company. In 2002 the remaining $8.0 million was drawn from the restricted funds held by the trustee.

In 1992, The Company issued its First Mortgage Bond 9.08% Series in the amount of $8.0 million. The thirty-year bond is due in June 2022.

The Company issued two of its Twelfth Series First Mortgage bond series on May 1, 1988; the 9.57% Series due 2018 in the amount of $10.0 million and 10.03% Series due 2018 in the amount of $5.5 million. These two issuances require sinking fund payments of $909,000 and $500,000 respectively, beginning in 2008.

Long-term debt on the balance sheet has been reduced for unamortized debt discount. The unamortized debt discount at December 31 included in long-term debt on the balance sheet is $1.8 million in 2006 and $1.9 million in 2005.

Annual Maturities of Long-Term Debt

	Total	2007	2008	2009	2010	2011	2012 & Thereafter
Long-term Debt	$50,702	($82)	1,327	$1,327	$1,327	$1,327	$ 45,476

8. Notes Payable

In 2004, FPU entered into an amended and restated loan agreement that allows the Company to increase the line of credit (LOC) upon 30 days notice by the Company to a maximum of $20.0 million. In 2006 the agreement was renewed with an expiration date of July 1, 2008. We have not exercised our option to increase the LOC limit which is currently at $12.0 million with an outstanding balance of $3.5 million and a remaining available of $8.5 million. The Company reserves $1.0 million of the LOC to cover expenses for any major storm repairs in its Northwest Florida division. An additional $250,000 of the LOC is reserved for a 'letter of credit' insuring propane facilities.

The average interest rates for the line of credit were as follows as of December 31:

Year	Rate
2006	6.2%
2005	5.3%
2004	3.3%

9. Fair Value of Financial Instruments

The carrying amounts reported in the balance sheet for investments held in escrow for environmental costs, notes payable, taxes accrued and other accrued liabilities approximate fair value. As the older bonds contain 'make whole' provisions it would negate any fluctuation in interest rates. The fair value of long-term debt excluding the unamortized debt discount is estimated by discounting the future cash flows of each issuance at rates currently offered to the Company for similar debt instruments of comparable maturities. The values at December 31 are shown below.

	2006		2005	
	Carrying Amounts	**Approximate Fair Value**	**Carrying Amounts**	**Approximate Fair Value**
Long-term debt	$ 52,500,000	$63,000,000	$52,500,000	$ 63,000,000

10. Contingencies

Environmental

The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. Except as discussed below, the Company does not expect to incur material future expenditures for compliance with existing environmental laws and regulations.

Site	Range From	Range To
West Palm Beach	$ 4,801,000	$ 18,027,000
Sanford	710,000	710,000
Pensacola and Other	85,000	85,000
Total	$ 5,596,000	$ 18,822,000

The Company currently has $13.8 million reserved as an environmental liability. The FPSC approved $14.0 million for total recovery based on the original 2005 projections as a basis for rate recovery. The Company has recovered $5.5 million from insurance and rate recovery, net of costs. The balance of $8.3 million is recorded as a regulatory asset. On October 18, 2004 the FPSC approved recovery of $9.1 million for environmental liabilities (the remaining amount to be recovered is $8.3 million and is included on the balance sheet as "Other regulatory assets – environmental"). The amortization of this recovery and reduction to the regulatory asset began on January 1, 2005. The majority of environmental cash expenditures is expected to be incurred before 2010, but may continue for another 10 years.

West Palm Beach Site

The Company is currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property owned by it in West Palm Beach, Florida upon which the Company previously operated a gasification plant. The Company entered into a Consent Order with the Florida Department of Environmental Protection (FDEP) effective April 8, 1991, that requires the Company to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. The Company completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant was retained to perform a feasibility study (FS) to evaluate appropriate remedies for the site. A FS was transmitted to FDEP on November 30, 2006.

The FS evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the FS ranged from a low of $2.8 million to a high of $54.6 million. Based on the likely acceptability of proven remedial technologies described in the FS and implemented at similar sites in other states, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from $4.6 million to $17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA), or some combination of these remedies. The FS proposed a remedy of superficial soil excavation, installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from $4.6 million to $9.9 million.

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Prior to FDEP's approval of a final remedy for the site, the Company is unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately $4.8 million to $18.0 million.

Sanford Site

The Company owns a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to its acquisition of the property. Following discovery of soil and groundwater impacts on the property, the Company has participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, the Company executed an Administrative Order on Consent (AOC) with the four former owners and operators (collectively, the Group) and the United States Environmental Protection Agency (EPA) that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RIBS AOC and WFS Participation Agreement is now complete and the Company has no further obligations under either document.

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On July 5, 2000, EPA issued a Record of Decision (ROD) approving the final remedial action for contaminated soils at the site (OU1 Remedy). The initial estimated cost for the OU1 Remedy described in the ROD ranged from $5.6 million to $5.8 million. On June 12, 2001, EPA issued a ROD approving the final remedial action for contaminated groundwater at the site (OU2 Remedy). The present worth cost estimate for the OU2 Remedy was $320,252.

The Company and the Group then entered into the Second Participation Agreement on August 1, 2000, as amended through June 19, 2002 (RD/RA Participation Agreement). The RD/RA Participation Agreement provided for funding the remedial design/remedial action (RD/RA) task for OU1 and OU2. The Company's share of costs for implementation of the RD/RA task for OU1 and OU2 was set at 10.5%, providing the total cost of the RD/RA task, including the pre-remedial design fieldwork, does not exceed $6.0 million. In 2002, the Company paid $210,178 to the Escrow Agent pursuant to a first call for funds in the total amount of $2.0 million under the RD/RA Participation Agreement. As of December 31, 2006, a balance of $550,000 remained in the Escrow Account from the first call for funds.

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In late September 2006, EPA sent a Special Notice Letter to the Company, notifying the Company of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the Company and the other Group members sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended ROD for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, the Company and the Group submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1-OU3.

The Company and the Group recently reached agreement on the terms and conditions of a Third Participation Agreement, to provide for funding the remediation work specified in the RODs for OU1-OU3. The Third Participation Agreement, which supersedes and replaces the Second Participation Agreement, is expected to be signed by all Group members by the end of January 2007. The Company's share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13.0 million, or $650,000. At present, it is not anticipated that the total cost of remediation will exceed $13.0 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13.0 million. In any such event, the Company anticipates that its share will not be greater than 5% and could be less than 5%.

Assuming the Third Participation Agreement becomes effective in 2007 and EPA accepts the Group's good faith offer, the Company's total probable legal and remediation expenses for this site are projected to be approximately $710,000.

Pensacola Site

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The Company is the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that the Company was one of several responsible parties for any environmental impacts associated with the former gasification plant site, the Company entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. The Company's share of these costs is less than $2,000 annually.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to the Company in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, the Company has not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, the Company is unable to determine whether additional field work or site remediation will be required by EPA and, if so, the scope or costs of such work.

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Key West Site

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From 1927 to 1938, the Company owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the Company and the current site owner and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified the Company that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished (SEA) disposition is recommended." FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 3 1, 2006, the Company has received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such work. In 1999, the Company received an estimate from its consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, the Company's share would be approximately $83,000.

11. Commitments

A. General

To ensure a reliable supply of power and natural gas at competitive prices, the Company has entered into long-term purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2015. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices. At December 31, 2006, the Company has firm purchase and transportation commitments adequate to supply its expected future sales requirements. The Company is committed to pay demand or similar fixed charges of approximately $37.8 million during 2007 related to gas purchase agreements. Substantially all costs incurred under the electric and gas purchase agreements are recoverable from customers through fuel adjustment clause mechanisms.

B. Operating Leases

The Company's total operating lease obligation is $352,000. The Company is leasing property from the City of Fernandina Beach in our Northeast division. The Company is in the process of renegotiating the terms of this lease and it may be able to terminate this lease at an earlier date. The Company leases an appliance showroom in the same division for approximately $35,000 annually. The Company also has other operating lease agreements with various terms and expiration dates. The following table shows the Operating Lease obligations over the next five years.

	2007	2008	2009	2010	2011
Operating Lease Obligations	$151,000	$116,000	$47,000	$38,000	$0

12. Employee Benefit Plans

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans, Pension Plan and Retirees Medical Plan. See Footnote 1J, Impact of Recent Accounting Standards, Financial Accounting Standard 158 for a summary of the impact to our financial statements.

A. Pension Plan

The Company sponsors a qualified defined benefit pension plan for non-union employees that were hired before January 1, 2005 and for unionized employees that work under one of the six Company union contracts that approved this change in 2005. Our six union contracts have accepted this change for their new members hired after their respective contract date in 2005.

The following tables provide a reconciliation of the changes in the plan's benefit obligations and fair value of assets over the 3-year period ending December 31, 2006 and a statement of the funded status as of December 31, of all three years:

Benefit Obligations and Funded Status

		Years Ended December 31, 2006	2005	2004
(1)	Change in Projected Benefit Obligation			
(a)	Projected Benefit Obligation at the Beginning of the Year	$36,349,925	$34,926,383	$31,540,942
(b)	Service Cost	1,225,495	1,195,723	1,084,564
(c)	Interest Cost	2,160,719	2,000,099	1,940,122
(d)	Actuarial (Gain) or Loss	541,865	(842,777)	1,708,132
(e)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
(f)	Change in Plan Provisions	-	584,838	-
(g)	Plan Participant Contributions	-	-	-
(h)	Acquisition	-	-	-
(i)	Curtailment	(97,858)	-	-
(j)	Settlement	-	-	-
(k)	Special Termination Benefits	-	-	-
(l)	Projected Benefit Obligation at the End of the Year	$38,650,888	$36,349,925	$34,926,383
(m)	Accumulated Benefit Obligation at the End of the Year	$33,693,860	$31,966,513	$30,518,393
(2)	Change in Plan Assets			
(a)	Fair Value of Plan Assets at the Beginning of the Year	$32,936,666	$32,385,214	$31,081,063
(b)	Actual Return on Plan Assets	3,977,806	2,065,793	2,651,528
(c)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
(d)	Employer Contributions	250,000	-	-
(e)	Plan Participant Contributions	-	-	-
(f)	Acquisition	-	-	-
(g)	Settlement	-	-	-
(h)	Fair Value of Assets at the End of the Year	$35,635,214	$32,936,666	$32,385,214
(3)	Funded Status: (2)(h) - (1)(l)	$(3,015,674)	$(3,413,259)	$(2,541,169)
(4)	Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
(a)	Prepaid (Accrued) Benefit Cost	($1,760,785)	($721,333)	$725,619
(b)	(Additional Liability due to an Unfunded ABO)	-	-	-
(c)	Intangible Asset	-	-	-
(d)	Net Asset (liability): (a) + (b) + (c)	($1,760,785)	($721,333)	$725,619
(e)	Charge to Accumulated Other Comprehensive Income:			
(5)	Adjustments Caused by Applying FAS 158			
(a)	Increase in Net Asset/(Liability): (3) – (4)(d)	($1,254,889)	N/A	N/A
(b)	Increase in Charge to Accumulated Other Comprehensive Income:	$1,254,889	N/A	N/A
(c)	Subtotal of Adjustments: (a)+(b)+(c)+(d)	$0	N/A	N/A
(6)	Amount Recognized in Statement of Financial Position After applying FAS 158			
(a)	Net Asset (Liability): (4)(d) + (5)(a)	($3,015,674)	($721,333)	$725,619

	(b)	Charge to Accumulated Other Comprehensive Income: (4)(e) + (5)(b)	$1,254,889	-	-
(7)		Net Asset (Liability) Recognized in the Statement of Financial Position After applying FAS 158			
	(a)	Noncurrent Assets	$0	N/A	N/A
	(b)	(Current Liabilities)	$0	N/A	N/A
	(c)	(Noncurrent Liabilities)	($3,015,674)	N/A	N/A
	(d)	Total Net Asset (Liability): (a) + (b) + (c)	($3,015,674)	N/A	N/A
(8)		Amount Recognized in Accumulated Other Comprehensive Income After applying FAS 158			
	(a)	Transition Obligation (Asset)	$0	N/A	N/A
	(b)	Prior Service Cost (Credit)	$3,992,489	N/A	N/A
	(c)	Net (Gain) or Loss	($2,737,600)	N/A	N/A
	(d)	Total	$1,254,889	N/A	N/A
(9)		Weighted Average Assumption at End of Year			
	(a)	Discount Rate	6.00%	5.90%	5.75%
	(b)	Rate of Compensation Increase	3.25%	3.15%	3.00%
	(c)	Mortality	GAM 83	GAM 83	GAM 83

The following table provides the components of net periodic benefit cost for the plans for fiscal years 2006, 2005 and 2004:

Net Periodic Pension Costs

			Years Ended December 31,		
			2006	2005	2004
(1)		Service Cost	$1,225,495	$1,195,723	$1,084,564
(2)		Interest Cost	2,160,719	2,000,099	1,940,122
(3)		Expected Return on Plan Assets	(2,736,019)	(2,485,985)	(2,591,099)
(4)		Amortization of Transition Obligation/(Asset)	-	-	-
(5)		Amortization of Prior Service Cost	737,115	737,115	698,211
(6)		Amortization of Net (Gain) or Loss	-	-	-
(7)		Total FAS 87 Net Periodic Pension Cost	1,387,310	1,446,952	1,131,798
(8)		FAS 88 Charges / (Credits)			
	(a)	Settlement	-	-	-
	(b)	Curtailment	($97,858)	-	-
	(c)	Special Termination Benefits	-	-	-
	(d)	Total	($97,858)		
(9)		Total Net Periodic Pension Cost	$1,289,452	$1,446,952	$1,131,798
(10)		Other Changes in Plan Assets and Benefit Obligations Recognized as a Charge to Other Comprehensive Income			
	(a)	Prior Service Cost (Credit)	N/A	N/A	N/A
	(b)	Net (Gain) or Loss	N/A	N/A	N/A
	(c)	Amortization of Transition Obligation	N/A	N/A	N/A
	(d)	Amortization of Prior Service Cost (Credit)	N/A	N/A	N/A
	(e)	Amortization of Net (Gain) or Loss	N/A	N/A	N/A
	(f)	Increase in Minimum Liability Included in OCI	$0	$0	$0
(11)	(g)	Total: (a)+(b)+(c)+(d)+(e)+(f)	$0	$0	$0

	Comprehensive Income: (9) + (10)(g)	$1,289,452	$1,446,952	$1,131,798
(12)	Weighted Average Assumptions			
(a)	Discount Rate at Beginning of the Period	5.90%	5.75%	6.25%
(b)	Expected Return on Plan Assets	8.50%	8.50%	8.50%
(c)	Rate of Compensation Increase	3.15%	3.00%	3.50%

Plan Assets

		Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets				
(a)	Equity Securities	40%-60%	68%	67%	69%
(b)	Debt Securities	25%-40%	30%	32%	30%
(c)	Real Estate	5%-15%	0%	0%	0%
(d)	Other	5%-15%	2%	1%	1%
(e)	Total		100%	100%	100%

Expected Return on Plan Assets

The expected rate of return on plan assets is 8.5%. The Company expects 8.5% to fall within the 40 to 50 percentile range of returns on investment portfolios with asset diversification similar to that of the Pension Plan's target asset allocation.

Investment Policy and Strategy

The Company has established and maintains an investment policy designed to achieve a long-term rate of return, including investment income and appreciation, sufficient to meet the actuarial requirements of the Pension Plan. The Company seeks to accomplish its return objectives by investing in a diversified portfolio of equity, fixed income and cash securities seeking a balance of growth and stability as well as an adequate level of liquidity for pension distributions as they fall due. Plan assets are constrained such that no more than 10% of the portfolio will be invested in any one issue.

Cash Flows

(1)	Expected Contributions for Fiscal Year Ending December 31, 2007	
	(a) Expected Employer Contributions	$250,000
	(b) Expected Employee Contributions	$ 0
(2)	Estimated Future Benefit Payments Reflecting Expected Future Service for the years ending December 31,	
	(a) 2007	$1,756,069
	(b) 2008	$1,839,843
	(c) 2009	$1,975,656
	(d) 2010	$2,092,003
	(e) 2011	$2,182,628
	(f) 2012 – 2016	$13,040,794
(3)	Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07	$0

Other Accounting Items

		Years Ended December 31, 2006	2005	2004
(1)	Market-Related Value of Assets as of the Beginning of fiscal year	$32,936,666	$30,016,761	$31,222,154
(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	$ 0	$ 0	$ 0
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	10.80	10.95	10.95
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

B. Medical Plan

The Company sponsors a postretirement medical program. The medical plan is contributory with participants' contributions adjusted annually. The following tables provide required financial disclosures over the three-year period ended December 31, 2006:

Benefit Obligations and Funded Status

			Fiscal Year Ending 12/31/2006	12/31/2005	12/31/2004
(1)		Change in Accumulated Postretirement Benefit Obligation			
	(a)	Accumulated Postretirement Benefit Obligation at the Beginning of the Year	$2,343,583	$1,925,254	$1,807,999
	(b)	Service Cost	59,982	100,054	70,300
	(c)	Interest Cost	105,483	127,312	106,079
	(d)	Actuarial (Gain) or Loss	(568,755)	282,812	32,646
	(e)	Benefits Paid	(117,459)	(135,166)	(119,005)
	(f)	Change in Plan Provisions	0	0	0
	(g)	Plan Participant's Contributions	42,519	43,317	27,235
	(h)	Acquisition	0	0	0
	(i)	Curtailment	0	0	0
	(j)	Settlement	0	0	0
	(k)	Special Termination Benefits	0	0	0
	(l)	Accumulated Postretirement Benefit Obligation at the End of the Year	$1,865,353	$2,343,583	$1,925,254
(2)		Change in Plan Assets			
	(a)	Fair Value of Plan Assets at the Beginning of the Year	$ 0	$ 0	$ 0

	(b)	Actual Return on Plan Assets	0	0	0
	(c)	Benefits Paid	(117,459)	(135,166)	(119,005)
	(d)	Employer Contributions	74,940	91,849	91,770
	(e)	Plan Participant's Contributions	42,519	43,317	27,235
	(f)	Acquisition	0	0	0
	(g)	Settlement	0	0	0
	(h)	Fair Value of Assets at the End of the Year	$ 0	$ 0	$ 0
(3)		Net Amount Recognized			
	(a)	Funded Status: (2)(h) - (1)(l)	($1,865,353)	($2,343,583)	($1,925,254)
(4)		Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
	(a)	Prepaid (Accrued) Benefit Cost	(2,057,833)	(1,942,393)	(1,763,980)
	(b)	(Additional Liability due to an Unfunded ABO)	0	0	0
	(c)	Intangible Asset	0	0	0
	(d)	Net Asset (Liability): (a) + (b) + (c)	($2,057,833)	($1,942,393)	($1,763,980)
	(e)	Charged to Accumulated Other Comprehensive Income:	0	0	0
(5)		Adjustments Caused by Applying FAS 158			
	(a)	Increase in Net Asset (Liability): (3) – (4)(d)	192,480	N/A	N/A
	(b)	Increase in charge to Accumulated Other Comprehensive Income:	(192,480)	N/A	N/A
	(c)	Subtotal of Adjustments: (a) + (b) + (c) + (d) + (e)	$0	N/A	N/A
(6)		Amounts Recognized in the Statement of Financial Position After applying FAS 158			
	(a)	Net Asset (Liability): (4)(d) +(5)(a)	(1,865,353)	(1,942,393)	(1,763,980)
	(b)	Charge to Accumulated Other Comprehensive Income: (4)(e) + (5)(b)	(192,480)	0	0
(7)		Net Asset (Liability) Recognized in the Statement of Financial Position After Applying FAS 158			
	(a)	Noncurrent Assets	0	N/A	N/A
	(b)	(Current Liabilities)	(150,589)	N/A	N/A
	(c)	(Noncurrent Liabilities)	(1,714,764)	N/A	N/A
	(d)	Total Net Asset (Liability): (a) + (b) + (c)	($1,865,353)	N/A	N/A
(8)		Amounts Recognized in Accumulated Other Comprehensive Income After Applying FAS 158			
	(a)	Transition Obligation (Asset)	0	N/A	N/A
	(b)	Prior Service Cost (Credit)	0	N/A	N/A
	(c)	Net (Gain) or Loss	(192,480)	N/A	N/A
	(d)	Total	($192,480)	N/A	N/A
(9)		Weighted Average Assumptions at the End of the Year			
	(a)	Discount Rate	6.00%	5.90%	5.75%
	(b)	Rate of Compensation Increase	N/A	N/A	N/A
	(c)	Mortality	GAM 83	GAM 83	GAM 83
(10)		Assumed Health Care Cost Trend Rates			
	(a)	Health Care Cost Trend Rate Assumed for Next Year	11.50%	9.00%	10.00%
	(b)	Ultimate Rate	5.00%	5.00%	5.00%
	(c)	Year that the Ultimate Rate is Reached	2014	2010	2010

Net Periodic Postretirement Benefit Cost

		2006	2005	2004
		Years ended December 31,		
(1)	Service Cost	$59,982	$100,054	$70,300
(2)	Interest Cost	$105,483	$127,312	$106,079
(3)	Expected Return on Plan Assets	$ 0	$ 0	$ 0
(4)	Amortization of Transition Obligation/(Asset)	$42,896	$42,896	$42,896
(5)	Amortization of Prior Service Cost	$ 0	$ 0	$ 0
(6)	Amortization of Net (Gain) or Loss	($17,981)	$ 0	($8,666)
(7)	Total FAS 106 Net Periodic Benefit Cost	$190,380	$270,262	$210,609
(8)	Other Charges / (Credits)			
	(a) Settlement	$ 0	$ 0	$ 0
	(b) Curtailment	$ 0	$ 0	$ 0
	(c) Special Termination Benefits	$ 0	$ 0	$ 0
	(d) Total	$ 0	$ 0	$ 0
(9)	Total Net Periodic Benefit Cost	$190,380	$270,262	$210,609
(10)	Other Changes in Plan Assets and Benefit Obligations Recognized as a Charge to Other Comprehensive Income			
	(a) Prior Service Cost (Credit)	N/A	N/A	N/A
	(b) Net (Gain) or Loss	N/A	N/A	N/A
	(c) Amortization of Transition Obligation	N/A	N/A	N/A
	(d) Amortization of Prior Service Cost (Credit)	N/A	N/A	N/A
	(e) Amortization of Net (Gain) or Loss	N/A	N/A	N/A
	(f) Increase in Minimum Liability Included in OCI	0	0	0
	(g) Total: (a)+(b)+(c)+(d)+(e)+(f)	$0	$0	$0
(11)	Total Recognized in Net Periodic Pension Cost and other Comprehensive Income: (9) + (10)(g)	$190,380	$270,262	$210,609
(12)	Weighted Average Assumptions			
	(a) Discount Rate	5.90%	5.75%	6.25%
	(b) Expected Return on Plan Assets	N/A	N/A	N/A
	(c) Rate of Compensation Increase	N/A	N/A	N/A
(11)	Assumed Health Care Cost Trend Rates			
	(a) Health Care Cost Trend Rate Assumed for Current Year	12.50%	10.00%	12.00%
	(b) Ultimate Rate	5.00%	5.00%	5.00%
	(c) Year that the Ultimate Rate is Reached	2014	2010	2010

Expected Amortizations

		2007	2006	2005
		Years ended December 31,		
(1)	Expected Amortization of Transition Obligation (Asset)	$0	N/A	N/A

(2)	Expected Amortization of Prior Service Cost (Credit)	$0	N/A	N/A
(3)	Expected Amortization of Net Loss (Gain)	($536)	N/A	N/A

		Increase	Decrease
(12)	Impact of One-Percentage-Point Change in Assumed Health Care Cost Trend Rates		
	(a) Effect on Service Cost + Interest Cost	$20,533	($17,812)
	(b) Effect on Postretirement Benefit Obligation	$203,809	($179,005)

Plan Assets

			Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets					
	(a)	Equity Securities	N/A	N/A	N/A	N/A
	(b)	Debt Securities	N/A	N/A	N/A	N/A
	(c)	Real Estate	N/A	N/A	N/A	N/A
	(d)	Other	N/A	N/A	N/A	N/A
	(e)	Total	N/A	N/A	N/A	N/A

Cash Flows

(1) Expected Contributions for Fiscal Year Ending 12/31/2007

(a)	Expected Employer Contributions	$150,589
(b)	Expected Employee Contributions	$48,832

(2) Estimated Future Benefit Payments Reflecting Expected Future Service for the Fiscal Year(s) Ending

		Total	Medicare Part-D Reimbursement	Employee	Employer
(a)	12/31/2007	$199,421	$0	$48,832	$150,589
(b)	12/31/2008	$143,659	$8,266	$36,130	$99,263
(c)	12/31/2009	$146,580	$8,749	$36,535	$101,296
(d)	12/31/2010	$160,560	$9,504	$41,759	$109,297
(e)	12/31/2011	$199,681	$10,062	$51,049	$138,570
(f)	12/31/2012 – 12/31/2016	$1,407,957	$61,062	$350,375	$996,520

(3) Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07 $0

Other Accounting Items

	Years Ended December 31, 2006	2005	2004

(1)	Market-Related Value of Assets	N/A	N/A	N/A
(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	$0	$0	$0
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	11.10	13.35	12.48
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

Voluntary Prescription Drug Coverage

Legislation enacted in December 2003 provides for the addition of voluntary prescription drug coverage under Medicare starting in 2006. The legislation also provides for a 28% tax-free subsidy for each qualified covered retiree's drug cost between certain thresholds if the employer's coverage is at least actuarially equivalent to the standard Medicare drug benefit. Based on the final regulations issued by the Centers for Medicare and Medicaid Services on January 21, 2005, we determined prescription drug coverage of the Florida Public Utilities Company Postretirement Medical Benefits plan to be actuarially equivalent to Medicare Part D.

Discount Rate Assumption

The discount rate assumption used to determine the postretirement benefit obligations is based on current yield rates in the double A bond market. The current year's discount rate was selected using a method that matches projected payouts from the plan with a zero-coupon double A bond yield curve. This yield curve was constructed from the underlying bond price and yield data collected as of the plan's measurement date and is represented by a series of annualized, individual discount rates with durations ranging from six months to thirty years. Each discount rate in the curve was derived from an equal weighting of the double A or higher bond universe, apportioned into distinct maturity groups. These individual discount rates are then converted into a single equivalent discount rate, which is then used for FAS discount purposes. To assure that the resulting rates can be achieved by a postretirement benefit plan, only bonds that satisfy certain criteria and are expected to remain available through the period of maturity of the plan benefits are used to develop the discount rate. Prior years' discount rate assumptions were set based on investment yields available on double A, long-term corporate bonds.

Actuarial Equivalent

In determining "Actuarial Equivalence", Aon's proprietary prescription drug pricing tool Aon Rx was used. This tool allowed us to determine the estimated Per Member Per Month (PMPM) prescription drug cost for both the Florida Public Utilities Company plan and the Medicare plan. The two PMPM's were adjusted for monthly retiree contributions. We assumed that 60% of the monthly combined medical and prescription drug retiree contribution for the Florida Public Utilities Company plan applies towards prescription drugs. Because the subsidy is the same regardless of the cost sharing structure (unless the plan is not "Actuarial Equivalent"), in general a plan that has higher cost sharing would reduce their annual cost as a percentage greater than a plan would that has lower cost sharing.

C. Health Plan

In December 2003, the Company became fully insured for its employee and retiree's medical insurance. Net health care benefits paid by the Company for active employees were approximately $1.7 million in 2006, $1.6 million in 2005, and $1.5 million in 2004, excluding administrative and stop-loss insurance.

D. 401K Plan

The Company has discontinued eligibility to the defined benefit pension plan for all new hires, and replaced it with a new 401K match.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a Company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service.

13. Segment Information

The Company is organized into two regulated business segments: natural gas and electric, and one non-regulated business segment, propane gas. There are no material inter-segment sales or transfers.

Identifiable assets are those assets used in the Company's operations in each business segment. Common assets are principally cash and overnight investments, deferred tax assets and common plant.

Business segment information for 2006, 2005 and 2004 is summarized as follows:

(Dollars in thousands)	2006	2005	2004
Revenues			
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910
Propane gas	14,727	13,479	11,167

Consolidated	$ 134,235	$ 130,023	$ 110,039
Operating income, excluding income tax			
Natural gas	$ 6,118	$ 6,049	$ 4,978
Electric	3,137	3,502	3,353
Propane gas	1,074	1,086	655
Consolidated	$ 10,329	$ 10,637	$ 8,986
Identifiable assets			
Natural gas	$ 93,689	$ 95,699	$ 87,387
Electric	51,389	51,191	48,573
Propane gas	19,239	19,552	15,723
Common	14,829	15,441	18,199
Consolidated	$ 179,663	$ 181,883	$ 169,882
Depreciation and amortization			
Natural gas	$ 4,095	$ 3,928	$ 2,752
Electric	2,610	2,404	2,323
Propane gas	720	621	560
Common	317	313	265
Consolidated	$ 7,742	$ 7,266	$ 5,900
Construction expenditures			
Natural gas	$ 7,643	$ 6,357	$ 5,314
Electric	3,184	3,775	6,793
Propane gas	1,885	2,133	1,339
Common	404	176	285
Consolidated	$ 13,116	$ 12,441	$ 13,731
Income tax expense			
Natural gas	$ 1,336	$ 1,283	$ 843
Electric	577	666	565
Propane gas	136	245	130
Common	246	93	77
Consolidated	$ 2,295	$ 2,287	$ 1,615

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14. Quarterly Financial Data (Unaudited)

The quarterly financial data presented below reflects the influence of seasonal weather conditions, the timing of rate increases and the migration of winter residents and tourists to Central and South Florida during the winter season. Significant increases in the fourth quarter of 2005 expenses relate to the performance of previously delayed expenditures from previous quarters.

(Dollars in thousands, except per share amounts):	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2006				
Revenues	$ 43,348	$ 29,878	$ 29,415	$ 31,594
Gross profit	$ 14,135	$ 11,402	$ 10,867	$ 11,860
Operating income	$ 4,528	$ 2,065	$ 1,488	$ 2,248
Earnings before income taxes	$ 3,507	$ 1,162	$ 609	$ 1,281
Net Income	$ 2,221	$ 738	$ 475	$ 830

Earnings per common share (basic and diluted):				
Continuing operations	$ 0.37	$ 0.12	$ 0.08	$ 0.14
2005				
Revenues	$ 35,438	$ 28,329	$ 29,190	$ 37,066
Gross profit	$ 13,619	$ 10,963	$ 10,374	$ 12,263
Operating income	$ 4,684	$ 2,215	$ 1,578	$ 2,160
Earnings before income taxes	$ 3,711	$ 1,205	$ 573	$ 1,046
Net Income	$ 2,353	$ 851	$ 260	$ 784
Earnings per common share (basic and diluted):				
Continuing operations	$ 0.40	$ 0.14	$ 0.04	$ 0.13

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Directors and Shareholders of FPU:

We have audited the accompanying consolidated balance sheets and statements of capitalization of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation as of December 31, 2006 and 2005 and the related consolidated statements of income, common shareholders' equity and cash flows for each of the two years in the period ended December 31, 2006. We have also audited the schedule listed in the accompanying index. These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

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We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedules, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and schedules. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation at December 31, 2006 and 2005, and the results of its operation and its cash flows for each of the two years in the period ended December 31, 2006, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the schedule presents fairly, in all material respects, the information set forth therein.

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BDO Seidman, LLP
Certified Public Accountants
West Palm Beach, Florida
February 28, 2007

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2006, our disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended December 31, 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None

PART III

Item 10. Directors and Executive Officers of the Registrant

Information required by this item concerning directors and nominees of the Registrant will be included under the caption "Information About Nominees and Continuing Directors" in the Registrant's Proxy Statement for the 2007 Annual Meeting of Shareholders (the "2007 Proxy Statement") and is incorporated by reference herein. Information required by this item regarding the Audit Committee will be included under the caption "Board of Directors and Committees" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding the Code of Ethics will be included under the caption "Code of Ethics" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding compliance with Section 16(a) of the Exchange Act will be set forth in the 2007 Proxy Statement under "Section 16(a) Beneficial Ownership Reporting Compliance" and is incorporated by reference herein. Information required by this Item concerning executive officers is set out in Part I of this Form 10-K, above.

Item 11. Executive Compensation

Information required by this Item concerning executive compensation is included under the captions "Board of Directors and Committees", "Executive Compensation", and "Compensation Committee Interlocks and Inside Participation" in the 2007 Proxy Statement is incorporated by reference herein.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required by this Item concerning the security ownership of certain of the Registrant's beneficial owners and management is included under the caption "Security Ownership of Management and Certain Beneficial Owners" in the 2007 Proxy Statement and is incorporated by reference herein. See Item 5 above for equity compensation plan information, which is incorporated by reference herein.

Item 13. Certain Relationships and Related Transactions

None.

Item 14. Principal Accountant Fees and Services

Information required by this Item is set forth in the Registrant's 2007 Proxy Statement under the caption "Principal Accountant Fees and Services" and is incorporated by reference herein.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of this report:

(1) Financial Statements
The following consolidated financial statements of the Company are included herein and in the Registrant's 2006 Annual Report to Shareholders:

Consolidated Statements of Income
Consolidated Balance Sheets
Consolidated Statements of Capitalization
Consolidated Statements of Common Shareholders' Equity
Consolidated Statements of Cash Flows
Notes to Consolidated Financial Statements
Report of Independent Registered Public Accounting Firm

(2) Financial Statement Schedules
The following valuation and qualifying accounts table is included herein and in the Registrant's 2006 Annual Report to Shareholders:

Allowance for Doubtful Accounts

(3) Exhibits

3(i) Amended Articles of Incorporation (Incorporated herein by reference as Exhibit 3(i) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)

3(ii) Amended By-Laws (Incorporated herein by reference as Exhibit 3(ii) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)

4(a) Indenture of Mortgage and Deed of Trust of FPU dated as of September 1, 1942 (Incorporated by reference herein to Exhibit 7-A to Registration No. 2-6087)

4(b) Fourteenth Supplemental Indenture dated September 1, 2001. (Incorporated by reference to exhibit 4(b) on FPU's annual report on form 10-K for the year ended December 31, 2001)

4(c) Fifteenth Supplemental Indenture dated November 1, 2001. (Incorporated by reference to exhibit 4(c) on FPU's annual report on form 10-K for the year ended December 31, 2001)

10(a) First Amendment to Amended and Restated Loan Agreement and Promissory Note between FPU and Bank of America dated August 25,

2006. (Incorporated by reference to exhibit 10(2) on FPU's Form 10Q for third quarter ending September 30, 2006, File No. 001-10608)

10(b) Contract for the transportation of natural gas between FPU and Florida Gas Transmission Company under Service Agreement for Firm Transportation Service dated June 1, 1992 (Incorporated by reference to exhibit 10(b) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(c) Contract for the transportation of natural gas between FPU and Florida Gas Transmission Company under interruptible Transportation Service Agreement dated February 23, 1990 (Incorporated by reference to exhibit 10(c) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(d) Contract for the transportation of natural gas between FPU and the City of Lake Worth dated March 25, 1992 (Incorporated by reference to exhibit 10(f) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(e) Contract for the purchase of electric power between FPU and Jacksonville Electric Authority dated January 29, 1996. (Incorporated by reference to exhibit 10(h) on FPU's annual report on form 10-K for the year ended December 31, 2000)

10(f) Contract for the purchase of electric power between FPU and Gulf Power Company effective November 21, 1996. (Incorporated by reference to exhibit 10(i) on FPU's annual report on form 10-K for the year ended December 31, 2000)

10(g) Contract for the purchase of as-available capacity and energy between FPU and Container Corporation of America dated September 19, 1985 (Incorporated by reference to exhibit 10(i) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(h) Contract for the sale of electric service between FPU and Container Corporation of America dated August 26, 1982 (Incorporated by reference to exhibit 10(j) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(i) Contract for the sale of electric service between FPU and ITT Rayonier Inc. Dated April 1, 1982 (Incorporated by reference to exhibit 10(k) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(j) Form of Stock Purchase and Sale Agreement between FPU and three persons who, upon termination of two trusts, will become the record and beneficial owners of an aggregate of 313,554 common shares of the Registrant (Incorporated by reference to exhibit 10(p) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(k) Contract for the sale of certain assets comprising FPU's water utility business to the City of Fernandina Beach dated December 3, 2002. (Incorporated by reference to exhibit 10(o) on FPU's annual report on form 10-K for the year ended December 31, 2002)

10(l)	Transportation agreement between FPU and the City of Lake Worth (Incorporated by reference to exhibit 99.2 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)
10(m)	A Mutual Release agreement, as of March 31, 2003, by and between FPU, Lake Worth Generation, LLC, The City of Lake Worth, and The AES Corporation. (Incorporated by reference to exhibit 99.3 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)
10(n)	Amended and Restated loan agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(n) on FPU's annual report on form 10-K for the year ended December 31, 2004)
10(o)	Security agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(o) on FPU's annual report on form 10-K for the year ended December 31, 2004)
10(p)#	Non-Employee Director Compensation Plan, approved by Board of Directors on March 18, 2005. (Incorporated by reference as exhibit 10(p) on FPU's annual report on form 10-K for the year ended December 31, 2004)
10(q)	Amendment to Electric Service Contract by and between JEA and FPU dated September 25, 2006, effective January 1, 2007. (Incorporated by reference as Exhibit 10.1 to our Form 10-Q, for the quarter ending March 31, 2006, File No. 001-10608).
10 (r) #	Employment Agreement between the Company and John T. English dated March 31, 2006 (Incorporated by reference as Exhibit 10.1 to our Form 8-K, filed on March 31, 2006).
10 (s) #	Employment Agreement between the Company and Charles L. Stein dated March 31, 2006 (Incorporated by reference as Exhibit 10.2 to our Form 8-K, filed on March 31, 2006).
10 (t) #	Employment Agreement between the Company and George M. Bachman dated March 31, 2006 (Incorporated by reference as Exhibit 10.3 to our Form 8-K, filed on March 31, 2006).
10(u)	Contract for the Agreement for Generation Services by and between FPU and Gulf Power Company dated December 28, 2006, effective January 1, 2008.
14	Ethics Policy (Incorporated by reference to exhibit 99.3 on FPU's Form 10-K filed March 30, 2004 File No. 001-10608)
16	Change in certifying accountants (incorporated herein by reference as exhibit 16 to FPU's current report on Form 8-K filed April 18, 2003)

21	Subsidiary of the registrant (Incorporated by reference to exhibit 21 on FPU's annual report on form 10-K for the year ended December 31, 2000)
23	Independent Registered Public Accounting Firm's Consent BDO Seidman LLP
31.1	Certification of Principal Executive Officer (302)
31.2	Certification of Principal Financial Officer (302)
32	Certification of Principal Executive Officer and Principal Financial Officer (906)

# Denotes management contract or compensatory plan or arrangement

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FLORIDA PUBLIC UTILITIES COMPANY

/s/ George M Bachman
George M Bachman, Chief Financial Officer
(Duly Authorized Officer)

Date: March 15, 2007

Each person whose signature appears below hereby constitutes and appoints John T. English, Chief Executive Officer and President, and George M. Bachman, Chief Financial Officer, and each of them, the true and lawful attorneys-in-fact and agents of the undersigned, with full power undersigned, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and hereby grants to such attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

/s/ John T. English Date: March 15, 2007
John T. English
Chairman of the Board, President, Chief Executive Officer, and Director (Principal Executive Officer)

/s/ George M. Bachman Date: March 15, 2007
George M Bachman, Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

/s/ Ellen Terry Benoit Date: March 15, 2007
Ellen Terry Benoit, Director

/s/ Richard C. Hitchins Date: March 15, 2007
Richard C. Hitchins, Director

/s/ Dennis S. Hudson III Date: March 15, 2007
Dennis S. Hudson III, Director

/s/ Paul L. Maddock, Jr. Date: March 15, 2007
Paul L. Maddock, Jr., Director

/s/ Troy W. Maschmeyer, Jr. Date: March 15, 2007
Troy W. Maschmeyer, Jr., Director

FLORIDA PUBLIC UTILITIES COMPANY
EXHIBIT INDEX

Regulation S-K Item Number	
10(u)	Contract for the Agreement For Generation Services by and between FPU and Gulf Power Company dated December 28, 2006, effective January 1, 2008.
23	Independent Registered Public Accounting Firm's Consent BDO Seidman LLP
31.1	Certification of Principal Executive Officer (302)
31.2	Certification of Principal Financial Officer (302)
32	Certification of Principal Executive Officer and Principal Financial Officer (906)

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Folders

- Desktop
- My Documen
  - Adobe
  - CCWin9
  - Corel Use
  - CyberLink
  - My eBook
  - My Music
  - My Pictur
  - RegBak
- My Compute
  - 3½ Flopp
  - BIP3014 (
  - ROXIO12
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      - CO
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  - Bat on 'fp
  - Public on
  - Control P
- My Network

Name	Size	Type	Date Modified	Location
Files Currently on the CD				
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

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Clara Leider

From: Martin Cheryl
Sent: Monday, March 12, 2007 5:43 PM
To: Dale Buschmann (E-mail)
Cc: Lundgren April; Khojasteh Mehrdad
Subject: 10K
Attachments: 10 k 2006.doc

Here are the changes we have so far. Tracked version. Thanks Cheryl Martin

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)
☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2006

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ____________ to ____________

Commission file number 001-10608

Florida Public Utilities Company
(Exact name of the registrant as specified in its charter)

Florida	59-0539080
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification Number)

401 South Dixie Highway, West Palm Beach, FL 33401
(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code (561) 832-0872

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock par value $1.50 per share	American Stock Exchange

Securities registered pursuant to section 12(g) of the Act:

____
(Title of class)

____
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. [ ] Yes [X] No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. [ ] Yes [X] No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [ ] No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). [ ] Yes [X] No

As of June 30, 2006, the aggregate market value of the Registrant's Common Stock held by non-affiliates (based upon the closing price of the Common Stock on that date on the American Stock Exchange) was approximately $71,300,000.

On February 9, 2007, 6,024,739 shares of the Registrant's $1.50 par value common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the May 8, 2007 Annual Meeting of Shareholders are incorporated by reference in Part III hereof.

PART I

Item 1. Business

General

Florida Public Utilities Company (FPU) was incorporated on March 6, 1924 and reincorporated on April 29, 1925 under the 1925 Florida Corporation Law. We provide natural gas, electricity and propane gas to residential, commercial and industrial customers in Florida. We do not produce energy and are not a generating utility. Our regulated segments sell natural gas and electricity to approximately 82,000 customers, and our unregulated segment sells propane gas through a wholly owned subsidiary, Flo-Gas Corporation, to approximately 13,000 customers. We also sell merchandise and other service related products on a limited basis as a complement to the natural and propane gas segments.

Our three primary business segments are aligned with our products and are natural gas, electric and propane gas. The Florida Public Service Commission (FPSC) regulates the natural gas and electric segments. We operate through five divisions based on geographic areas:

(1) South Florida Division - provides natural and propane gas to customers in West Palm Beach, Palm Beach Gardens, North Palm Beach, Jupiter, Riviera Beach, Palm Beach, Lake Worth, Royal Palm Beach, Wellington, Boynton Beach, Delray Beach, Boca Raton, Lauderdale Lakes, Deerfield Beach, Stuart, Palm City and other areas near these cities.
(2) Central Florida Division - provides natural and propane gas to customers in Sanford, Deland, Deltona, DeBary, Orange City, Lake Mary, Winter Springs, New Smyrna Beach, Edgewater, Longwood, Port Orange and other areas near these cities.
(3) Northwest Florida Division - provides electricity to customers in Marianna, Bristol, Altha, Cottondale, Malone, Alford and other areas near these cities.
(4) Northeast Florida Division - provides electricity and propane gas to customers in Fernandina Beach, Jacksonville, Callahan, Yulee and other areas near these cities.
(5) West Florida Division - provides propane gas to customers in Dunnellon, Inglis, Crystal River, Inverness, Brooksville and other areas near these cities.

Business Environment

Natural and propane gas are some of the most popular forms of energy today. Gas is used for heating, cooling, cooking, backup generation and decorative lighting by businesses and homeowners and in many other ways by various industries. Natural gas is also used in combination with other fuels to improve environmental performance and decrease pollution in the generation of electricity.

Natural and propane gas have seen increased demand in Florida as a result of the recent hurricanes and the popularity of generators. Generators themselves do not impact usage significantly for a region; however, gas appliances have been added as a result of generator popularity, and that does increase gas usage. Prices of natural and propane gas

have decreased during 2006 due in part to the absence of a hurricane affecting the Gulf of Mexico.

As a result of historically high natural gas costs in 2005, alternatives such as coal and nuclear power for generation of electricity have seen increased interest. Our sales in the electric segment have not been impacted by higher electricity costs due to our long-term favorable fixed price contracts for purchasing electricity. However, our long-term contract ended at the end of 2006 for our Northeast division and our long-term contract will end at the end of 2007 for our Northwest division. We now have new contracts in place with pricing much closer to current market price. Our electric prices are expected to significantly increase. Although this will not directly impact our income from operations because increased fuel costs are passed through to the customer, this may impact the number of units sold and decrease income from operations as a result of less usage.

Because of the hurricanes in 2004 and 2005, the electric industry in Florida has seen increased interest in improving reliability of electric services during and after hurricanes. Regulators have been researching the issue and have introduced new storm preparedness requirements to improve electric reliability with storm preparedness rules regarding pole inspections, strengthened design specifications for wind loading, vegetation management practices and installation of underground facilities for electric distribution and transmission systems. We are seeking rate relief and implementation for these new requirements in 2007.

Business Segments
We are organized in three operating and reporting segments: natural gas, electric and propane gas. We are also involved in limited merchandise sales and other services within our natural gas and propane gas areas to complement these segments. For information concerning revenues, operating income and identifiable assets of each of our segments, see Note 13 in Notes to Consolidated Financial Statements.

Natural Gas
Natural gas is primarily composed of methane, which is a colorless, odorless fuel that burns cleaner than many other traditional fossil fuels. Odorant is added to enable easy detection of a gas leak.

We provide natural gas to customers in our South and Central Florida divisions. The vast majority of the natural gas we distribute is purchased in the Gulf Coast region, both onshore and offshore.

We use Florida Gas Transmission (FGT) as our natural gas pipeline in peninsular Florida. FGT is under the jurisdiction of the Federal Energy Regulatory Commission (FERC). We use gas marketers and producers to procure all gas supplies for our markets. We use Florida City Gas and Indiantown Gas Company to provide wholesale gas transportation services in areas distant from our interconnections with FGT. We pass all fuel costs on to our customers. We also transport natural gas for customers who purchase their own gas supplies and arrange for pipeline transportation. Our operating results are not adversely affected if our customers purchase gas from third parties because we do not profit on the fuel portion of sales.

Our natural gas revenues are affected by the rates charged to customers, supply costs for natural gas purchased for resale, economic conditions in our service areas and weather.

Although the FPSC permits us to pass through to customers the increase in price for our gas supply, higher rates may cause customers to purchase less natural gas.

Our current portfolio of natural gas customers is reasonably diverse, with the largest customer using natural gas for the generation of electricity. We are not dependent on any single natural gas customer for over ten percent of our total natural gas revenues.

The FPSC approved joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We plan to transport natural gas through Indiantown's system to new developments. In the early phase, Indiantown Gas Company will provide operational and customer service related work. We also began construction in the Indiantown area to install natural gas mains in the first phase of a development for approximately 100 homes. Two more new developments are slated to break ground in 2007 for construction of approximately 1,000 homes.

Electric

We provide electricity to our customers in our Northwest and Northeast Florida divisions. Wholesale electricity is purchased from two suppliers; Gulf Power Company and JEA (formerly Jacksonville Electric Authority). In 1996, we executed ten-year fixed-price purchased power contracts with both suppliers. Gulf Power Company provides electric power to the Northwest division and JEA provides electric power to the Northeast division. These long-term contracts provided our customers with the lowest consumer electric rates in Florida.

During 2006 we completed negotiations and executed final contracts for the supply of electricity in our Northeast division from JEA beginning January 1, 2007 and our Northwest division from Gulf Power Company beginning in January 1, 2008. We are seeking approval of the contract with Gulf Power Company from the FPSC in 2007. We expect that rates charged to our customers will significantly increase when the new contracts become effective in 2007 and 2008 because the prices are closer to market price. We are unable to estimate what impact higher rates could have on electric consumption, but electricity usage could decrease.

The Northwest and Northeast divisions experience a variety of weather patterns. Hot summers and cold winters produce year-round electric sales that normally do not have highly seasonal fluctuations. None of the electric segment's customers represent more than ten percent of our total electric revenues.

The electric utility industry has not been deregulated in the state of Florida. All customers within a given service or franchise area purchase from a single electricity provider in that area.

Propane Gas

We provide propane gas to customers in our Northeast, West, Central and South Florida divisions and can purchase our propane gas supply from several different wholesale companies. Propane gas is delivered to Florida by barges and railcars to terminals in Tampa and Ft. Lauderdale, and through the Dixie Pipeline terminus at Alma and Albany, Georgia. Propane gas is also delivered by transport to our facilities and directly to a customer's premise. We believe that the propane gas supply infrastructure is adequate to meet the needs of the industry in Florida for the foreseeable future.

Propane gas is not as affected by environmental regulations as other petroleum products. However, propane gas is a hazardous material and as such is subject to strict code enforcement and safety requirements.

As with natural gas, the sales volume of propane gas is affected by the season and the weather. Typically, Florida has a tourist season that coincides with the winter months. The propane gas segment's sales volumes and revenues are closely balanced between residential and commercial customers. We employ two strategies to become less weather dependent, concentrating on the forklift propane gas cylinder exchange market and marketing propane gas appliances not used for heating air. We believe that water heaters and forklift cylinder exchange accounts are good ways to become less weather reliant. None of the propane gas segment's customers represent more than ten percent of our total propane gas sales volume or revenues.

Strategy
Our strategy is to leverage our expertise in the natural gas, electric and propane gas distribution business to assist us in consistently meeting our customer's expectations. Our core focus is to build mutually beneficial relationships with builders, developers and customers with high-energy usage requirements. Included in our strategy is a plan to enhance our future success by expanding our service territory into new areas with high growth potential.

Competition
We do not face substantial competition in our electric divisions. This is because no other competitor can currently provide the same energy in our areas due to FPSC regulations and territorial agreements between utilities. In addition, natural gas as an alternative fuel is only available in a small area served by our electric divisions. Although our natural gas segment operates with the same types of guidelines, there is competition in our natural gas segment from electric utilities. Normally each home will have electricity as a base fuel and natural gas as an alternative source of energy used for cooking and heating. Electricity competes with natural gas, in large part based on the cost of fuel. Our propane gas segment is unregulated and faces competition from other suppliers of propane gas as well as alternative energy source suppliers. Competition in the propane gas segment is primarily based on price and service.

Rates and Regulation
The natural gas and electric segments are highly regulated by the FPSC. The FPSC has the authority to regulate our rates, conditions of service, issuance of securities and certain other matters affecting our natural gas and electric operations. As a result, FPSC regulation has a significant effect on our results of operations. The FPSC approves rates that are intended to permit a specified rate of return on investment. Our rate tariffs allow the cost of natural gas and electricity to be passed through to customers. Increases in the operating expenses of the regulated segments may require us to request increases in the rates charged to our customers. The FPSC has granted us the flexibility of automatically passing on increased expenses for certain fuel costs to customers. Other operational expenses, such as pension and medical expenses require us to petition the FPSC for rate increases. The FPSC is likely to grant rate increases to offset increased expenditures necessary for business operations. We successfully petitioned for an electric rate increase, which became effective on March 17, 2004, and for a natural gas rate increase that went into effect on November 18, 2004. We are currently seeking electric

rate relief in 2007 for the recent storm preparedness requirements implemented to improve reliability of electric utility systems.

We are subject to federal and state regulation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies.

Prior to the widespread availability of natural gas, we manufactured gas for sale to our customers or purchased utility assets from other companies that manufactured gas. The process for manufacturing gas produced by-products and residuals such as coal tar. The remnants of these residuals are sometimes found at former gas manufacturing sites. These sites face environmental regulation from various agencies including the FDEP and EPA on necessary cleanup and restoration.

Franchises

We hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Generally, these franchises have terms ranging from 10 to 30 years and terminate on varying dates. We are currently in negotiations with certain municipalities for new service areas within our current operating divisions, and renewals of existing franchises. We continue to provide services to these municipalities and do not anticipate any interruption in our service.

Employees

As of January 18, 2007, we had 362 employees, of which 9 were part-time and 2 were temporary. Of these employees, 175 were covered under union contracts with two labor unions, the Internal Brotherhood of Electric Workers and the International Chemical Workers Union. We believe that our labor relations with employees are good.

Available Information

We file periodic reports including our Form 10-Qs, Form 10-Ks, and Form 8-Ks with the Securities and Exchange Commission (SEC). The most recent copies of Form 10-Qs and Form 10-Ks as well as a copy of our Code of Ethics Policy can be obtained through our website (http://www.fpuc.com).

Item 1A. Risk Factors

A substantial portion of our revenues and, to a large extent, our profitability, depends upon rates determined by the FPSC.

FPSC regulates many aspects of our natural gas and electric operating segments, including the retail rates that we may charge customers for natural gas and electric service. Our retail rates are set by the FPSC using a cost-of-service approach that takes into account our historical operating expenses, our fixed obligations and recovery of our capital investments, including potentially stranded obligations. Using this approach, the FPSC sets rates at a level calculated to recover such costs, adjusted to reflect known and measurable changes, and a permitted return on investment. Any rate adjustments to recover increased costs or to otherwise improve our profitability must be obtained through a petition filed with the FPSC, which is referred to as a rate case. The rates permitted by the FPSC in rate cases will determine a substantial portion of our revenues for succeeding periods and may have a material impact on our consolidated earnings, cash flows and

financial position, as well as our ability to maintain our common stock dividend at current levels or to increase our dividend in the future.

Some of our natural gas and electric service costs may not be fully recovered through retail rates.

Our natural gas and electric service retail rates, once established by the FPSC, remain fixed until changed in a subsequent rate case. We may at any time elect to file a rate case to request a change in our rates or intervening parties may request that the FPSC review our rates for possible adjustment, subject to any limitations that may have been ordered by the FPSC. Earnings could be reduced to the extent that our operating costs increase more than our revenues during the period between rate cases, which may occur because of maintenance and repair of plants, fuel and purchased power expenses, employee or labor costs, inflation or other factors. In addition, even if we decide to file rate cases, our requests for rate adjustments in such rate cases may be rejected. Other parties to a rate case or the FPSC staff may contend that our current rates, or rates proposed in a rate case, are excessive and our petition for rate adjustments may be denied on that or another basis.

Our segments are sensitive to variations in weather.

Our segments are affected by variations in general weather conditions and unusually severe weather. We forecast energy sales on the basis of normal weather, which represents a long-term historical average. Significant variations from normal weather could have a material impact on energy sales. Unusual weather, such as hurricanes, could also adversely affect operating costs and sales.

Our natural gas and propane gas customers use gas primarily for heating purposes. As a result, our natural gas and propane gas sales peak in the winter and are more weather sensitive than electricity sales, which peak in both summer and winter periods. Mild winter weather in Florida can be expected to negatively impact results from our natural gas and propane gas operations. Severe weather conditions could also interrupt or slow down service and increase the operating costs of all our segments.

We operate in an increasingly competitive industry, which may affect our future earnings.

Natural Gas
The natural gas distribution industry has been subject to competitive forces for several years. We receive our supply of natural gas at thirteen city gate stations connected to an interstate pipeline system owned by FGT and one gate station connected to an intrastate pipeline owned by Florida City Gas Company. Gulfstream Natural Gas System currently also serves peninsular Florida with interstate natural gas transmission service; however we cannot predict if this system will be extended to areas near our existing facilities and how it could affect our natural gas operations.

Electric
The U.S. electric power industry has been undergoing restructuring. There is competition in wholesale power sales on a national level. Some states have mandated or encouraged competition at the retail level. While there is active wholesale competition in Florida, the retail electric business has remained substantially free from direct competition. Changes

in the competitive environment occasioned by legislation, regulation, market conditions or initiatives of other electric power providers, particularly with respect to retail competition, could adversely affect our financial condition and results of operations. To the extent competitive pressures increase and the pricing and sale of electricity assumes more of the characteristics of a commodity business, the economics of our electric operating segment may come under increasing pressure. In addition, regulatory changes may increase access to electricity transmission grids by utility and non-utility purchasers and sellers of electricity, thus potentially resulting in a significant number of additional competitors.

Propane Gas
Our propane gas business is our only non-regulated business segment. Because the propane gas business is not regulated, we face significant competition in this segment. Our propane gas business competes directly with other distributors of propane gas, and other sources of energy including natural gas and electric. We may encounter increased competition in the propane gas business in the future. Our inability to compete effectively in the propane gas business, whether on the basis of price, customer service, alternative energy sources or otherwise, could have a material adverse effect on our financial condition and results of operations.

Our business could be adversely affected if our supply of natural gas is interrupted.

FGT's pipeline system transports all of our natural gas. FGT is owned by Citrus Corporation, which is jointly owned by Cross Country Energy Corporation and El Paso Corporation. Our ability to receive our normal supply of natural gas could be adversely affected by an interruption in FGT's service.

General economic conditions may adversely affect our segments.

Our segments are affected by general economic conditions. The consumption of the energy we supply is directly tied to the economy. A downturn in the economy in our local areas of operations, as well as on the state, national and international levels, could adversely affect the performance of our segments. Changes in political climate, including terrorist activities, could further negatively impact our performance. If tourism is down, then the demand for the energy we supply is reduced.

Commodity price changes may affect the operating costs and competitive position of our segments.

Our segments are sensitive to changes in coal, gas, oil and other commodity prices. If we are unable to increase the rates we charge to customers to reflect increases in these commodity prices, our margins and earnings will be lowered. If increased prices for any of these commodities persist for substantial periods, our competitive position could be adversely affected by customers who switch to cheaper energy sources. Further, natural gas prices have been increasingly volatile and, accordingly, the earnings from our natural gas operations are increasingly difficult to predict.

We could incur material expenses as a result of our obligations to comply with existing and new environmental laws and regulations.

We are subject to environmental regulations in connection with the ongoing conduct of our business and to civil and criminal liability for failure to comply with these regulations. In addition, new environmental laws and regulations, or new interpretations of existing laws and regulations, affecting our operations or facilities may be adopted which may cause us to incur additional material expenses.

We are subject to federal and state legislation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the EPA and other federal and state agencies. We may incur material future expenditures in order to comply with these existing environmental laws and regulations.

We rely on a limited number of natural gas and electric suppliers, the loss of which could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under several contracts having expiration dates from 2007 to 2023 transport our natural gas to us. These contracts have provisions, which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2007 and 2017. We have renegotiated a new contract for the one that is set to expire in 2007 with the same supplier for electric service beginning in 2008 which we are currently awaiting approval for from the FPSC. If we were to lose any of these contracts, we might not be able to replace the corresponding energy source on acceptable terms, if at all. In addition, in the event of the expiration of the contracts, we might not be able to renew them on favorable terms, if at all. As a result, the loss of any of these suppliers, the terminations of any of these supply contracts or the non-renewal of any of these supply contracts before or upon their expiration could have material adverse effects on our financial condition and results of operations.

New supply contracts could result in substantial increases to our prices, and could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under firm contracts having expiration dates from 2007 to 2023 transport our natural gas to us. All of these contracts have provisions which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2007 and 2017.

The recent renewal of the electricity supply contract that was terminated in 2006 and the one that will expire in 2007 will result in the cost of electricity more than doubling over existing prices. Extensions or renewals of our natural gas contracts could result in the cost of natural gas increasing. Although these increases are currently passed through to our customers, these could have a significant impact on our financial condition and results of operations due to decreased consumption or if costs cannot be passed through in the future.

Fluctuation in prices under long-term purchase and transportation commitments may have an adverse effect on our financial condition and results of operations.

To ensure a reliable supply of electricity and natural gas at competitive prices, we have entered into purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2023. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices.

As of December 31, 2006, we have firm purchase and transportation commitments adequate to supply our expected sales requirements for electricity with contracts that will expire in 2017. Our contract in the Northeast division of the electric segment began January 1, 2007 and expires on December 31, 2017. We have a contract with a supplier for the Northwest division beginning January 1, 2008 and expiring December 31, 2017. We are currently seeking approval with the FPSC for the Northwest division contract. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division.

Our natural gas pipeline transportation contracts expire in parts in 2010, 2015 and 2023. We are committed to pay demand or similar fixed charges monthly through 2023 related to the natural gas pipeline transportation agreements. Significant fluctuation in prices under these long-term purchase and transportation commitments may have a material adverse effect on our financial condition and results of operations.

Problems with operations could materially adversely impact us.

We are subject to various operational risks, including accidents, outages, equipment breakdowns or failures, or operations below expected levels of performance or efficiency. Problems such as the breakdown or failure of transmission lines, pipelines or other equipment or processes and interruptions in service which would result in performance below affected levels of output or efficiency, particularly if extending for prolonged periods of time, would have a material adverse effect on our financial condition and results of operations.

We are vulnerable to interest rate changes and may not have access to capital at favorable rates, if at all.

Changes in interest rates can affect our cost of borrowing on our line of credit, on refinancing of debt maturities and on incremental borrowing to fund new investments. Because our stock is not widely held and has a low trading volume, we may not be able to access the equity market or may be limited in the amount of equity financing. If we are unable to obtain equity or debt financing on terms satisfactory to us, our ability to fund capital expenditures and other commitments will be impaired. Moreover, even if available, the cost of such financing could reduce our margins and materially adversely affect our results of operations.

Failure to effectively and efficiently manage our growth, as well as changes in our business strategies, could have a negative impact on our performance.

An essential part of our business strategy is to grow our businesses. Much of our growth depends on our ability to find attractive development opportunities and to obtain the necessary financing for them. Our outlook is based on our expectation that we will be successful in finding and capitalizing on development opportunities, but our efforts may not be successful. Our failure to effectively and efficiently manage our growth, as well as changes in our business strategies, may have a material adverse effect on our financial

condition and results of operations. If we grow our business with acquisitions there is a risk the acquisition will not have a positive effect on our financial condition.

Our ability to pay dividends on our common stock is limited.

We cannot guaranty that we will continue to pay dividends at our current annual dividend rate or at all. In particular, our ability to pay dividends in the future will depend upon, among other things, our future earnings, our cash requirements and our debt covenants.

Provisions in our certificate of reincorporation, certain agreements, and the Florida Business Corporation Act may inhibit a takeover, which could adversely affect the value of our common stock.

Our certificate of reincorporation as well as provisions of the Florida Business Corporation Act (FBCA), contain provisions that could delay or prevent a change cf control in our management that shareholders might consider favorable and may prevent them from receiving a takeover premium for their shares.

Our certificate of reincorporation contains provisions that make it more difficult to obtain control of our company through transactions, which have not received the approval of our board of directors. These provisions include supermajority voting requirements for certain transactions with affiliated persons, staggering the terms of the members of our board of directors, and certain procedural requirements relating to shareholder meetings and amendments to our certificate of reincorporation or bylaws.

In addition, Florida has enacted legislation that may deter or frustrate takeovers of Florida corporations. Subject to certain exceptions, the "Control Share Acquisitions" section of the FBCA generally provides that shares acquired in excess of certain specified thresholds, beginning at 20% of a corporation's outstanding voting shares, will not possess any voting rights unless such voting rights are approved by a majority vote of the corporation's disinterested shareholders.

The "Affiliated Transactions" section of the FBCA generally requires majority approval by disinterested directors or supermajority approval by disinterested shareholders of certain specified transactions (such as mergers, consolidations, sales of assets, issuance or transfer of shares or reclassifications of securities) between a corporation and a holder of more than 10% of the outstanding shares of the corporation, or any affiliate of such shareholder.

Finally, we have agreements with three of our executive officers that provide for significant payments to those executives upon a change in control under certain circumstances. The existence of these contracts may make an acquisition of our company less attractive to a possible buyer.

Conflict or turmoil in oil producing countries could impact future prices for commodities including natural gas, propane gas and electricity, and increases in these prices could materially affect our financial condition and results of operations.

Worldwide turmoil could cause the cost of crude oil and its associated products to rise on

concerns of the conflicts interfering with the production of crude oil. If these conflicts are large, escalate or spread, the impact to the cost of all fuel related commodities could increase substantially. These increases could materially adversely affect our financial condition and results of operations.

Item 1B. Unresolved Staff Comments

None

Item 2. Properties

We have natural gas, electric and propane gas utility related properties. These properties include transmission, distribution, storage and general facilities at various locations in our service areas. We do not have generating facilities. We maintain property that is adequate for our current operations and we expand our existing facilities as required by growth or other operational needs.

We own natural gas mains that distribute gas through 1,558 miles of pipe located in Central and South Florida. Additionally, we have adequate gate stations in each distribution system.

In the electric segment, we own 22 miles of electric transmission lines located in Northeast Florida and 1,082 miles of electric distribution lincs located in Northeast and Northwest Florida. The distribution lines are installed both under and above ground with many of the coastal locations having under ground facilities. All transmission lines are installed above ground. Additionally, we own various substations and regulator stations that are used in our operations.

Our propane gas segment has bulk storage facilities and tank installations on the customers' premises. We also have 16 community gas systems that distribute propane gas to customers in a specific area. These systems are subject to the Federal Department of Transportation Office of Pipeline Safety Regulations.

We own office and warehouse facilities in Northwest, Northeast, Central, West and South Florida, which are used for our operations and materials storage by the natural gas, electric, and propane gas segments. We also have various easements and other assets located throughout our service areas that are utilized by all of our operations.

We also own a three-story building in West Palm Beach, where our corporate headquarters is located.

All of our property is subject to a lien collateralizing our funded indebtedness under our Mortgage Indenture as discussed in Note 1-I in Notes to Consolidated Financial Statements.

Item 3. Legal Proceedings

In our operations, we currently use or have used several contamination sites that have pending or threatened environmental litigation. We are in the process of investigating and assessing this litigation. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover losses or expenses incurred as a result of this

litigation. We believe all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the combined sum of any insurance proceeds received and any rate relief granted.

West Palm Beach Site
We are currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property we own in West Palm Beach, Florida. We previously operated a gasification plant at this site. We entered into a Consent Order with the FDEP effective April 8, 1991. This requires us to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. We have submitted numerous reports to FDEP describing the results of soil and groundwater sampling conducted at the site. We completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant performed a feasibility study to evaluate appropriate remedies for the site. The feasibility study was transmitted to FDEP on November 30, 2006.

The feasibility study evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the feasibility study ranged from a low of $2.8 million to a high of $54.6 million. Based on the likely acceptability of proven remedial technologies described in the feasibility study and implemented at similar sites, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from $4.6 million to $17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA) or some combination of these remedies. The feasibility study proposed a remedy of superficial soil excavation, and installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from $4.6 million to $9.9 million.

Prior to FDEP's approval of a final remedy for the site, we are unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately $4.8 million to $18 million.

Sanford Site
We own a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to our acquisition of the property. Following discovery of soil and groundwater impacts on the property, we have participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, we executed an Administrative Order on Consent (AOC) with the four former owners and operators (Group) and the United States Environmental Protection Agency (EPA) that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RI/FS AOC and RI/FS Participation Agreement is now complete and we have no further obligations under either document.

In late September 2006, EPA sent us a Special Notice Letter, notifying us of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the other Group members and us sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended Record of Decision (ROD) for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, we, along with the Group, submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1 through OU3.

In January, we, along with the other members of the Group signed a Third Participation Agreement, which provides for funding the remediation work specified in the RODs for OU1 through OU3 and supercedes and replaces the Second Participation Agreement. Our share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13 million or $650,000. At present, it is not anticipated that the total cost of remediation will exceed $13 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13 million. In any such event, we do not expect our share of such additional costs to be greater than 5% and our share of such additional costs may be less than 5%.

Our future legal costs and expenses and our share future remediation expenses for this site are currently projected to be approximately $710,000.

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Pensacola Site
We are the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that we were one of several responsible parties for any environmental impacts associated with the former gasification plant site, we entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. Our share of these costs is less than $2,000 annually or a total cost of $27,000.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to us in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, we have not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, we are unable to determine whether additional fieldwork or site remediation will be required by EPA and, if so, the scope or costs of such work.

Key West Site

From 1927-1938, we owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the current site owner and us and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified us that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished disposition is recommended." FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 31, 2006, we have received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such work. In 1999, we received an estimate from our consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, our share would be approximately $83,000.

Item 4. Submission of Matters to a Vote of Security Holders

None

Executive Officers of the Registrant

The following sets forth certain information about the executive officers of the Company as of February 17, 2007.

Name	Age	Position	Date
John T. English	63	Chairman of the Board	2006 - Present
		Chief Executive Officer	1998 - Present
		President	1997 - Present
		Chief Operating Officer	1997 - 2000
Charles L. Stein	57	Senior Vice President	1997 - Present
		Chief Operating Officer	2001 - Present
George M. Bachman	47	Corporate Secretary	2004 - Present
		Chief Financial Officer	2001 - Present
		Treasurer	2001 - Present

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Mr. English was Senior Vice President from 1993 preceding his appointment as President and Chief Operating Officer.

Mr. Stein was Vice President from 1993 preceding his appointment as Senior Vice President.

Mr. Bachman was Controller from 1996 preceding his appointment as Chief Financial Officer and Treasurer.

Each of these executive officers has an employment agreement for a three-year term, which can be renewed at the Board Meeting preceding the expiration of the agreement subject to his earlier resignation or removal. There are no family relationships among any of the executive officers and directors of the Company.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Quarterly Stock Prices and Dividends Paid

Our common shares are traded on the American Stock Exchange under the symbol FPU. The quarterly dividends declared and the reported last sale price range per share of our common stock for the most recent two years were as follows:

	2006			2005		
	Stock Prices		Dividends	Stock Prices *		Dividends
Quarter ended	Low	High	Declared	Low	High	Declared*
March 31	$13.25	$14.50	$0.1033	$11.47	$13.49	$0.1000
June 30	11.86	14.40	0.1075	11.45	12.67	0.1033
September 30	12.61	14.42	0.1075	12.67	16.84	0.1033
December 31	13.10	14.05	0.1075	13.46	16.44	0.1033

* On July 25, 2005 we issued a three for two stock split in the form of a stock dividend to our shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split.

As of February 16, 2007, there were approximately 3,900 holders of record of our common shares.

We intend to continue to pay quarterly cash dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon future earnings, cash flow, financial condition, capital requirements and other factors. Our Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9 million of retained earnings were free of such restriction and therefore available for the payment of dividends.

Securities Authorized for Issuance under Equity Compensation Plans

Equity Compensation Plan Information

Plan Category	Number of Securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	72,749*
Equity compensation plans not approved by security holders	-
Total	72,749

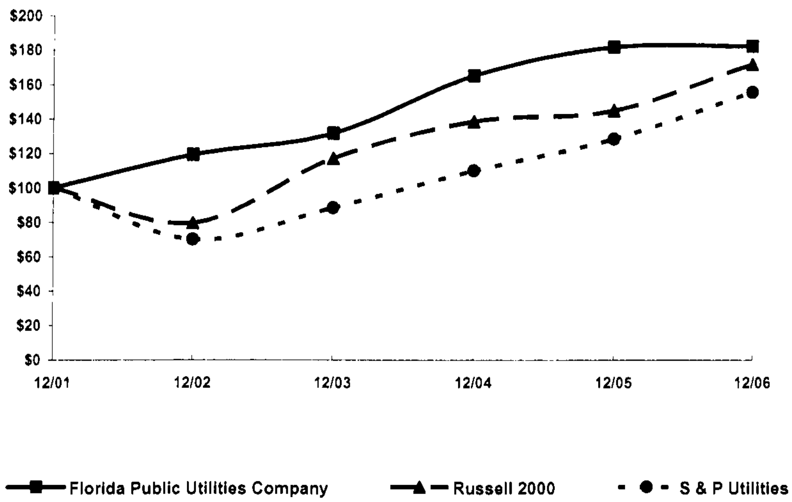
* This includes 20,714 shares for the Non-Employee Director Compensation Plan. This plan was adopted by the Board of Directors on March 18, 2005 and was approved at the 2005 meeting of shareholders. This also includes 52,035 shares for the Employee Stock Purchase Plan.

PERFORMANCE GRAPH

The following graph compares the yearly percentage change and the cumulative total of shareholder return on the Company's common stock with the cumulative return on the Russell 2000 Index (Russell 2000) and Standard & Poor's Utilities Index (S&P Utilities) for the last five calendar years. These comparisons assume the investment of $100 in the Company's common stock and each of the indices on January 1, 2001 and the reinvestment of dividends. The stock price performance shown in the graph below should not be considered indicative of

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among Florida Public Utilities Company, The Russell 2000 Index
And The S & P Utilities Index



* $100 invested on 12/31/01 in stock or index-including reinvestment of dividends. Fiscal year ending December 31.

future stock performance.

	12/01	12/02	12/03	12/04	12/05	12/06
Florida Public Utilities Company	100.00	119.25	131.72	165.01	181.67	182.09
Russell 2000	100.00	79.52	117.09	138.55	144.86	171.47
S & P Utilities	100.00	70.01	88.39	109.85	128.35	155.29

Item 6. Selected Financial Data

(Dollars in thousands, except per share data)

Years Ended December 31,	2006	2005	2004	2003	2002
Revenues	$ 134,235	$ 130,023	$ 110,039	$ 102,723	$ 88,461
Gross profit	$ 48,264	$ 47,219	$ 40,689	$ 37,733	$ 34,929
Earnings:					
Continuing operations	$ 4,264	$ 4,248	$ 3,594	$ 2,522	$ 2,761
Discontinued operations (1)	-	-	-	9,901	602
Net income	$ 4,264	$ 4,248	$ 3,594	$ 12,423	$ 3,363
Earnings per common share (basic and diluted):					
Continuing operations	$ 0.71	$ 0.71	$ 0.60	$ 0.43	$ 0.47
Discontinued operations (1)	-	-	-	1.69	0.10
Total	$ 0.71	$ 0.71	$ 0.60	$ 2.12	$ 0.57
Dividends declared per common share	$ 0.43	$ 0.41	$ 0.40	$ 0.39	$ 0.38
Total assets	$ 181,155	$ 182,666	$ 170,503	$ 160,944	$ 148,487
Utility plant – net	$ 129,211	$ 123,061	$ 117,191	$ 107,942	$ 103,357
Current debt	$ 3,466	$ 9,558	$ 5,825	$ 2,278	$ 19,183
Long-term debt	$ 50,702	$ 50,620	$ 50,538	$ 50,454	$ 50,367
Common shareholders' equity	$ 47,624	$ 45,503	$ 43,213	$ 41,463	$ 30,883

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Note to the Selected Financial Data:

(1) On December 3, 2002, FPU entered into an agreement to sell the assets of its water utility system to the City of Fernandina Beach. The transaction closed on March 27, 2003. Revenues, Gross profit and Utility plant-net do not include discontinued operations.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation

RESULTS OF OPERATIONS

General
Effects of seasonal weather conditions, the timing of rate increases, fluctuations in demand due to the cost of fuel passed on to customers and the migration of winter residents and tourists to Florida during the winter season all have an impact on income.

Revenues and Gross Profit Summary
Revenues include cost recovery revenues. The FPSC allows cost recovery revenues to directly recover costs of fuel, conservation and revenue-based taxes in our natural gas and electric segments. Revenues collected for these expenses have no effect on results of operations and fluctuations could distort the relationship of revenues between periods. Gross profit is defined as gross operating revenues less fuel, conservation and revenue-based taxes that are passed directly through to customers. Because gross profit eliminates these cost recovery revenues, we believe it provides a more meaningful basis for evaluating utility revenues. The following summary compares gross profit between periods and units sold in One thousand Dekatherm (MDth) (gas) and Megawatt Hour (MWH) (electric).

Revenues and Gross Profit
(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Natural Gas			
Revenues	$70,981	$69,094	$55,962
Cost of fuel and other pass through costs	43,909	42,815	34,232
Gross Profit	$27,072	$26,279	$21,730
Units sold: (MDth)	6,230	6,224	6,124
Electric			
Revenues	$48,527	$47,450	$42,910
Cost of fuel and other pass through costs	34,259	33,352	29,732
Gross Profit	$14,268	$14,098	$13,178
Units sold: (MWH)	849,124	814,353	766,349
Propane Gas			
Revenues	$14,727	$13,479	$11,167
Cost of fuel and other pass through costs	7,803	6,637	5,386
Gross Profit	$ 6,924	$6,842	$5,781
Units sold: (MDth)	621	640	614
Consolidated			
Revenues	$134,235	$130,023	$110,039
Cost of fuel and other pass through costs	85,971	82,804	69,350
Gross Profit	$ 48,264	$ 47,219	$ 40,689

Natural Gas
Natural gas revenues increased $1.9 million, or 3% in 2006 over 2005 primarily due to increased revenue collected for taxes passed directly through to customers. A change in legislature regarding the calculation of Gross Receipts tax became effective January 1, 2006, and along with an increase to overall revenues, increased these taxes paid by our

customers by approximately $500,000. Franchise fee revenues also increased by $500,000 due to increased rates and area expansion.

Natural gas gross profit increased by $793,000, or 3% in 2006 over 2005. We had higher revenue and gross profit in 2006 compared to 2005 primarily due to billed revenue not exceeding the FPSC allowable earnings as much as in the prior year. In 2006 we reduced billed revenues and gross profit by our estimate of over-earnings of $230,000 for the year. Our estimate for 2005 was recorded at $700,000 in 2005 and we reduced that estimate in 2006 by $50,000 to $650,000. The combined effect of this was to increase our revenues and gross profit over the prior year by approximately $500,000. Other factors contributing to the increase in revenues and gross profit were 2% customer growth and storm surcharge revenues, which became effective November 2005. The revenues and gross profit increases were slightly offset by the loss of approximately $100,000 of revenue from two customers who went off-line for several months to do maintenance work.

Natural gas revenues increased $13.1 million in 2005 over 2004 primarily due to an $8.6 million increase in the cost of fuel and other costs that were passed through to customers. The cost of natural gas increased significantly over prior years, partially as a result of hurricanes and their impact on supplies. Gross profit increased $4.5 million, or 21%, primarily as a result of rate relief effective in November 2004, normal customer growth and a 2% increase in units sold. Offsetting these increases was the estimated over-earnings for 2005 of $700,000, which reduced revenues and gross profit.

Electric

Electric revenues increased $1.1 million in 2006 over 2005. Cost of fuel and other costs that were passed through to customers contributed approximately $900,000 of the increase. Gross profit increased $170,000 or 1% in 2006 over 2005. The increase in gross profit was primarily due to a slight increase in customer growth and units sold.

Electric revenues increased $4.5 million in 2005 over 2004. Cost of fuel and other costs that were passed through to customers contributed $3.6 million of the increase. Gross profit increased $920,000 or 7% in 2005 over 2004. The increase in gross profit was primarily due to a 6% increase in units sold along with the rate increases granted in March 2004. A large distribution center was built in our Northwest division and increased revenues by approximately $700,000 and gross profit by approximately $91,000 in 2005 over 2004.

Propane Gas

Propane revenues increased $1.2 million, or 9% and gross profit increased $82,000 or 1% in 2006 compared to 2005. Revenues increased primarily due to rising fuel costs. Although customers increased by 5% in 2006, the usage per customer declined by 8% contributing to a decrease of 3% in units sold. Warmer weather was the primary reason for this decrease in usage per customer in 2006 compared to 2005. The increase in gross profit was minimal when compared to last year primarily due to pre-buy gains of $383,000 realized in 2005 but not in 2006.

Propane revenues increased $2.3 million and gross profit increased $1.1 million or 18% in 2005 compared to 2004. The Company realized gains of approximately $383,000 as a result of buying propane supplies before market price increases. The remaining increase

of 12% from the previous year resulted from propane unit sales increasing 4% due primarily to a 13% growth in residential bulk customers and units sold.

Operating Expenses

Operating expenses include operation, maintenance, depreciation, amortization and taxes other than income taxes, and exclude fuel costs, conservation and taxes based on revenues that are directly passed through to customers and recovered in revenues.

Operating Expenses
(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Natural gas	$ 20,954	$ 20,230	$ 16,752
Electric	11,131	10,596	9,825
Propane gas	5,850	5,756	5,126
Total Operating Expenses	$ 37,935	$ 36,582	$ 31,703

Natural Gas

Natural gas operating expenses increased $724,000, or 4%, in 2006 as compared with 2005. Outside of the normal inflationary impacts on our expenses, customer account expenses increased by $237,000 as a result of our customer service focus initiated in 2005 based on our strategic plan. We continued the focus on this area and increased the number of employees in an effort to respond more effectively to customers. Bad debt provision increased $49,000 over the prior year primarily due to increasing revenues, aging accounts receivable on several major accounts, and the slowing housing economy. We increased our collection efforts in the fourth quarter of 2006 and will continue to do so in 2007.

In 2006 we had additional increases of $90,000 to sales expense resulting from initiatives to boost sales by increasing sales staff. Depreciation expense increased $137,000 principally due to construction of mains and new meters to distribute gas to a growing number of new developments in South Florida and increasing capacity requirements for existing customers.

Natural gas operating expenses increased $3.5 million or 21%, in 2005 as compared with 2004. Amortization expense increased $1 million. The bare steel replacement program and recovery of future environmental costs approved in our 2004 natural gas rate proceeding were the primary reasons for this increase. We are currently under a 50-year program to replace all bare steel mains and service lines with coated steel and polyethylene lines. We have received approval to recover the funds necessary to replace these mains and services over the 50-year period. Pursuant to an FPSC mandate, we accrue for amortization expense as an offset to the revenues received, and record a contribution/reduction to the related construction expenditures. The FPSC also approved recovery of our expected environmental liability over a 20-year period.

Customer account expense increased $373,000 in 2005 as compared to 2004 primarily due to increased payroll expenses for additional staffing and facility and equipment upgrades. There were also increased bad debt provisions as a result of the increases in accounts receivable due to general and fuel rate increases. The purchase of additional safety equipment, tools, hardware and office furniture contributed to a $942,000 increase in other operating expense. Other items affecting expenses included a research marketing study to provide us with data to better serve our customers and additional payroll

expenses relating to hurricane preparedness and wage increases. Maintenance expense increased by $208,000 primarily due to maintenance expenditures in Central Florida for cleaning and painting a distribution regulator and gate stations and the purchase of maintenance related safety equipment and tools.

Electric
Electric operating expenses increased $535,000, or 5%, in 2006 as compared with 2005. As a result of our efforts to inform and educate our electric customers about the expected 2007 and 2008 fuel rate increases in upcoming bills, sales expense increased by $120,000. Customer account expenses increased $106,000 in 2006 over the prior year mainly due to increased bad debt provisions due to higher sales and slower housing economy. Depreciation expense increased $202,000 largely due to major construction work done in the latter part of 2005 and the beginning of 2006. This included the rebuilding of a transmission sub-station, the rebuilding of an entire distribution sub-station with two transformers and the replacement of a failed sub-distribution station transformer. Additional significant work on transformers is expected in 2008.

Electric operating expenses increased $771,000, or 8%, in 2005 as compared with 2004. As we continued to focus on improving service reliability, we increased maintenance expense by $397,000 for additional tree trimming and the use of a temporary mobile substation while a new transformer was purchased and put into service. Depreciation expense increased $100,000 due to normal increases in plant assets. In 2005, other operating expenses increased $114,000 due to a shift from work on capital assets to operational needs along with personnel raises.

Propane Gas
Propane gas operating expenses increased $94,000, or 2%, in 2006 as compared with 2005. Depreciation expense increased $99,000 for the addition of plant assets including a propane gas delivery system that will increase the efficiency of our deliveries and improve our overall customer satisfaction. Aging accounts receivable, slowing housing economy and increasing revenues contributed to an increase in our bad debt expense over the prior year.

Propane gas operating expenses increased $630,000, or 12%, in 2005 as compared with 2004. As we continued to focus on increasing our propane gas business, other operating costs increased $467,000. We placed additional emphasis in the sales area, which resulted in signing up new housing developments that will utilize propane gas. We incurred increased expenditures for piping homes, delivering propane gas, implementing a new delivery system and increasing commission payments. This increased effort in our sales area contributed to an increase of 150 customers and 4% overall units sold in our propane gas segment.

Administrative Expenses
Administrative expenses increased $177,000, or 2%, in 2006 over 2005. These expenses generally are related to all of our operating segments. To continue to adequately support our internal and external customers, we increased staffing in our administrative areas. Payroll increases of $322,000 related to an increased number of employees, annual pay raises and normal inflationary impacts. In 2006, we discontinued eligibility to our defined benefit pension plan for new employees and replaced the defined benefit pension plan with a 401K-match plan for new employees. Although this change will take time to reduce pension expense, we did experience a reduction of $107,000 in our pension expenses in

2006. Medical costs increased $120,000 over the prior year and these costs are expected to continue to rise.

Regulatory storm surcharge expenses approved in our 2005 natural gas petition increased natural gas expenses by $180,000.

Administrative expenses increased $996,000, or 13%, in 2005 over 2004. Pension expense increased $274,000 due to our estimate that the return on the pension's assets will not keep pace with growing pension liabilities. Medical insurance premiums continue to rise, increasing $130,000 in 2005. Compliance costs related to Sarbanes-Oxley and internal control requirements, as well as audit fees, increased outside services expenses by $156,000. With the impact from our focus on hurricane preparations and the 2005 hurricanes, our safety expense increased by $235,000. A portion of this increase related to compensation for an additional safety employee and costs for a new safety incentive program.

Total Other Income and Deductions

Other income and deductions include revenues and expenses from sales and installation, service of merchandise, gains or losses on disposal of property, interest expense and other income and expenses. The largest components of this section are merchandise sales, services income and interest expenses. Our service activities include the installation of merchandise and other contract work. Interest expense consists of interest on bonds, short-term borrowings and customer deposits.

Merchandise and Services Revenue and Expenses

Although merchandise and services revenue decreased by approximately $268,000 in 2006, the overall profitability in this area increased by $325,000 compared to 2005. This was primarily a result of significant strategic changes made by management. These changes included revising the product markup structure, increasing installation fees and increasing employee training. We experienced a revenue decrease due to lower demand for merchandise as a result of a quiet hurricane season and the slow down of new construction projects in our areas due to the downturn in the housing market.

Merchandise and services revenues and expenses increased in 2005 from 2004 but profitability decreased $114,000. We experienced an increase in revenues and cost of sales primarily due to an increased demand for electric to gas conversions and installations of customer owned propane gas tanks to supply back-up generators. We had increased expenses from sub-contractors that were not passed on to customers in sales prices.

Interest Expenses

In 2005, total interest expense increased $106,000. Interest on short-term debt increased $37,000. This was due to the increase in the average outstanding loan balance on the line of credit and higher interest rates. Interest on customer deposits increased $48,000 due to increased customer deposits primarily as a result of additional deposits required after implementing increased rates in our natural gas operation.

Other

Other revenues increased $51,000 compared to 2005 due to additional interest income associated with the sale of the water assets.

Income Taxes

Income tax expense decreased in 2006 over the normal tax rate on net income by $67,000. This decrease was due to tax return adjustments related to the regulatory deferred tax liabilities.

Income tax expense decreased in 2005 over the normal tax rate on net income by $43,000. Tax return adjustments related to the sale of our water assets and the regulatory deferred tax liabilities decreased expenses by $118,000. We had an offsetting increase of $75,000 related to our IRS audit of the 2002 and 2003 income tax returns.

Liquidity and Capital Resources

Summary of Primary Sources and Uses of Cash

(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Sources of Cash:			
Operating activities, including working capital changes	$20,090	$10,213	$11,673
Net proceeds on short-term debt	-	3,733	3,547
Other sources of cash	1,179	1,214	648
Uses of Cash:			
Construction expenditures	13,116	12,441	13,731
Dividends paid	2,551	2,448	2,368
Net payment on short-term debt	6,092	-	-
Other uses of cash	121	75	129
Net (use) source of cash	$ (611)	$ 196	$ (360)

Cash Flows

Operating Activities

Net cash flow provided by continuing operating activities increased in 2006 by approximately $10 million compared to 2005. Fuel and other pass through costs accounted for $6.5 million of the increase. This increase resulted from the collection of the prior year's under-recoveries of $3.4 million and over-recoveries of $3.1 million in 2006. Amounts over-recovered will be refunded to customers in subsequent calendar years. Lower fuel costs during the latter part of the year in our natural gas segment contributed to a decrease in receivables and increase in cash of $3 million. The lower fuel costs and timing of payments to our major fuel suppliers resulted in a decrease to operating cash of $1 million. Income taxes paid increased by approximately $600,000 primarily due to the tax effect of the collection of prior year's fuel under-recoveries.

Net cash flow provided by continuing operating activities decreased in 2005 by approximately $1.5 million compared to 2004. Payments for fuel exceeded the amount collected from customers by an additional $3.1 million in 2005. The under-recovery of fuel costs is collected in the following calendar year. Income tax payments increased approximately $1.5 million, primarily as a result of less tax depreciation and higher income. The deduction for tax depreciation was higher in 2004 as a result of bonus depreciation, resulting in lower taxes in that year. We also received a refund in 2004 relating to the deferral of the gain on our water assets sale.

Offsetting the decreases to 2005 cash flow was additional cash received from rate increases in our natural gas segment. The rate increases also contributed to an increase to accounts receivable of $4 million. Accounts payable increased $3.3 million in 2005 primarily due to the increased cost of fuel in our natural gas segment.

Investing Activities

Capital expenditures increased in 2006 compared to 2005 by approximately $700,000. The increase in 2006 included expenditures for transportation equipment in our electric segment for approximately $400,000, vehicles in our natural gas segment above 2005 levels of approximately $600,000, and various other typical capital expenditures. Offsetting total 2006 increases was a $663,000 transformer replacement in 2005.

Capital expenditures decreased in 2005 compared to 2004 by approximately $1.3 million. In 2004, there were large projects to rebuild two substations in our electric segment and additional propane community gas systems costing approximately $3.3 million. In 2005 such expenditures were lower and consisted of the purchase of a transformer in our electric segment for $663,000, a new natural gas mapping system to track our assets used in serving our customers for approximately $300,000, a propane delivery system for approximately $300,000, additional propane community gas systems for approximately $300,000 and other various capital expenditures.

Financing Activities

Short-term borrowings decreased by $6 million in 2006. Over-recovery of fuel costs provided a large source of cash during 2006 as well as the recovery of the prior year's under-recovery of fuel costs in 2006, reducing the need for short-term borrowings.

Although additional sources of cash were provided by our rate increases and lower construction expenditures in 2005, the additional expenditures from the under-recovery of fuel costs and additional income taxes increased our short-term debt. Short-term borrowings increased in 2005 over 2004 by approximately $3.7 million.

Capital Resources

We currently have a $12 million line of credit, which expires on July 1, 2008. Upon 30 days notice by us we can increase the line of credit to a maximum of $20 million. The line of credit contains affirmative and negative covenants that, if violated, would give the bank the right to accelerate the due date of the loan to be immediately payable. The covenants include certain financial ratios. All ratios are currently met and management believes we are in full compliance with all covenants and anticipates continued compliance. We reserve $1 million of the line of credit to cover expenses for any major storm repairs in our electric segment and an additional $250,000 for a letter of credit insuring propane gas facilities. As of December 31, 2006, the amount borrowed on the line of credit was $3.5 million. The line of credit, long-term debt and preferred stock as of December 31, 2006 comprised 53% of total capitalization and debt.

In prior years we periodically paid off short-term borrowings under lines of credit using the net proceeds from the sale of long-term debt or equity securities. We may use similar types of proceeds in the future to pay off short-term borrowings, dependent on the amount borrowed from the line of credit, prevailing market conditions for debt and equity, the impact to our financial covenants and the effect on income.

Our 1942 Indenture of Mortgage and Deed of Trust, which is a mortgage on all real and personal property, permits the issuance of additional bonds based upon a calculation of unencumbered net real and personal property. At December 31, 2006, such calculation would permit the issuance of approximately $39.3 million of additional bonds.

On November 30, 2006 we received approval from the FPSC to issue and sell or exchange an additional amount of $45 million in any combination of long-term debt, short-term notes and equity securities and/or to assume liabilities or obligations as guarantor, endorser or surety during calendar year 2007. We will seek approval from the FPSC in 2007 for any possible financing in 2008.

We have $3.4 million in invested funds for payment of future environmental costs. We expect to use some of these funds in 2007.

Capital Requirements
Portions of our business are seasonal and dependent upon weather conditions in Florida. This factor affects the sale of electricity and gas and impacts the cash provided by operations. Construction costs also impact cash requirements throughout the year. Cash needs for operations and construction are met partially through short-term borrowings from our line of credit.

Capital expenditures are expected to be higher in 2007 compared to 2006 by approximately $3.9 million. The primary reason for the expected increase in expenditures is the anticipated purchase of land for a new South Florida division office. The current division office is on environmentally impacted property, which requires relocating the office to allow for clean up of the property. It is not possible to rebuild at the current location since the property has been rezoned with a residential designation. The estimated cost of land is $3.8 million. We are planning to build and complete this new facility in the next five years. We do not have any commitments for capital expenditures in 2007 other than vehicles of approximately $102,000.

Cash requirements will increase significantly in the future due to environmental clean up costs, sinking fund payments on long-term debt and pension contributions. Environmental clean up is forecast to require payments of approximately $600,000 in 2007, with remaining payments, which could total approximately $13.1 million, beginning in 2008. Annual long-term debt sinking fund payments of approximately $1.4 million will begin in 2008 and will continue for eleven years. Based on current projections, we will make voluntary contributions in our defined benefit pension plan of $250,000 in 2007 and $500,000 in 2008. Required contributions will begin in 2009 and are forecast to be approximately $2 million in 2009 and 2010.

Based on our current expectations for cash needs, including the possible land purchase and related South Florida office construction, we may choose to consider an equity or debt financing in 2008 to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time. In addition, if we experience significant environmental expenditures in the next two or three years it is possible we may need to raise additional funds. If interest rates remain favorable we may consider re-financing one of our mortgage bonds. If refinancing is deemed beneficial, we may re-issue the bond for additional principal. There can be no assurance, however, that equity or debt transaction financing will be available on favorable terms or at all when we make the decision to proceed with a financing transaction.

Outlook

Pension and Insurance Expenses

Insurance costs have been increasing and are expected to continue to increase while we expect pension costs to decrease. Pension expenses decreased $107,000 in 2006 and our actuarial estimates show pension expense decreasing by $142,000 in 2007. Insurance expenses including Medical, Liability and Workers' Compensation increased $70,000 in 2006 and are expected to increase further in 2007.

The regulated segments received rate relief for some of the historical pension and insurance increases in 2003 and 2004. Increases beyond those experienced through 2005, which are allocated to the regulated segments, may require requesting future rate relief. The propane gas segment may recover these expenses by increasing rates, depending on market conditions in the propane gas industry and the ability to remain competitive.

Due to significant cost increases for our defined benefit pension plan over the past several years and with expectations that these cost increases will continue in the years ahead, we discontinued eligibility to our pension plan for all new hires.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service.

Electric Power Supply Contracts

Contracts with our two electric suppliers were originally set to expire on December 31, 2007. Those contracts provided electricity to our customers at rates much lower than market rates. As part of our negotiations, we agreed to end the current contract terms for our Northeast division on December 31, 2006 and executed an amended contract to begin January 1, 2007 and expire December 31, 2017. Although the contract rates will increase for 2007, this enabled us to obtain lower rates for the longer term of the contract than would have been available if we had not revised the contract. The savings are passed through to our customers without profit to us.

We executed a contract for the provider of electricity in our Northwest division in December 2006 and are seeking approval of this contract and its related terms and conditions from the FPSC on or before July 1, 2007. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division. This contract will be for the purchase of electricity beginning January 1, 2008. We anticipate that contract will result in rates closer to market, which could cause our customers' bills to double over existing prices in the next several years.

We are unable to estimate what impact, if any, the higher rates could have on electric consumption.

Propane Gas

We are currently reviewing the possibility of hedging activities in 2007 to help mitigate the risk of price changes for our cost of propane gas. We are unable to determine the impact this activity will have on our future operating income.

We used advance purchase agreements made in the normal course of procuring propane gas supplies in past years. These agreements resulted in a loss of gross profit of approximately $5,000 in 2006 and additional gross profit of approximately $383,000 in 2005 and $242,000 in 2004.

Over-earnings-Natural Gas Segment
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We currently estimate over-earnings in 2006 of $230,000 and in 2005 of $650,000. We revised our prior year's 2005 estimate of $700,000 during 2006. These liabilities have been included in an over-earnings liability on our balance sheet, with the potential of rate refunds to customers. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

Our 2005 and 2006 estimates of our over-earnings liabilities could change upon the FPSC finalization and review of our earnings in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

In 2007 we requested that the 2005 natural gas over-earnings be used to provide additional funds to our regulatory liability – storm reserve and reduce the costs currently being recovered from our customers through a storm surcharge. If the FPSC approves this disposition, we will end the storm surcharge in 2007.

Electric Customers
A large commercial customer in our electric division closed its operations in late 2006. As a result we anticipate annual revenues to be reduced by approximately $300,000 and annual gross profit to be reduced by approximately $50,000.

A large distribution center was built in our Northwest division in 2004 and a second facility was added in 2006. A third distribution facility is expected to be added by the end of 2007. Additional industrial and commercial development is planned for this general area, which should increase load significantly. Additional gross profit is anticipated in the future to increase between $30,000 and $50,000 as a result of the additional developments.

Natural Gas Customers

Two natural gas customers went off-line for approximately six months in 2006 due to lower production, market slow down and maintenance work on their facilities. We anticipate that they will not be fully operational until mid-2007. The decreased revenue and gross profit is estimated to be $100,000 in 2007.

Indiantown Gas Agreement

The FPSC approved our joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We began construction in the Indiantown area to install natural gas mains in the first phase of this development, for approximately 100 homes. Two more developments are slated for construction of approximately 1,000 homes in 2007.

Storm Preparedness Expenses

Regulators continue to focus on hurricane preparedness and storm recovery issues for utility companies. Newly mandated storm preparedness initiatives could impact our operating expenses and capital expenditures beginning in 2007. The initial forecasts of these annual expenditures are approximately $700,000. It is possible that additional regulation and rules will be mandated regarding storm related expenditures over the next several years. We requested that the FPSC allow us to recover the cost of the newly mandated storm preparedness initiatives and to defer these storm-related expenditures until we receive recovery through a rate increase. If approved, both the recovery and expenditures may occur by mid-2007. If the FPSC does not approve our request, we plan to file a rate proceeding in 2007 as an alternative option for recovery of these expenditures.

Land Purchase

We are currently reviewing multiple sites for the new South Florida division office. We expect to purchase land for the new South Florida division office during 2007.

Contractual Obligations

Table of Contractual Obligations
(Dollars in thousands)

Payments due by period:	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Long-term Debt Obligations	$52,500	$ -	$2,818	$2,818	$46,864
Long-term Debt Interest	63,904	3,949	7,623	7,074	45,258
Operating Lease Obligations	352	151	163	38	-
Natural Gas and Propane Gas Purchase Obligations	64,904	37,768	16,244	4,568	6,324
Electric Purchase Obligations	487	53	98	91	245
Other Purchase Obligations	2,682	940	1,726	14	2
Total	$184,829	$42,861	$28,672	$14,603	$98,693

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Long-term Debt Obligations

The Long-term debt obligations are principal amounts.

Long-term Debt Interest

The Long-term debt interest represents the interest obligation on our Mortgage Bonds.

Operating Lease Obligations

Our total operating lease obligation is $352,000. We are leasing property from the City of Fernandina Beach in our Northeast division. The total obligation for the duration of this lease is about $107,000 over the next five years. We lease our appliance showroom in the same division for approximately $35,000 annually. We also have other operating lease agreements with various terms and expiration dates.

Purchase Obligations

A purchase order is considered an obligation if it is associated with a contract or is authorizing a specific purchase of material. The Other Purchase Obligation amount presented above represents the amount of open orders.

Pension, Medical Postretirement and Other Obligations
Our pension plan continues to meet all funding requirements under ERISA regulations; however, under current actuarial assumptions, contributions may be required as early as 2009. Current projections indicate that we will make voluntary contributions of $250,000 in 2007, $500,000 in 2008 and make required contributions of approximately $2 million in 2009 and 2010, decreasing to under $1 million in 2011. These payments are not included in the Contractual Obligations table.

Environmental clean up is anticipated to require approximately $600,000 in 2007, the remainder to be paid in following years. These payments are not included in the Contractual Obligations table.

We have medical postretirement payments relating to retiree medical insurance. These payments are not included in the Contractual Obligations table. Estimated future payments are described in Note 12 in the Notes to Consolidated Financial Statements.

Dividends
We have historically paid dividends. It is our intent to continue to pay quarterly dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon our future earnings, cash flow, financial condition, capital requirements and other factors.

Other

Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48
In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings, and case law and determined that the Company has no material uncertain tax positions. Additionally, the IRS concluded an audit of the 2002 and 2003 tax years in September of 2005.

In February of 2007, the IRS informed us that it selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings as the result of the impending IRS audit.

Based on the aforementioned, we believe that the adoption of FASB Interpretation No. 48 will not have a material impact on our financial condition or results of operations.

Financial Accounting Standard No. 157

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, that is, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard No. 158

In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 requires the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

The Company uses December 31 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company currently uses this date as the measurement date, and has used it for all periods presented.

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The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on the non-regulated portion of the liability has been recorded as a deferred income tax asset. As an offset, the regulatory portion of this liability has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining expense for recording the liability has been included in other comprehensive income. The fair value of retirement plan assets and obligations are subject to change based on market fluctuations. The table below summarizes the effects to our financial statements.

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FASB 158 Implementation Summary
(Dollars in thousands)

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$ -	$829	$829
Liabilities and Equity:			

Accumulated other comprehensive income/(loss)	-	(146)	(146)
Other accruals and payables	2,034	151	2,185
Long term medical and pension reserve	3,819	912	4,731
Deferred income taxes	16,224	(88)	16,136

Staff Accounting Bulletin No. 108

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes an assessment from both an income statement and a balance sheet focus. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

Critical Accounting Policies and Estimates

Regulatory Accounting

We prepare our financial statements in accordance with the provisions of SFAS No. 71 "Accounting for the Effects of Certain Types of Regulation" and it is our most critical accounting policy. In general, SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. As a result, a regulated utility may defer recognition of a cost (a regulatory asset) or recognize an obligation (a regulatory liability) if it is probable that, through the rate making process, there will be a corresponding increase or decrease in revenues or expenses. SFAS No. 71 does not apply to our unregulated propane gas operations.

Use of Estimates

We are required to use estimates in preparing our financial statements so they will be in compliance with accounting principles generally accepted in the United States of America. Actual results could differ from these estimates. We believe that the accruals for potential liabilities are adequate. The estimates in our financial statements included the accrual for pensions, environmental liabilities, over-earnings liability, unbilled revenues, allowances for doubtful accounts, uninsured liability claims and the regulatory deferred income tax and deferred income liabilities.

- Pension and post retirement benefits-An actuary calculates the estimated pension liability in accordance with FASB 87, FASB 88 as amended by FASB 132 and FASB 158.
- Environmental liabilities-These liabilities are subject to certain unknown future events. The Company reviews the environmental issues regularly with the geologists performing the feasibility studies and their legal counsel specializing in manufactured gas plant issues and negotiates with the environmental regulators and the other participating parties to determine the adequacy of the estimated liability for environmental reserves.

Deleted: ***Financial Accounting Standard No. 154***
In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We adopted SFAS No. 154 as of January 1, 2006; however, we did not have any impact to our financial statements in 2006 as a result of this adoption.¶

Deleted: ***Financial Accounting Standard Board Interpretation No. 47***¶
In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. We adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.¶
¶
This Interpretation addresses the legal obligation to retire an asset when the timing and (or) met[... [1]

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- Over-earnings liability-This liability is subject to regulatory review and possible disallowance of some expenses in determining the amount of over-earnings.
- Unbilled revenues-Unbilled revenue is estimated with certain assumptions including unaccounted for units and the use of current month sales to estimate unbilled sales.
- Allowances for doubtful accounts- This liability is estimated based on historical information and trended current economic conditions, certain assumptions, and is subject to unknown future events. Actual results could differ from our estimates.
- Uninsured liability claims-We are self-insured for the first $250,000 of each general and auto liability claim and accrue for estimated losses occurring from both asserted and unasserted claims. The estimate for unasserted claims arising from unreported incidents is based on an analysis of historical claims data and judgment.
- Regulatory deferred income tax and deferred income tax liabilities-These liabilities are estimated based on historical data and are subject to finalization of our income tax return. Actual results could differ from our estimates.

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Revenue Recognition
We bill utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. We accrue estimated revenue for gas and electric customers for consumption used but not yet billed for in an accounting period. Determination of unbilled revenue relies on the use of estimates and historical data. We believe that the estimates for unbilled revenue materially reflect the unbilled gross profit for our customers for units used but not yet billed in the current period.

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Any earnings in excess of this maximum amount are accrued for as an over-earnings liability and revenues are reduced for this same amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves or reducing any depreciation reserve deficiency.

Effects of Inflation
Our tariffs for natural gas and electric operations provide for fuel clauses that adjust annually for changes in the cost of fuel. Increases in other utility costs and expenses not offset by increases in revenues or reductions in other expenses could have an adverse effect on earnings due to the time lag associated with obtaining regulatory approval to recover such increased costs and expenses, the uncertainty of whether regulatory commissions will allow full recovery of such increased costs and expenses and any effect on unregulated propane gas operations.

Environmental Matters
We currently use or have used in the past, several contamination sites that are currently involved in pending or threatened environmental litigation as discussed in Note 10-"Contingencies" in the Notes to Consolidated Financial Statements. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover

any expected losses or expenses. We believe that the aggregate of all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the insurance proceeds received and any rate relief granted. The final 2004 natural gas rate relief granted by the FPSC provided future recovery of $8.9 million for environmental liabilities. The remaining balance to be recovered from customers through future recovery is included on the balance sheet as "Other regulatory assets-environmental".

Off-Balance Sheet Arrangements
We do not have any off-balance sheet arrangements.

Forward-Looking Statements (Cautionary Statement)
This report contains forward-looking statements including those relating to the following expectations:

- Based on our current expectations for cash needs, including cash needs relating to the possible land purchase and related construction, we may choose to consider an equity or debt financing in 2008 to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time.
- Pension expenses will continue to decrease in 2007.
- Other insurance costs will increase in 2007.
- Our anticipation of continued compliance in the foreseeable future with our line of credit covenants.
- Our expectation that cash requirements will increase significantly in the future due to environmental clean-up costs, sinking fund payment on long-term debt and pension contributions.
- Electric storm related expenditures may be necessary beginning in mid-2007 and the total cost may be significant. We may receive recovery for these expenditures.
- Propane gas hedging activity may occur in 2007.
- The fuel supply contract in our Northwest Florida division beginning January 1, 2008 will be approved by the FPSC in 2007 and will be effective for the purchase of fuel supply beginning in 2008.
- Our 2005 and 2006 over-earnings liabilities in natural gas will materialize as estimated after the FPSC reviews and audits.
- We expect to have higher fuel costs for 2007, 2008 and beyond.
- The development in Indiantown will occur as estimated.
- The purchase of land for our new natural gas and propane gas division office will occur in 2007.
- The FPSC will allow our natural gas over-earnings to fund a future storm reserve and reduce our current regulatory asset related to historic storm costs and discontinue the related natural gas storm surcharge in 2007.
-
- The commercial and industrial growth will occur as expected in our Northwest division providing increases in our revenues and gross profit.
- The two customers that went off-line in 2006 will be fully operational by mid-2007.

Deleted: We have increased our focus on collection efforts of bad debt and we expect our bad debt expense to return to normal levels in 2007 and beyond.

These statements involve certain risks and uncertainties. Actual results may differ materially from what is expressed in such forward-looking statements. Important factors

that could cause actual results to differ materially from those expressed by the forward-looking statements include, but are not limited to, those set forth above in "Risk Factors".

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

All financial instruments held by us were entered into for purposes other than for trading. We have market risk exposure only from the potential loss in fair value resulting from changes in interest rates. We have no material exposure relating to commodity prices because under our regulatory segments, we are currently fully compensated for the actual costs of commodities (natural gas and electricity) used in our operations. Any commodity price increases for propane gas are normally passed through monthly to propane gas customers as the fuel charge portion of their rate.

None of our gas or electric contracts are accounted for using the fair value method of accounting. While some of our contracts meet the definition of a derivative, we have designated these contracts as "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

Beginning in 2007 we plan, on a rolling four-quarter basis, to purchase a "cap" on approximately one-third of our forecast propane gas volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane gas purchases. The remaining one-third will fluctuate with the market price. Our energy strategy allows us to participate in two-thirds of price declines but only one-third of price increases. As of December 31, 2006, we have not entered into any hedging activities. When we do enter into hedging activities, we will determine whether they meet the definition of normal sales and purchases and if not, we will determine whether we can use hedge accounting.

We have no exposure to equity risk, as we do not hold any equity instruments. Our exposure to interest rate risk is limited to investments held for environmental costs, the water sale long term receivable and short-term borrowings on the line of credit. The investments held for environmental costs are short-term fixed income debt securities whose carrying amounts are not materially different than fair value. The short-term borrowings were $3.5 million at the end of December 2006. Therefore, we do not believe we have material market risk exposure related to these instruments. The indentures governing our two first mortgage bond series outstanding contain "make-whole" provisions, which are pre-payment penalties that charge for lost interest, which render refinancing impracticable.

Our non-interest bearing long-term receivable from the sale of the water operations was discounted at 4.34%. A hypothetical 0.5% (50 basis points) increase in the interest rate used would change the current fair value from $6 million to $5.9 million.

In 2006, a hypothetical 0.5% (50 basis points) decrease in the long-term interest rate on $52.5 million debt excluding unamortized debt discount would change the fair value from $63 million to $66.9 million.

Changes in short-term interest rates could have an effect on income depending on the balance borrowed on the variable rate line of credit. We had short-term debt of $3.5 million on December 31, 2006 and $9.6 million on December 31, 2005. A hypothetical 1% increase in interest rates would have resulted in a decrease in annual earnings for 2006 by $35,000 and for 2005 by $96,000, based on year-end borrowings.

Item 8. Financial Statements and Supplementary Data

CONSOLIDATED STATEMENTS OF INCOME

(Dollars in thousands, except per share data)

	Years Ended December 31		
	2006	**2005**	**2004**
Revenues			
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910
Propane gas	14,727	13,479	11,167
Total revenues	134,235	130,023	110,039
Cost of Fuel and Other Pass Through Costs	85,971	82,804	69,350
Gross Profit	48,264	47,219	40,689
Operating Expenses			
Operation	23,724	22,881	20,068
Maintenance	3,484	3,566	2,982
Depreciation and amortization	7,742	7,266	5,900
Taxes other than income taxes	2,985	2,869	2,753
Total operating expenses	37,935	36,582	31,703
Operating Income	10,329	10,637	8,986
Other Income and (Deductions)			
Merchandise and service revenue	4,322	4,590	3,366
Merchandise and service expenses	(4,071)	(4,664)	(3,326)
Other income	620	569	625
Other deductions	(33)	(29)	20
Interest expense on long-term debt	(3,949)	(3,949)	(3,949)
Interest expense on short-term borrowings	(108)	(79)	(42)
Customer deposits and other interest expense	(551)	(540)	(471)
Total other deductions - net	(3,770)	(4,102)	(3,777)
Earnings Before Income Taxes	6,559	6,535	5,209
Income Taxes	(2,295)	(2,287)	(1,615)
Net Income	4,264	4,248	3,594
Preferred Stock Dividends	29	29	29
Earnings for Common Stock	$ 4,235	$ 4,219	$ 3,565
Earnings Per Common Share (basic and diluted)	$ .71	$ .71	$ .60
Dividends Declared Per Common Share	$ .43	$ .41	$ .40
Average Shares Outstanding	5,993,589	5,952,684	5,908,220

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Dollars in thousands)

	Years Ended December 31		
	2006	2005	2004
Net income	$ 4,264	$ 4,248	$ 3,594
Other comprehensive income/(loss), net:			
Retirement plans adjustment	(234)	-	-
Deferred income taxes benefit	88	-	-
Comprehensive income	$ 4,118	$ 4,248	$ 3,594

Deleted: Additional retirement plan liabilities

See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	December 31,	
ASSETS	**2006**	**2005**
Utility Plant		
Natural gas	$ 95,393	$ 89,835
Electric	72,776	70,084
Propane gas	17,153	15,500
Common	3,646	3,859
Total	188,968	179,278
Less accumulated depreciation	59,757	56,217
Net utility plant	129,211	123,061
Current Assets		
Cash	84	695
Accounts receivable	12,199	15,780
Notes receivable	298	299
Allowance for uncollectible accounts	(429)	(272)
Unbilled receivables	1,957	1,918
Inventories (at average or unit cost)	4,120	3,781
Prepaid expenses	962	951
Income tax prepayments	98	1,159
Under-recovery of fuel costs	862	3,375
Total current assets	20,151	27,686
Other Assets		
Investments held for environmental costs	3,364	3,258
Other regulatory assets – storm reserve	270	452
Other regulatory assets – environmental	8,284	8,868
Other regulatory assets – retirement plans	829	-
Long-term receivables and other investments	5,740	5,794
Deferred charges	6,496	6,751
Goodwill	2,405	2,405
Intangible assets (net)	4,405	4,391
Total other assets	31,793	31,919
Total	$ 181,155	$ 182,666

See Notes to Consolidated Financial Statements

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CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	December 31,	
CAPITALIZATION AND LIABILITIES	**2006**	**2005**
Capitalization		
Common shareholders' equity	$ 47,624	$ 45,503
Preferred stock	600	600
Long-term debt	50,702	50,620
Total capitalization	98,926	96,723
Current Liabilities		
Line of credit	3,466	9,558
Accounts payable	10,279	13,166
Insurance accrued	181	296
Interest accrued	789	1,014
Other accruals and payables	2,185	1,984
Taxes accrued	1,277	1,512
Deferred income tax	579	1,066
Over-earnings liability	880	700
Over-recovery of fuel costs	3,656	-
Over-recovery of conservation	355	24
Customer deposits	9,608	8,851
Total current liabilities	33,255	38,171
Other Liabilities		
Deferred income taxes	16,136	17,568
Unamortized investment tax credits	335	411
Environmental liability	13,753	14,001
Regulatory liability – cost of removal	8,800	8,256
Regulatory tax liabilities	876	991
Long-term medical and pension reserve	4,731	2,663
Customer advances for construction	2,707	2,346
Regulatory liability – storm reserve	1,636	1,536
Total other liabilities	48,974	47,772
Total	$ 181,155	$ 182,666

See Notes to Consolidated Financial Statements

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CONSOLIDATED STATEMENTS OF CAPITALIZATION
(Dollars in thousands)

	December 31, 2006	December 31, 2005
Common Shareholders' Equity		
Common stock, $1.50 par value, authorized 10,000,000 shares; issued 6,166,648 shares in 2006; issued 6,152,676 shares in 2005	$ 9,250	$ 9,229
Paid-in capital	6,054	5,998
Retained earnings	35,308	33,625
Accumulated other comprehensive income/(loss), retirement plan adjustment, net of income tax benefit	(146)	-
Treasury stock - at cost (160,349 shares in 2006, 188,994 shares in 2005)	(2,842)	(3,349)
Total common shareholders' equity	47,624	45,503
Preferred Stock		
4 ¾% Series A, $100 par value, redemption price $106, authorized and outstanding 6,000 shares	600	600
4 ¾% Series B Cumulative Preferred, $100 par value, redemption price $101, authorized 5,000 and none issued		-
$1.12 Convertible Preference, $20 par value, redemption price $22, authorized 32,500 and none issued	-	-
Total preferred stock	600	600
Long-Term Debt		
First mortgage bonds series		
9.57 % due 2018	10,000	10,000
10.03 % due 2018	5,500	5,500
9.08 % due 2022	8,000	8,000
4.90 % due 2031	14,000	14,000
6.85 % due 2031	15,000	15,000
Unamortized debt discount	(1,798)	(1,880)
Total long-term debt	50,702	50,620
Total Capitalization	$ 98,926	$ 96,723

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY
(Dollars in thousands)

	Common Stock						
	Shares Issued	Aggregate Par Value	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)	Treasury Shares Cost	Treasury Shares
Balances as of December 31, 2003	6,097,478	$9,146	$5,632	$30,638	$ -	$(3,953)	223,062
Net income	-	-	-	3,594	-	-	-
Dividends	-	-	-	(2,383)	-	-	-
Stock plans	32,619	49	174	-	-	316	(17,821)
Balances as of December 31, 2004	6,130,097	9,195	5,806	31,849	-	(3,637)	205,241
Net income	-	-	-	4,248	-	-	-
Dividends	-	-	-	(2,472)	-	-	-
Stock plans	22,579	34	192	-	-	288	(16,247)
Balances as of December 31, 2005	6,152,676	9,229	5,998	33,625		(3,349)	188,994
Net income	-	-	-	4,264	-	-	-
Other comprehensive loss, retirement plans adjustment, net of tax	-	-	-	-	(146)	-	-
Dividends	-	-	-	(2,581)	-	-	-
Stock plans	13,972	21	56	-	-	507	(28,645)
Balances as of December 31, 2006	6,166,648	$9,250	$6,054	$35,308	$(146)	$(2,842)	160,349

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)

	Years Ended December 31, 2006	2005	2004
Cash Flows from Operating Activities:			
Net income	$ 4,264	$ 4,248	$ 3,594
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation and amortization	7,742	7,266	5,900
Deferred income taxes	(1,946)	(153)	2,470
Bad debt expense	623	359	409
Investment tax credits	(75)	(81)	(83)
Other	805	751	121
Interest income from sale of non-utility property	(252)	(192)	(271)
Compensation expense from the issuance of stock	88	58	91
Effects of changes in:			
Receivables	3,115	(4,513)	(1,688)
Unbilled receivables	(39)	367	(612)
Inventories and prepayments	711	(495)	2,746
Accounts payable and accruals	(1,128)	5,560	1,131
Over (under) recovery of fuel and other pass through costs	6,500	(3,171)	(1,991)
Area expansion program deferred costs	238	109	(372)
Environmental liability	584	429	(586)
Other	(1,140)	(329)	814
Net cash provided by operating activities	20,090	10,213	11,673
Cash Flows from Investing Activities:			
Construction expenditures	(13,116)	(12,441)	(13,731)
Customer advances received for construction	361	454	144
Purchase of long-term investments	(106)	(75)	(34)
Proceeds received on notes receivable	321	304	57
Issuance of notes receivable	-	-	(95)
Other	(15)	-	-
Net cash used in investing activities	(12,555)	(11,758)	(13,659)
Cash Flows from Financing Activities:			
Net change in short-term borrowings	(6,092)	3,733	3,547
Proceeds from common stock plans	497	456	447
Dividends paid	(2,551)	(2,448)	(2,368)
Net cash provided by (used in) financing activities	(8,146)	1,741	1,626
Net Increase (Decrease) in Cash	(611)	196	(360)
Cash at Beginning of Year	695	499	859
Cash at End of Year	$ 84	$ 695	$ 499
Supplemental Cash Flow Information			
Cash was paid during the years as follows:			
Interest	$ 4,777	$ 4,469	$ 4,357
Income taxes	$ 3,298	$ 2,698	$ 1,215

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting and Reporting Policies

A. General

The Company is an operating public utility engaged principally in the purchase, transmission, distribution and sale of electricity and in the purchase, transmission, distribution, sale and transportation of natural gas. The Company is subject to the jurisdiction of the FPSC with respect to its natural gas and electric operations. The suppliers of electric power to the Northwest Florida division and of natural gas to the natural gas divisions are subject to the jurisdiction of the FERC. The Northeast Florida division is supplied most of its electric power by a municipality which is exempt from FERC and FPSC regulation. The Company also distributes propane gas through a non-regulated subsidiary.

B. Basis of Presentation

The consolidated financial statements include the accounts of Florida Public Utilities Company (FPU) and its wholly owned subsidiary, Flo-Gas Corporation. All significant intercompany balances and transactions have been eliminated. The Company's accounting policies and practices conform to accounting principles generally accepted in the United States of America (GAAP) as applied to regulated public utilities and are in accordance with the accounting requirements and rate-making practices of the FPSC and in accordance to the rule requirements of the Securities and Exchange Commission (SEC).

C. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Some of these estimates include the accruals for pensions, allowances, environmental liabilities, liability reserves, unbilled revenue, regulatory deferred tax liabilities and over-earnings liability. Actual results may differ from these estimates and assumptions.

D. Reclassifications

Certain amounts in the prior years' financial statements have been reclassified to conform to the 2006 presentation.

E. Regulation

The financial statements are prepared in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 71 – "Accounting for the Effects of Certain Types of Regulation". SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. A regulated utility may defer recognition of a cost (a regulatory asset) or show recognition of an obligation (a regulatory liability) if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in revenues. The Company has recognized certain regulatory assets and liabilities in the consolidated balance sheets. The Company believes that the FPSC will continue to allow recovery of

such items through rates. In the event that a portion of the Company's operations are no longer subject to the provisions of SFAS No. 71, the Company would be required to write-off related regulatory assets and liabilities that are not specifically recoverable through regulated rates. In addition, the Company would be required to determine if an impairment related to other assets exists, including plant, and write-down the assets, if impaired, to their fair value.

Summary of Regulatory Assets and Liabilities
(Dollars in thousands)

	2006	2005
Assets		
Deferred development costs (1)	$ 3,952	$ 4,190
Unamortized fuel related regulatory costs (6)	48	24
Environmental assets (2)	8,284	8,868
Storm Reserve assets (3)	270	452
Deferred retirement plan costs (5)	829	-
Unamortized Rate Case expense	368	541
Under-recovery of fuel costs	862	3,375
Unamortized piping and conversion costs (1)	1,521	1,587
Unamortized loss on reacquired debt (1)	209	227
Total Regulatory Assets	$16,343	$19,264
Liabilities		
Tax liabilities	$ 876	$ 991
Cost of removal	8,800	8,256
Storm reserve liabilities	1,636	1,536
Over-recovery of fuel costs	3,656	-
Over-recovery of conservation	355	24
Over-earnings liability (4)	880	700
Total Regulatory Liabilities	$16,203	$11,507

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(1) Deferred development costs, unamortized piping and conversion costs, and unamortized loss on reacquired debt are included in deferred charges in the consolidated balance sheets.
(2) The Company has included the amount due from customers as a regulatory asset for environmental costs. The FPSC authorized recovery of these environmenatl costs from customers over 20 years.
(3) The FPSC has authorized the Company to recover storm damages incurred in 2004 in their natural gas operations. Recovery of these costs from customers over 30 months began November 2005.
(4) The Company originally estimated the 2005 over-earnings for regulated natural gas operations at $700,000. In 2006 the estimate was reduced to $650,000. The Company has estimated 2006 over-earnings for regulated natural gas operations of $230,000. The Company has recorded these liabilities which reduced revenues. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.
(5) The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in a regulatory asset for the portion of the loss of $829,000 to be recovered in future rate proceedings.

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(6) The Company has deferred certain regulatory fuel related costs and as of January 2006 has been amortizing these over five years according to a FPSC order in the November 2005 fuel hearings.

The base revenue rates for regulated segments are determined by the FPSC and remain constant until a request for an increase is filed and approved by the FPSC or the FPSC orders the Company to reduce their rates. For the Company to recover increased costs from the effects of inflation and construction expenditures for regulated segments, a request for an increase in base revenues would be required. Separate filings would be required for the electric and natural gas segments. The Company is currently seeking rate relief for electric storm preparedness initiatives required in 2007.

F. Derivatives

None of the Company's gas or electric contracts are accounted for using the fair value method of accounting. All material contracts that meet the definition of derivative instruments are considered "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

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G. Revenue Recognition

The Company's revenues consist of base revenues, fuel adjustment charges, conservation charges and the pass-through of certain governmental imposed taxes based on revenues.

The FPSC approves base revenue rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Fuel adjustment charges, conservation charges and the pass-through of certain governmental imposed taxes based on revenues are approved by the FPSC to allow recovery of fuel, conservation and revenue based taxes from the Company's customers. Any over or under-recovery of these expense items are deferred and subsequently refunded or collected in the following period.

Annually, any earnings in excess of this maximum amount permitted in the base rates are accrued for as an over-earnings liability and revenues are reduced an equivalent amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

The Company bills utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. The Company accrues estimated revenue for gas and electric customers on usage not yet billed for the accounting period. Determination of unbilled revenue relies on the use of estimates, fuel purchases and historical data.

H. Allowance for Doubtful Accounts

The Company records an allowance for doubtful accounts based on historical information and trended current economic conditions. The following is a summary of the activity in Allowance for Doubtful Accounts for the years ending December 31:

	Allowance for Doubtful Accounts			
	Balance at Beginning of Year	Write-offs	Provisions to Bad Debt Expense	Balance at End of Year
2004	$ 180,000	320,000	409,000	$ 269,000
2005	$ 269,000	292,000	295,000	$ 272,000
2006	$ 272,000	35[illegible],000	5[illegible],000	$ 429,000

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I. Utility Plant and Depreciation

Utility plant is stated at original cost. The propane gas utility plant that has been acquired in acquisitions was stated at fair market value when acquired. Additions to utility plant include contracted services, direct labor, transportation and materials for additions. Units of property are removed from utility plant when retired. Maintenance and repairs of property and replacement and renewal of items determined not to be units of property are charged to operating expenses. Substantially all of the utility plant and the shares of Flo-Gas Corporation collateralize the Company's first mortgage bonds.

Utility Plant
(Dollars in thousands)

Plant Classification	Annual Composite Depreciation Rate	2006	2005
Land		$ 1,130	$ 1,124
Buildings	2.0% to 4.9%	6,991	6,862
Distribution	2.0% to 8.6%	158,010	147,580
Transmission	2.2% to 3.8%	6,878	6,799
Equipment	2.0% to 20.0%	12,700	11,534
Furniture and Fixtures	4.8% to 20.0%	392	369
Work-in-Progress		2,867	5,010
		$ 188,968	$ 179,278

Depreciation for the Company's regulated segments is computed using the composite straight-line method at rates prescribed by the FPSC for financial accounting purposes. Propane gas depreciation is computed using a composite straight-line method at an average rate based on estimated average life of approximately 20-30 years. Such rates are based on estimated service lives of the various classes of property. Depreciation provisions on average depreciable property approximate 3.9% in 2006, 3.9% in 2005 and 3.6% in 2004.

J. Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48

In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings and case law and determined that the Company has no material uncertain tax positions. Additionally, the IRS concluded an audit of the 2002 and 2003 tax years in September of 2005.

In February of 2007, the IRS informed us that it selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings as the result of the impending IRS audit.

Based on the aforementioned, we believe that the adoption of FASB Interpretation No. 48 will not have a material impact on our financial condition or results of operations.

Financial Accounting Standard No. 157

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, that is, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard No. 158

In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 requires the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

The Company uses December 31 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company currently uses this date as the measurement date, and has used it for all periods presented.

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on the non-regulated portion of this liability has been recorded as a deferred income tax asset. As an offset, the regulatory portion of this liability has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining expense from recording the liability has been included in other comprehensive income. The fair value of retirement plan assets and obligations are subject to change based on market fluctuations. The table below summarizes the effects to our financial statements.

FASB 158 Implementation Summary
(Dollars in thousands)

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$ -	$829	$829
Liabilities and Equity:			
Accumulated other comprehensive income/(loss)	-	(146)	(146)
Other accruals and payables	2,034	151	2,185
Long term medical and pension reserve	3,819	912	4,731
Deferred income taxes	16,224	(88)	16,136

Staff Accounting Bulletin No. 108

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes an assessment from both an income statement and a balance sheet focus. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

2. **Goodwill and Intangible Assets**

In accordance with SFAS No. 142, "Goodwill and Other Intangible Assets", the Company does not amortize goodwill or intangibles with indefinite lives. The Company periodically tests the applicable reporting segments, natural gas and propane gas, for

Deleted: The Company uses September 30 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company expects to make this change in 2008.¶

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Deleted: ***Financial Accounting Standard No. 154¶***
In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We adopted SFAS No. 154 as of January 1, 2006; however, we did not have any impact to our financial statements in 2006 as a result of this adoption.¶

Deleted: ***Financial Accounting Standard Board Interpretation No. 47¶***
In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. The Company adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This w[... [2]

impairment. In the event a segment becomes impaired, the Company would write down the associated goodwill and intangible assets to fair value. The impairment tests performed in 2005 and 2006 showed no impairment for either reporting segment.

Goodwill associated with the Company's acquisitions is identified as a separate line item on the consolidated balance sheet and consists of $500,000 in the natural gas segment and $1.9 million in the propane gas segment.

Intangible assets associated with the Company's acquisitions and software have been identified as a separate line item on the balance sheet. Summaries of those intangible assets at December 31 are as follows:

Intangible Assets
(Dollars in thousands)

		2006	2005
Customer distribution rights	(Indefinite life)	$ 1,900	$ 1,900
Customer relationships	(Indefinite life)	900	900
Software	(Five to nine year life)	3,122	2,971
Non-compete agreement	(Five year life)	-	35
Accumulated amortization		(1,517)	(1,415)
Total intangible assets, net of amortization		$4,405	$ 4,391

The 2006 amortization expense of computer software is approximately $300,000. The Company expects the amortization expense of computer software to be approximately $300,000 annually over the next five years, with the current level of software investment. The non-compete agreements expired in 2006.

3. *Over-earnings-Natural Gas*
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. The Company has agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

The Company estimated 2005 over-earnings for regulated natural gas operations of $700,000. The 2005 over-earnings estimate was revised in 2006 to be $650,000. The Company estimated 2006 over-earnings for regulated natural gas operations of $230,000. These liabilities have been included in the over-earnings liability on the Company's balance sheet. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

The Company feels the estimates of the 2005 and 2006 over-earnings liabilities are accurate, but the amounts could change upon the FPSC finalization and review of earnings expected in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, increasing storm damage or environmental reserves or reducing any depreciation reserve deficiency.

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4. *Storm Reserves*
As of December 31, 2006, the electric segment storm reserve was approximately $1.6 million. Since the last order on the 1999 disposition of electric over-earnings, the FPSC has allowed the Company the flexibility of automatically applying the electric over-earnings to the storm

damage reserves each year since 1999 and allowing additional storm damage accruals up to a cap of $2.9 million. In 2006, 2005 and 2004 there were no electric over-earnings and accordingly no additional over-earnings amounts were added to the storm damage reserves.

In October 2005, the FPSC approved recovery of 2004 natural gas segment storm costs plus interest and revenue taxes over a 30-month period beginning November 2005. The Company deferred storm costs as a regulatory asset due from customers on the balance sheet. As of December 31, 2006, the unrecovered amount of natural gas regulatory asset relating to storm costs was $270,000.

The Company has requested that the FPSC allow 2005 over-earnings in natural gas to be used to recover the regulatory asset -storm and discontinue this storm surcharge. As part of this same request, the Company has also asked the FPSC to allow any excess over-earnings amount to provide additional funds for the "regulatory liability- storm reserve" for natural gas. We expect the FPSC to rule on this request during 2007.

In 2005, the FPSC approved applying 2002 natural gas over-earnings of $118,000 to the storm reserve to cover future storm costs.

5. Income Taxes

Deferred income taxes are provided on all significant temporary differences between the financial statements and tax basis of assets and liabilities at currently enacted tax rates. Investment tax credits have been deferred and are amortized based upon the average useful life of the related property in accordance with the rate treatment.

A. Income Taxes related to Deferred Gain on Water Sale

On March 27, 2003, the Company sold substantially all of its assets of the water division to the City of Fernandina Beach. The sale was made pursuant to a "threat of condemnation" during the fourth quarter of 2002. For tax purposes the Company elected to defer the gain on the sale of the assets pursuant to Code Section 1033 of the Internal Revenue Code of 1986 (IRC). Section 1033 allows non-recognition of gain if property is disposed as a result of threat of condemnation and property that is similar or related in service or use is purchased to replace the disposed property. To qualify, the replacement property must be purchased within the replacement period, which begins on the earlier of date of disposition (March 27, 2003) or date of threat of condemnation (December 31, 2002) and ending two years after the close of the year of sale (December 31, 2005). For real property, the replacement period is extended to three years (December 31, 2006).

The Company purchased property that is similar or related in service or use within the replacement periods with the exception of the intangible assets. During the IRS audit in 2005, the IRS disallowed a portion, approximately $900,000 of the deferral relating to the intangible assets, since replacement was no longer expected.

A $2.9 million estimated tax payment was made in 2003 related to the gain on the sale of the water division. It was subsequently determined that the income tax would be deferred. The Company applied for a refund and received $3.9 million in July 2004, which included other estimated tax overpayments.

B. Provision for Income Taxes

The provision (benefit) for income taxes consists of the following:

(Dollars in thousands)	Years ended December 31, 2006	2005	2004
Current payable			
Federal	$ 3,652	$ 2,150	$ (566)
State	664	370	(96)
Current – net	4,316	2,520	(662)
Deferred			
Federal	(1,674)	(143)	2,003
State	(272)	(9)	358
Deferred – net	(1,946)	(152)	2,361
Investment tax credit	(75)	(81)	(84)
Total income taxes	$ 2,295	$ 2,287	$ 1,615

C. Effective Tax Rate Reconciliation

The difference between the effective income tax rate and the statutory federal income tax rate applied to pretax income is of continuing operations accounted for as follows:

(Dollars in thousands)	Years ended December 31, 2006	2005	2004
Federal income tax at statutory rate (34%)	$ 2,230	$ 2,222	$ 1,771
State income tax, net of federal benefit (5.5%)	238	237	189
Investment tax credit	(75)	(81)	(84)
Tax exempt interest	(85)	(71)	(94)
Other	(13)	(20)	(167)
Total provision for income taxes	$ 2,295	$ 2,287	$ 1,615

D. Deferred Income Taxes

Temporary timing differences which produce deferred income taxes in the accompanying consolidated balance sheets are as follows:

(Dollars in thousands)	Years ended December 31, 2006	2005
Deferred tax assets:		
Environmental	$ 2,063	$ 1,932
Self insurance	774	731
Storm reserve liability	509	408
Vacation pay	357	320
Other deferred credits	15	61
Allowance for uncollectible accounts receivable	162	103
General liability	68	111
Rate refund	331	263
Pension	698	286
Under/over-recovery of conservation costs	134	9

Other	37	37
Total deferred tax assets	5,148	4,261
Deferred tax liabilities:		
Utility plant related	20,274	20,319
Deductible intangibles	696	577
Under-recovery of fuel costs	643	1,704
Rate case expense	138	204
Loss on reacquired debt	79	85
Other	33	6
Total deferred tax liabilities	21,863	22,895
Net deferred income taxes liabilities	$ 16,715	$ 18,634

Deferred tax liabilities included in the consolidated balance sheets are as follows:

(Dollars in thousands)	2006	2005
Deferred income tax – current	$ 579	$ 1,066
Deferred income tax – long term	16,136	17,568
Net deferred income tax liabilities	$ 16,715	$ 18,634

E. IRS Audit

The IRS has informed us that it has selected our 2003 and 2004 tax returns for examination. At this time management is unable to estimate the effects, if any, that could result from the final resolution of this IRS audit. The Company expects the audit will be completed before the end of 2007.

Deleted: It is our understanding that the 2003 tax return is included in the audit due to a net operating loss carry back to that year. The Company may incur related interest expense and income tax liabilities as a result of this audit.

The IRS completed an audit in 2005 of the Company's 2002 and 2003 federal income tax returns. The audit resulted in a current income tax payable amount of $361,000 due to adjustments to depreciation, reserve accounts and recognition of a portion of the water sale gain that was previously deferred. This amount was partially offset by $285,000 in deferred tax liabilities previously established.

6. Capitalization

A. Stock Dividend

On July 25, 2005 a three-for-two stock split in the form of a stock dividend was issued to the shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split for all periods presented.

B. Common Shares Reserved

The Company has 3,833,352 authorized but unissued shares and 160,349 treasury shares as of December 31, 2006. The Company has reserved the following common shares for issuance as of December 31, 2006:

Dividend Reinvestment Plan	54,071
Employee Stock Purchase Plan	52,035
Board Compensation Plan	20,714

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C. Preferred Stock

The Company has 6,000 shares of 4 ¾% Series A preferred stock $100 par value authorized for issuance of which 6,000 were issued and outstanding at December 31, 2006. The Company also has 5,000, 4 ¾% Series B preferred stock $100 par value authorized for issuance none of which has been issued.

The Company also has 32,500, $1.12 Convertible Preference stock, $20 par value and $22 redemption price, authorized for issuance none of which has been issued.

D. Dividend Restriction

The Company's Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9 million of retained earnings were free of such restriction and therefore available for the payment of dividends. The line of credit agreement contains covenants that, if violated, could restrict or prevent the payment of dividends. At December 31, 2006 the Company is not in violation of these covenants.

E. Treasury Shares

In prior years, common shares resulting from stock dividends have been allocated to common shares held as treasury shares. Treasury shares are not eligible to receive such allocations. Some of these treasury shares were subsequently reissued, resulting in an overstatement of additional paid-in capital. Accordingly, the Company has restated all periods presented to reflect the correct number of treasury shares and the value of treasury shares and additional paid-in capital at each year-end. As the adjustment is a reallocation of amounts between treasury stock and additional paid-in capital, there is no effect on net income, earnings per common share or total stockholders' equity in any period presented.

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F. Employee Stock Purchase Plan

The Company's Employee Stock Purchase Plan offers common stock at a discount to qualified employees.

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G. Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan is offered to all Company shareholders and allows the shareholder to reinvest dividends received and purchase additional shares without a fee.

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7. Long-term Debt

The Company issued its Fourteenth Series of FPU's First Mortgage Bond on September 27, 2001 in the aggregate principal amount of $15 million as security for the 6.85% Secured Insured Quarterly Notes, due October 1, 2031 (IQ Notes). Interest on the pledged bond accrues at the annual rate of 6.85% payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year beginning January 1, 2002.

The Company issued $14 million of Palm Beach County municipal bonds (Industrial Development Revenue Bonds) on November 14, 2001 to finance development in the area. The interest rate on the thirty-year callable bonds is 4.90%. The bond proceeds were restricted and held in trust until construction expenditures were actually incurred by the

Company. In 2002 the remaining $8 million was drawn from the restricted funds held by the trustee.

In 1992, the Company issued its First Mortgage Bond 9.08% Series in the amount of $8 million. The thirty-year bond is due in June 2022.

The Company issued two of its Twelfth Series First Mortgage bond series on May 1, 1988; the 9.57% Series due 2018 in the amount of $10 million and 10.03% Series due 2018 in the amount of $5.5 million. These two issuances require sinking fund payments of $909,000 and $500,000 respectively, beginning in 2008.

Long-term debt on the balance sheet has been reduced for unamortized debt discount. The unamortized debt discount at December 31 included in long-term debt on the balance sheet is $1.8 million in 2006 and $1.9 million in 2005.

Annual Maturities of Long-Term Debt
(Dollars in thousands)

	Total	2007	2008	2009	2010	2011	Thereafter
Long-term Debt	$52,500	-	$1,409	$1,409	$1,409	$1,409	$ 46,864

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8. Notes Payable

In 2004, FPU entered into an amended and restated loan agreement that allows the Company to increase the line of credit upon 30 days notice by the Company to a maximum of $20 million. In 2006 the agreement was renewed with an expiration date of July 1, 2008. We have not exercised our option to increase the line of credit limit which is currently at $12 million with an outstanding balance of $3.5 million and a remaining amount available of $8.5 million. The Company reserves $1 million of the line of credit to cover expenses for any major storm repairs in its Northwest Florida division. An additional $250,000 of the line of credit is reserved for a 'letter of credit' insuring our propane facilities.

The average interest rates for the line of credit were as follows as of December 31:

Year	Rate
2006	6.2%
2005	5.3%
2004	3.3%

9. Fair Value of Financial Instruments

The carrying amounts reported in the balance sheet for investments held in escrow for environmental costs, notes payable, taxes accrued and other accrued liabilities approximate fair value. The fair value of long-term debt excluding the unamortized debt discount is estimated by discounting the future cash flows of each issuance at rates currently offered to the Company for similar debt instruments of comparable maturities. The values at December 31 are shown below.

Deleted: since the older bonds contain 'make whole' provisions that negates any fluctuation in interest rates

2006	2005

	Carrying Amounts	Approximate Fair Value	Carrying Amounts	Approximate Fair Value
Long-term debt	$ 52,500,000	$63,000,000	$52,500,000	$ 63,000,000

10. Contingencies

Environmental

The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. Except as discussed below, the Company does not expect to incur material future expenditures for compliance with existing environmental laws and regulations.

(Dollars in thousands)

Site	Range From	Range To
West Palm Beach	$ 4,801	$ 18,027
Sanford	710	710
Pensacola and Other	110	110
Total	$ 5,621	$ 18,847

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The Company currently has $13.8 million reserved as an environmental liability. The FPSC approved up to $14 million for total recovery from insurance and rates based on the original 2005 projections as a basis for rate recovery. The Company has recovered a total of $5.5 million from insurance and rate recovery, net of costs incurred to date. The remaining balance of $8.3 million is recorded as a regulatory asset. On October 18, 2004 the FPSC approved recovery of $9.1 million for environmental liabilities (the remaining amount to be recovered is $8.3 million and is included on the balance sheet as "Other regulatory assets – environmental"). The amortization of this recovery and reduction to the regulatory asset began on January 1, 2005. The majority of environmental cash expenditures are expected to be incurred before 2010, but may continue for another 10 years.

West Palm Beach Site

The Company is currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property owned by it in West Palm Beach, Florida upon which the Company previously operated a gasification plant. The Company entered into a Consent Order with the FDEP effective April 8, 1991, that requires the Company to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. The Company completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant was retained to perform a feasibility study to evaluate appropriate remedies for the site. The feasibility study was transmitted to FDEP on November 30, 2006.

The feasibility study evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the feasibility study ranged from a low of $2.8 million to a high of $54.6 million. Based on the likely acceptability of proven remedial

technologies described in the feasibility study and implemented at similar sites, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from $4.6 million to $17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA) or some combination of these remedies. The feasibility study proposed a remedy of superficial soil excavation, and installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from $4.6 million to $9.9 million.

Prior to FDEP's approval of a final remedy for the site, the Company is unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately $4.8 million to $18 million.

Sanford Site

The Company owns a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to its acquisition of the property. Following discovery of soil and groundwater impacts on the property, the Company has participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, the Company executed an Administrative Order on Consent (AOC) with the four former owners and operators (collectively, the Group) and the EPA that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RI/FS AOC and RI/FS Participation Agreement is now complete and the Company has no further obligations under either document.

In late September 2006, EPA sent a Special Notice Letter to the Company, notifying the Company of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the Company and the other Group members sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended Record of Decision (ROD) for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, the Company and the Group submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1 through OU3.

In January, the Company along with the other members of the Group signed a Third Participation Agreement, which provides for funding the remediation work specified in the RODs for OU1 through OU3 and supercedes and replaces the Second Participation Agreement. The Company's share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13 million, or

$650,000. At present, it is not anticipated that the total cost of remediation will exceed $13 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13 million. In any such event, the Company does not expect our share of such additional costs to be greater than 5%; and its share of such additional costs may be less than 5%.

The Company's future legal costs and expenses and its share future remediation expenses for this site are currently projected to be approximately $710,000.

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Pensacola Site
The Company is the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that the Company was one of several responsible parties for any environmental impacts associated with the former gasification plant site, the Company entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. The Company's share of these costs is less than $2,000 annually or a total of $27,000.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to the Company in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, the Company has not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, the Company is unable to determine whether additional field work or site remediation will be required by EPA and, if so, the scope or costs of such work.

Key West Site
From 1927 to 1938, the Company owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the Company and the current site owner and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified the Company that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished disposition is recommended." FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 31, 2006, the Company has received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such

work. In 1999, the Company received an estimate from its consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, the Company's share would be approximately $83,000.

11. Commitments

A. General

To ensure a reliable supply of electric and natural gas at competitive prices, the Company has entered into long-term purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2015. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices. At December 31, 2006, the Company has firm purchase and transportation commitments adequate to supply its expected future sales requirements. The Company is committed to pay demand or similar fixed charges of approximately $37.8 million during 2007 related to gas purchase agreements. Substantially all costs incurred under the electric and gas purchase agreements are recoverable from customers through fuel adjustment clause mechanisms.

B. Operating Leases

The Company's total operating lease obligation is $352,000. The Company is leasing property from the City of Fernandina Beach in our Northeast division. The Company is in the process of renegotiating the terms of this lease and it may be able to terminate this lease at an earlier date. The Company leases an appliance showroom in the same division for approximately $35,000 annually. The Company also has other operating lease agreements with various terms and expiration dates. The following table shows the approximate future obligations under noncancelable agreements.

	2007	2008	2009	2010	2011
Operating Lease Obligations	$151,000	$116,000	$47,000	$38,000	-

12. Employee Benefit Plans

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans, pension plan and retirees medical plan. See Footnote 1J, Impact of Recent Accounting Standards, Financial Accounting Standard 158 for a summary of the impact to our financial statements.

A. Pension Plan

The Company sponsors a qualified defined benefit pension plan for non-union employees that were hired before January 1, 2005 and for unionized employees that work under one of the six Company union contracts and were hired before their respective contract dates in 2005.

Deleted: that approved this change in 2005. Our six union contracts have accepted this change for their new members hired after

The following tables provide a reconciliation of the changes in the plan's benefit obligations and fair value of assets over the 3-year period ending December 31, 2006 and a statement of the funded status as of December 31, of all three years:

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Benefit Obligations and Funded Status

		Years Ended December 31,		
		2006	2005	2004
(1)	Change in Projected Benefit Obligation			
(a)	Projected Benefit Obligation at the Beginning of the Year	$36,349,925	$34,926,383	$31,540,942
(b)	Service Cost	1,225,495	1,195,723	1,084,564
(c)	Interest Cost	2,160,719	2,000,099	1,940,122
(d)	Actuarial (Gain) or Loss	541,865	(842,777)	1,708,132
(e)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
(f)	Change in Plan Provisions	-	584,838	-
(g)	Curtailment	(97,858)	-	
(h)	Projected Benefit Obligation at the End of the Year	$38,650,888	$36,349,925	$34,926,38
(i)	Accumulated Benefit Obligation at the End of the Year	$33,693,860	$31,966,513	$30,518,393
(2)	Change in Plan Assets			
(a)	Fair Value of Plan Assets at the Beginning of the Year	$32,936,666	$32,385,214	$31,081,063
(b)	Actual Return on Plan Assets	3,977,806	2,065,793	2,651,528
(c)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
(d)	Employer Contributions	250,000	-	-
(e)	Fair Value of Assets at the End of the Year	$35,635,214	$32,936,666	$32,385,21
(3)	Funded Status: (2)(e) - (1)(h)	$(3,015,674)	$(3,413,259)	$(2,541,16
(4)	Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
(a)	Prepaid (Accrued) Benefit Cost	$(1,760,785)	$(721,333)	$725,619
(b)	Net Asset (liability)	$(1,760,785)	$(721,333)	$725,61
(c)	Charge to Accumulated Other Comprehensive Income:			
(5)	Adjustments Caused by Applying FAS 158			
(a)	Increase in Net Asset (Liability): (3) – (4)(b)	$(1,254,889)	N/A	N/
(b)	Increase in Charge to Accumulated Other Comprehensive Income:	276,076	N/A	N/
(c)	Increase in Charge to Regultory Asset retirement plans	978,813	N/A	N/A
(d)	Subtotal of Adjustments: (a)+(b)+(c)		N/A	N/
(6)	Amount Recognized in Statement of Financial Position After applying FAS 158			

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			2006	2005	2004
	(a)	Net Asset (Liability): (4)(l) + (5)(a)	$(3,015,674)	$(721,333)	$725,61
	(b)	Charge to Accumulated Other Comprehensive Income: (4)(c) + (5)(b)	$276,076	-	
	(c)	Regulatory Asset-Retirement Plans (5)(c)	$978,813	-	
(7)		Net Asset (Liability) Recognized in the Statement of Financial Position After applying FAS 158			
	(a)	Noncurrent Assets	-	N/A	N/A
	(b)	(Current Liabilities)	-	N/A	N/A
	(c)	(Noncurrent Liabilities)	$(3,015,674)	N/A	N/A
	(d)	Total Net Asset (Liability): (a) + (b) + (c)	$(3,015,674)	N/A	N/A
(8)		Amount Recognized in Accumulated Other Comprehensive Income And Regulatory Asset Retirment Plans After applying FAS 158			
	(a)	Transition Obligation (Asset)	-	N/A	N/A
	(b)	Prior Service Cost (Credit)	$3,992,489	N/A	N/A
	(c)	Net (Gain) or Loss	(2,737,600)	N/A	N/A
	(d)	Total	$1,254,889	N/A	N/A
(9)		Weighted Average Assumption at End of Year			
	(a)	Discount Rate	6.00%	5.90%	5.75%
	(b)	Rate of Compensation Increase	3.25%	3.15%	3.00%
	(c)	Mortality	GAM 83	GAM 83	GAM 83

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The following table provides the components of net periodic benefit cost for the plans for fiscal years 2006, 2005 and 2004:

Net Periodic Pension Costs

		Years Ended December 31, 2006	2005	2004
(1)	Service Cost	$1,225,495	$1,195,723	$1,084,564
(2)	Interest Cost	2,160,719	2,000,099	1,940,122
(3)	Expected Return on Plan Assets	(2,736,019)	(2,485,985)	(2,591,099)
(4)	Amortization of Transition Obligation/(Asset)	-	-	-
(5)	Amortization of Prior Service Cost	737,115	737,115	698,211
(6)	Amortization of Net (Gain) or Loss	-	-	-
(7)	Total FAS 87 Net Periodic Pension Cost	$1,387,310	$1,446,952	$1,131,798
(8)	FAS 88 Charges / (Credits)			
	(a) Curtailment	(97,858)	-	-
	(b) Total	(97,858)	-	
(9)	Total Net Periodic Pension Cost and Comprehensive Income	$1,289,452	$1,446,952	$1,131,798

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(10)	Weighted Average Assumptions				
	(a)	Discount Rate at Beginning of the Period	5.90%	5.75%	6.25%
	(b)	Expected Return on Plan Assets	8.50%	8.50%	8.50%
	(c)	Rate of Compensation Increase	3.15%	3.00%	3.50%

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Plan Assets

			Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets					
	(a)	Equity Securities	40%-60%	68%	67%	69%
	(b)	Debt Securities	25%-40%	30%	32%	30%
	(c)	Real Estate	5%-15%	0%	0%	0%
	(d)	Other	5%-15%	2%	1%	1%
	(e)	Total		100%	100%	100%

Expected Return on Plan Assets

The expected rate of return on plan assets is 8.5%. The Company expects 8.5% to fall within the 40 to 50 percentile range of returns on investment portfolios with asset diversification similar to that of the Pension Plan's target asset allocation.

Investment Policy and Strategy

The Company has established and maintains an investment policy designed to achieve a long-term rate of return, including investment income and appreciation, sufficient to meet the actuarial requirements of the Pension Plan. The Company seeks to accomplish its return objectives by investing in a diversified portfolio of equity, fixed income and cash securities seeking a balance of growth and stability as well as an adequate level of liquidity for pension distributions as they fall due. Plan assets are constrained such that no more than 10% of the portfolio will be invested in any one issue.

Cash Flows

(1)	Expected Contributions for Fiscal Year Ending December 31, 2007	
	(a) Expected Employer Contributions	$250,000
	(b) Expected Employee Contributions	-
(2)	Estimated Future Benefit Payments Reflecting Expected Future Service for the years ending December 31,	
	(a) 2007	$1,756,069
	(b) 2008	$1,839,843
	(c) 2009	$1,975,656
	(d) 2010	$2,092,003
	(e) 2011	$2,182,628
	(f) 2012 – 2016	$13,040,794
(3)	Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07	-

Other Accounting Items

		Years Ended December 31,		
		2006	2005	2004
(1)	Market-Related Value of Assets as of the Beginning of fiscal year	$32,936,666	$30,016,761	$31,222,154
(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	$ 0	$ 0	$ 0
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	10.80	10.95	10.95
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

B. Medical Plan

The Company sponsors a postretirement medical program. The medical plan is contributory with participants' contributions adjusted annually. The following tables provide required financial disclosures over the three-year period ended December 31, 2006:

Benefit Obligations and Funded Status

			Fiscal Year Ending		
			12/31/2006	12/31/2005	12/31/20
(1)	Change in Accumulated Postretirement Benefit Obligation				
	(a)	Accumulated Postretirement Benefit Obligation at the Beginning of the Year	$2,343,583	$1,925,254	$1,807,9
	(b)	Service Cost	59,982	100,054	70,3
	(c)	Interest Cost	105,483	127,312	106,0
	(d)	Actuarial (Gain) or Loss	(568,755)	282,812	32,6
	(e)	Benefits Paid	(117,459)	(135,166)	(119,0
	(f)	Change in Plan Provisions	-	-	
	(g)	Plan Participant's Contributions	42,519	43,317	27,2
	(h)	Accumulated Postretirement Benefit Obligation at the End of the Year	$1,865,353	$2,343,583	$1,925,2
(2)	Change in Plan Assets				
	(a)	Fair Value of Plan Assets at the Beginning of the Year	$ 0	$ 0	

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	(b)	Benefits Paid	(117,459)	(135,166)	(119,(
	(c)	Employer Contributions	74,940	91,849	91,'
	(d)	Plan Participant's Contributions	42,519	43,317	27,2
	(e)	Fair Value of Assets at the End of the Year	$ 0	$ 0	
(3)		Net Amount Recognized			
	(a)	Funded Status: (2)(e) - (1)(i)	$(1,865,353)	$(2,343,583)	$(1,925,2
(4)		Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
	(a)	Prepaid (Accrued) Benefit Cost	(2,057,833)	(1,942,393)	(1,763,9
	(b)	(Additional Liability due to an Unfunded ABO)	-	-	
	(c)	Intangible Asset	-	-	
	(d)	Net Asset (Liability): (a) + (b) + (c)	($2,057,833)	$(1,942,393)	$(1,763,9
	(e)	Charged to Accumulated Other Comprehensive Income:	-	-	
(5)		Adjustments Caused by Applying FAS 158			
	(a)	Increase in Net Asset (Liability): (3) – (4)(d)	192,480	N/A	
	(b)	Increase in charge to Accumulated Other Comprehensive Income:	(42,346)	N/A	
	(c)	Increase in charge to Regulatory Asset-retirement plans	(150,134)	N/A	
	(d)	Subtotal of Adjustments: (a) + (b) + (c)	$0	N/A	
(6)		Amounts Recognized in the Statement of Financial Position After applying FAS 158			
	(a)	Net Asset (Liability): (4)(d) +(5)(a)	(1,865,353)	(1,942,393)	(1,763,9
	(b)	Charge to Accumulated Other Comprehensive Income: (4)(e) + (5)(b)	(42,346)	-	
	(c)	Charge to Regulatory Asset-Retirement Plans (5)(c)	(150,134)	-	
(7)		Net Asset (Liability) Recognized in the Statement of Financial Position After Applying FAS 158			
	(a)	Noncurrent Assets	-	N/A	N/A
	(b)	(Current Liabilities)	(150,589)	N/A	N/A
	(c)	(Noncurrent Liabilities)	(1,714,764)	N/A	N/A
	(d)	Total Net Asset (Liability): (a) + (b) + (c)	$(1,865,353)	N/A	N/A
(8)		Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Asset After Applying FAS 158			
	(a)	Transition Obligation (Asset)	-	N/A	N/A
	(b)	Prior Service Cost (Credit)	-	N/A	N/A
	(c)	Net (Gain) or Loss	(192,480)	N/A	N/A
	(d)	Total	$(192,480)	N/A	N/A
(9)		Weighted Average Assumptions at the End of the Year			
	(a)	Discount Rate	6.00%	5.90%	5.75%
	(b)	Rate of Compensation Increase	N/A	N/A	N/A
	(c)	Mortality	GAM 83	GAM 83	GAM 83
(10)		Assumed Health Care Cost Trend Rates			
	(a)	Health Care Cost Trend Rate Assumed for Next Year	11.50%	9.00%	10.00%
	(b)	Ultimate Rate	5.00%	5.00%	5.00%
	(c)	Year that the Ultimate Rate is Reached	2014	2010	2010

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Net Periodic Postretirement Benefit Cost

		Years ended December 31,		
		2006	2005	2004
(1)	Service Cost	$59,982	$100,054	$70,300
(2)	Interest Cost	105,483	127,312	106,079
(3)	Amortization of Transition Obligation/(Asset)	42,896	42,896	42,896
(4)	Amortization of Prior Service Cost	-	-	-
(5)	Amortization of Net (Gain) or Loss	(17,981)	-	(8,666)
(6)	Total Net Periodic Benefit Cost	$190,380	$270,262	$210,609
(7)	Weighted Average Assumptions			
	(a) Discount Rate	5.90%	5.75%	6.25%
	(b) Expected Return on Plan Assets	N/A	N/A	N/A
	(c) Rate of Compensation Increase	N/A	N/A	N/A
(8)	Assumed Health Care Cost Trend Rates			
	(a) Health Care Cost Trend Rate Assumed for Current Year	12.50%	10.00%	12.00%
	(b) Ultimate Rate	5.00%	5.00%	5.00%
	(c) Year that the Ultimate Rate is Reached	2014	2010	2010

Expected Amortizations

		Years ended December 31,		
		2007	2006	2005
(1)	Expected Amortization of Transition Obligation (Asset)	-	N/A	N/A

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(2)	Expected Amortization of Prior Service Cost (Credit)	-	N/A	N/A
(3)	Expected Amortization of Net Loss (Gain)	$(536)	N/A	N/A

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(9)	Impact of One-Percentage-Point Change in Assumed Health Care Cost Trend Rates	**Increase**	**Decrease**
(a)	Effect on Service Cost + Interest Cost	$20,533	$(17,812)
(b)	Effect on Postretirement Benefit Obligation	$203,809	$(179,005)

Plan Assets

		Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets				
(a)	Equity Securities	N/A	N/A	N/A	N/A
(b)	Debt Securities	N/A	N/A	N/A	N/A
(c)	Real Estate	N/A	N/A	N/A	N/A
(d)	Other	N/A	N/A	N/A	N/A
(e)	Total	N/A	N/A	N/A	N/A

Cash Flows

(1) Expected Contributions for Fiscal Year Ending 12/31/2007

(a)	Expected Employer Contributions	$150,589
(b)	Expected Employee Contributions	$48,832

(2) Estimated Future Benefit Payments Reflecting Expected Future Service for the Fiscal Year(s) Ending

		Total	Medicare Part-D Reimbursement	Employee	Employer
(a)	12/31/2007	$199,421	$0	$48,832	$150,589
(b)	12/31/2008	$143,659	$8,266	$36,130	$99,263
(c)	12/31/2009	$146,580	$8,749	$36,535	$101,296
(d)	12/31/2010	$160,560	$9,504	$41,759	$109,297
(e)	12/31/2011	$199,681	$10,062	$51,049	$138,570
(f)	12/31/2012 – 12/31/2016	$1,407,957	$61,062	$350,375	$996,520

(3) Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07 $0

Other Accounting Items

		Years Ended December 31, 2006	2005	2004
(1)	Market-Related Value of Assets	N/A	N/A	N/A

(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	-	-	-
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	11.10	13.35	12.48
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

Voluntary Prescription Drug Coverage

Legislation enacted in December 2003 provides for the addition of voluntary prescription drug coverage under Medicare starting in 2006. The legislation also provides for a 28% tax-free subsidy for each qualified covered retiree's drug cost between certain thresholds if the employer's coverage is at least actuarially equivalent to the standard Medicare drug benefit. Based on the final regulations issued by the Centers for Medicare and Medicaid Services on January 21, 2005, we determined our prescription drug coverage of the Postretirement Medical Benefits plan to be actuarially equivalent to Medicare Part D.

Discount Rate Assumption

The discount rate assumption used to determine the postretirement benefit obligations is based on current yield rates in the double A bond market. The current year's discount rate was selected using a method that matches projected payouts from the plan with a zero-coupon double A bond yield curve. This yield curve was constructed from the underlying bond price and yield data collected as of the plan's measurement date and is represented by a series of annualized, individual discount rates with durations ranging from six months to thirty years. Each discount rate in the curve was derived from an equal weighting of the double A or higher bond universe, apportioned into distinct maturity groups. These individual discount rates are then converted into a single equivalent discount rate, which is then used for FAS discount purposes. To assure that the resulting rates can be achieved by a postretirement benefit plan, only bonds that satisfy certain criteria and are expected to remain available through the period of maturity of the plan benefits are used to develop the discount rate. Prior years' discount rate assumptions were set based on investment yields available on double A, long-term corporate bonds.

Actuarial Equivalent

In determining "Actuarial Equivalence," our plan's actuary, Aon Consulting, proprietary prescription drug pricing tool, Aon Rx, was used. This tool allowed us to determine the estimated Per Member Per Month (PMPM) prescription drug cost

for both the Company plan and the Medicare plan. The two PMPM's were adjusted for monthly retiree contributions. We assumed that 60% of the monthly combined medical and prescription drug retiree contribution for the Company plan applies towards prescription drugs.

Deleted: Because the subsidy is the same regardless of the cost sharing structure unless the plan is not "Actuarial Equivalent", in general a plan that has higher cost sharing would reduce their annual cost as a percentage greater than a plan would that has lower cost sharing.

C. Health Plan

In December 2003, the Company became fully insured for its employee and retiree's medical insurance. Net health care benefits paid by the Company for active employees were approximately $1.7 million in 2006, $1.6 million in 2005 and $1.5 million in 2004, excluding administrative and stop-loss insurance.

D. 401K Plan

The Company has discontinued eligibility to the defined benefit pension plan for all new hires, and replaced it with a new 401K match.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a Company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service. The expenses incurred in 2005 and 2006 relating to the Company's 401K plan are not material.

E. Employee Stock Purchase Plan

The Company offers an employee stock purchase plan to substantially all of its employees. The plan offers a 15% discount on the Company's stock at market price fixed six months prior to the date of purchase. The recorded stock compensation expense relating to the Company's employee stock purchase plan is not material.

13. Segment Information

The Company is organized into two regulated business segments: natural gas and electric, and one non-regulated business segment, propane gas. There are no material inter-segment sales or transfers.

Identifiable assets are those assets used in the Company's operations in each business segment. Common assets are principally cash and overnight investments, deferred tax assets and common plant.

Business segment information for 2006, 2005 and 2004 is summarized as follows:

(Dollars in thousands)	2006	2005	2004
Revenues			
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910

Propane gas	14,727	13,479	11,167
Consolidated	$ 134,235	$ 130,023	$ 110,039
Operating income, excluding income tax			
Natural gas	$ 6,118	$ 6,049	$ 4,978
Electric	3,137	3,502	3,353
Propane gas	1,074	1,086	655
Consolidated	$ 10,329	$ 10,637	$ 8,986
Identifiable assets			
Natural gas	$ 93,689	$ 96,106	$ 87,729
Electric	52,251	51,317	48,687
Propane gas	19,239	19,567	15,731
Common	15,976	15,676	18,356
Consolidated	$ 181,155	$ 182,666	$ 170,503
Depreciation and amortization			
Natural gas	$ 4,095	$ 3,928	$ 2,752
Electric	2,610	2,404	2,323
Propane gas	720	621	560
Common	317	313	265
Consolidated	$ 7,742	$ 7,266	$ 5,900
Construction expenditures			
Natural gas	$ 7,643	$ 6,357	$ 5,314
Electric	3,184	3,775	6,793
Propane gas	1,885	2,133	1,339
Common	404	176	285
Consolidated	$ 13,116	$ 12,441	$ 13,731
Income tax expense			
Natural gas	$ 1,336	$ 1,283	$ 843
Electric	577	666	565
Propane gas	136	245	130
Common	246	93	77
Consolidated	$ 2,295	$ 2,287	$ 1,615

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14. Quarterly Financial Data (Unaudited)

The quarterly financial data presented below reflects the influence of seasonal weather conditions, the timing of rate increases and the migration of winter residents and tourists to Central and South Florida during the winter season. Significant increases in the fourth quarter of 2005 expenses relate to the performance of previously delayed expenditures from previous quarters.

(Dollars in thousands, except per share amounts):	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2006				
Revenues	$ 43,348	$ 29,878	$ 29,415	$ 31,594
Gross profit	$ 14,135	$ 11,402	$ 10,867	$ 11,860
Operating income	$ 4,528	$ 2,065	$ 1,488	$ 2,248
Earnings before income taxes	$ 3,507	$ 1,162	$ 609	$ 1,281

Net Income	$ 2,221	$ 738	$ 475	$ 830
Earnings per common share (basic and diluted):				
Continuing operations	$ 0.37	$ 0.12	$ 0.08	$ 0.14
2005				
Revenues	$ 35,438	$ 28,329	$ 29,190	$ 37,066
Gross profit	$ 13,619	$ 10,963	$ 10,374	$ 12,263
Operating income	$ 4,684	$ 2,215	$ 1,578	$ 2,160
Earnings before income taxes	$ 3,711	$ 1,205	$ 573	$ 1,046
Net Income	$ 2,353	$ 851	$ 260	$ 784
Earnings per common share (basic and diluted):				
Continuing operations	$ 0.40	$ 0.14	$ 0.04	$ 0.13

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Directors and Shareholders of FPU:

We have audited the accompanying consolidated balance sheets and statements of capitalization of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation as of December 31, 2006 and 2005 and the related consolidated statements of income, comprehensive income, common shareholders' equity and cash flows for each of the three years in the period ended December 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedules, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation at December 31, 2006 and 2005, and the results of its operation and its cash flows for each of the three years in the period ended December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

BDO Seidman, LLP
Certified Public Accountants
West Palm Beach, Florida
March 13, 2007

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Deleted: We have also audited the schedule listed in the accompanying index.

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

Disclosure Controls and Procedures
Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2006, our disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting
No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended December 31, 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None

PART III

Item 10. Directors and Executive Officers of the Registrant

Information required by this item concerning directors and nominees of the Registrant will be included under the caption "Information About Nominees and Continuing Directors" in the Registrant's Proxy Statement for the 2007 Annual Meeting of Shareholders (the "2007 Proxy Statement") and is incorporated by reference herein. Information required by this item regarding the Audit Committee will be included under the caption "Board of Directors and Committees" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding the Code of Ethics will be included under the caption "Code of Ethics" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding compliance with Section 16(a) of the Exchange Act will be set forth in the 2007 Proxy Statement under "Section 16(a) Beneficial Ownership Reporting Compliance" and is incorporated by reference herein. Information required by this Item concerning executive officers is set out in Part I of this Form 10-K, above.

Item 11. Executive Compensation

Information required by this Item concerning executive compensation is included under the captions "Board of Directors and Committees", "Executive Compensation", and "Compensation Committee Interlocks and Inside Participation" in the 2007 Proxy Statement is incorporated by reference herein.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required by this Item concerning the security ownership of certain of the Registrant's beneficial owners and management is included under the caption "Security Ownership of Management and Certain Beneficial Owners" in the 2007 Proxy Statement and is incorporated by reference herein. See Item 5 above for equity compensation plan information, which is incorporated by reference herein.

Item 13. Certain Relationships and Related Transactions

None.

Item 14. Principal Accountant Fees and Services

Information required by this Item is set forth in the Registrant's 2007 Proxy Statement under the caption "Principal Accountant Fees and Services" and is incorporated by reference herein.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of this report:

(1) Financial Statements
The following consolidated financial statements of the Company are included herein and in the Registrant's 2006 Annual Report to Shareholders:

Consolidated Statements of Income
Consolidated Statements of Comprehensive Income
Consolidated Balance Sheets
Consolidated Statements of Capitalization
Consolidated Statements of Common Shareholders' Equity
Consolidated Statements of Cash Flows
Notes to Consolidated Financial Statements
Report of Independent Registered Public Accounting Firm

(2) Financial Statement Schedules
The following valuation and qualifying accounts table is included in Note 1.H. herein and in the Registrant's 2006 Annual Report to Shareholders:

Allowance for Doubtful Accounts

(3) Exhibits

3(i)	Amended Articles of Incorporation (Incorporated herein by reference as Exhibit 3(i) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)
3(ii)	Amended By-Laws (Incorporated herein by reference as Exhibit 3(ii) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)
4(a)	Indenture of Mortgage and Deed of Trust of FPU dated as of September 1, 1942 (Incorporated by reference herein to Exhibit 7-A to Registration No. 2-6087)
4(b)	Fourteenth Supplemental Indenture dated September 1, 2001. (Incorporated by reference to exhibit 4(b) on FPU's annual report on Form 10-K for the year ended December 31, 2001)
4(c)	Fifteenth Supplemental Indenture dated November 1, 2001. (Incorporated by reference to exhibit 4(c) on FPU's annual report on Form 10-K for the year ended December 31, 2001)

10(a)	First Amendment to Amended and Restated Loan Agreement and Promissory Note between FPU and Bank of America dated August 25, 2006. (Incorporated by reference to exhibit 10(2) on FPU's Form 10-Q for third quarter ending September 30, 2006, File No. 001-10608)
10(b)	Contract for the transportation of natural gas between FPU and the City of Lake Worth dated March 25, 1992 (Incorporated by reference to exhibit 10(f) on FPU's Form S-2 for July 1992, File No. 0-1055)
10(c)	Contract for the purchase of electric power between FPU and Jacksonville Electric Authority dated January 29, 1996. (Incorporated by reference to exhibit 10(h) on FPU's annual report on Form 10-K for the year ended December 31, 2000)
10(d)	Contract for the purchase of electric power between FPU and Gulf Power Company effective November 21, 1996. (Incorporated by reference to exhibit 10(i) on FPU's annual report on Form 10-K for the year ended December 31, 2000)
10(e)	Contract for the purchase of as-available capacity and energy between FPU and Container Corporation of America dated September 19, 1985 (Incorporated by reference to exhibit 10(i) on FPU's Form S-2 for July 1992, File No. 0-1055)
10(f)	Contract for the sale of electric service between FPU and Container Corporation of America dated August 26, 1982 (Incorporated by reference to exhibit 10(j) on FPU's Form S-2 for July 1992, File No. 0-1055)
10(g)	Contract for the sale of electric service between FPU and ITT Rayonier Inc. Dated April 1, 1982 (Incorporated by reference to exhibit 10(k) on FPU's Form S-2 for July 1992, File No. 0-1055)
10(h)	Form of Stock Purchase and Sale Agreement between FPU and three persons who, upon termination of two trusts, will become the record and beneficial owners of an aggregate of 313,554 common shares of the Registrant (Incorporated by reference to exhibit 10(p) on FPU's Form S-2 for July 1992, File No. 0-1055)
10(i)	Contract for the sale of certain assets comprising FPU's water utility business to the City of Fernandina Beach dated December 3, 2002. (Incorporated by reference to exhibit 10(o) on FPU's annual report on Form 10-K for the year ended December 31, 2002)
10(j)	Transportation agreement between FPU and the City of Lake Worth (Incorporated by reference to exhibit 99.2 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)
10(k)	A Mutual Release agreement, as of March 31, 2003, by and between FPU, Lake Worth Generation, LLC, The City of Lake Worth, and The AES Corporation. (Incorporated by reference to exhibit 99.3 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)

10(l)	Amended and Restated loan agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(n) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(m)	Security agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(o) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(n) #	Non-Employee Director Compensation Plan, approved by Board of Directors on March 18, 2005. (Incorporated by reference as exhibit 10(p) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(o)	Amendment to Electric Service Contract by and between JEA and FPU dated September 25, 2006, effective January 1, 2007. (Incorporated by reference as Exhibit 10.1 to our Form 10-Q, for the quarter ending September 30, 2006, File No. 001-10608)
10(p) #	Employment Agreement between the Company and John T. English dated March 31, 2006 (Incorporated by reference as Exhibit 10.1 to our Form 8-K, filed on March 31, 2006)
10(q) #	Employment Agreement between the Company and Charles L. Stein dated March 31, 2006 (Incorporated by reference as Exhibit 10.2 to our Form 8-K, filed on March 31, 2006)
10(r) #	Employment Agreement between the Company and George M. Bachman dated March 31, 2006 (Incorporated by reference as Exhibit 10.3 to our Form 8-K, filed on March 31, 2006)
10(s) *	Contract for the Agreement for Generation Services by and between FPU and Gulf Power Company dated December 28, 2006, effective January 1, 2008
14	Ethics Policy (Incorporated by reference to exhibit 99.3 on FPU's Form 10-K, filed March 30, 2004 File No. 001-10608)
16	Change in certifying accountants (Incorporated herein by reference as exhibit 16 to FPU's current report on Form 8-K, filed April 18, 2003)
21	Subsidiary of the registrant (Incorporated by reference to exhibit 21 on FPU's annual report on Form 10-K, for the year ended December 31, 2000)
23	Independent Registered Public Accounting Firm's Consent BDO Seidman LLP
31.1	Certification of Principal Executive Officer (302)
31.2	Certification of Principal Financial Officer (302)

32	Certification of Principal Executive Officer and Principal Financial Officer (906)

# Denotes management contract or compensatory plan or arrangement

* Confidential treatment is being requested for a portion of this agreement

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FLORIDA PUBLIC UTILITIES COMPANY

/s/ George M Bachman
George M Bachman, Chief Financial Officer
(Duly Authorized Officer)

Date: **March 15, 2007**

Each person whose signature appears below hereby constitutes and appoints John T. English, Chief Executive Officer and President, and George M. Bachman, Chief Financial Officer, and each of them, the true and lawful attorneys-in-fact and agents of the undersigned, with full power undersigned, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and hereby grants to such attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

/s/ John T. English Date: **March 15, 2007**
John T. English
Chairman of the Board, President, Chief Executive Officer, and Director (Principal Executive Officer)

/s/ George M. Bachman Date: **March 15, 2007**
George M Bachman, Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

/s/ Ellen Terry Benoit Date: **March 15, 2007**
Ellen Terry Benoit, Director

/s/ Richard C. Hitchins Date: **March 15, 2007**
Richard C. Hitchins, Director

/s/ Dennis S. Hudson III Date: **March 15, 2007**
Dennis S. Hudson III, Director

/s/ Paul L. Maddock, Jr. Date: **March 15, 2007**
Paul L. Maddock, Jr., Director

/s/ Troy W. Maschmeyer, Jr. Date: **March 15, 2007**
Troy W. Maschmeyer, Jr., Director

FLORIDA PUBLIC UTILITIES COMPANY
EXHIBIT INDEX

Regulation S-K Item Number	
10(s) *	Contract for the Agreement For Generation Services by and between FPU and Gulf Power Company dated December 28, 2006, effective January 1, 2008
23	Independent Registered Public Accounting Firm's Consent BDO Seidman LLP
31.1	Certification of Principal Executive Officer (302)
31.2	Certification of Principal Financial Officer (302)
32	Certification of Principal Executive Officer and Principal Financial Officer (906)

* Confidential treatment is being requested for a portion of this agreement

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Financial Accounting Standard Board Interpretation No. 47

In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. We adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

This Interpretation addresses the legal obligation to retire an asset when the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the Company. This Interpretation is effective no later than the end of fiscal years ending after December 15, 2005 (December 31, 2005 for calendar-year entities). We adopted FIN No. 47 as of January 1, 2006. The adoption of this Interpretation has not had an impact to our financial condition or results of operations.

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Financial Accounting Standard Board Interpretation No. 47

In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. The Company adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

This Interpretation addresses the legal obligation to retire an asset when the timing and (or) method of settlement are conditional on a

future event that may or may not be within the control of the Company. This Interpretation is effective no later than the end of fiscal years ending after December 15, 2005 (December 31, 2005 for calendar-year entities). We adopted FIN No. 47 as of January 1, 2006. The adoption of this Interpretation has not had an impact to our financial condition or results of operations.

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. The following table shows the number of shares issued under the Plan and the total aggregate consideration received:

Year	Shares	Consideration
2006	25,655	$ 287,000
2005	22,427	$ 236,000
2004	24,164	$ 220,000

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The following table shows the number of shares issued under the Plan and the total aggregate consideration received:

Year	Shares	Consideration
2006	13,972	$ 190,000
2005	14,456	$ 193,000
2004	18,513	$ 217,000

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Plan Participant Contributions

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Acquisition

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Settlement

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Special Termination Benefits		
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Plan Participant Contributions		
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Acquisition		
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Settlement		
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(b)		
Page 62: [13] Deleted	**Cheryl_Martin**	**3/12/2007 11:39:00 AM**
(Additional Liability due to an Unfunded ABO)		
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Intangible Asset		
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		,254,889
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Special Termination Benefits

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Other Changes in Plan Assets and Benefit Obligations Recognized as a Charge to Other Comprehensive Income

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(a)

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Prior Service Cost (Credit)

Page 63: [21] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

N/A

Page 63: [21] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

N/A

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N/A

Page 63: [22] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

(b)

Page 63: [22] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

Net (Gain) or Loss

Page 63: [22] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

N/A

Page 63: [22] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

N/A

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N/A

Page 63: [23] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

(c)

Page 63: [23] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

Amortization of Transition Obligation

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N/A

Page 63: [23] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

N/A

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N/A

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(d)

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Amortization of Prior Service Cost (Credit)

Page 63: [24] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

N/A

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Amortization of Net (Gain) or Loss

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N/A

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Page 63: [26] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

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Increase in Minimum Liability Included in OCI

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Page 63: [27] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

(g)

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Total: (a)+(b)+(c)+(d)+(e)+(f)

Page 63: [27] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

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Expected Return on Plan Assets

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Total FAS 106 Net Periodic Benefit Cost

Page 67: [29] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
		$190,380
Page 67: [29] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
		$270,262
Page 67: [29] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
		$210,609
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(8)		
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Other Charges / (Credits)		
Page 67: [31] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
(a)		
Page 67: [31] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
Settlement		
Page 67: [31] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
		$ 0
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		$ 0
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		$ 0
Page 67: [32] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
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(c)		
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Special Termination Benefits		
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Page 67: [33] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
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Page 67: [34] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
(d)		
Page 67: [34] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**
Total		
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$ 0

Page 67: [34] Deleted Cheryl_Martin 3/12/2007 11:44:00 AM

$ 0

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Page 67: [35] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

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Other Changes in Plan Assets and Benefit Obligations Recognized as a Charge to Other Comprehensive Income

Page 67: [36] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

(a)

Page 67: [36] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

Prior Service Cost (Credit)

Page 67: [36] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [36] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [36] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [37] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

(b)

Page 67: [37] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

Net (Gain) or Loss

Page 67: [37] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [37] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [37] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [38] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

(c)

Page 67: [38] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

Amortization of Transition Obligation

Page 67: [38] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [38] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [38] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [39] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

(d)

Page 67: [39] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

Amortization of Prior Service Cost (Credit)

Page 67: [39] Deleted Cheryl_Martin 3/12/2007 11:47:00 AM

N/A

Page 67: [39] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
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(e)

Page 67: [40] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
Amortization of Net (Gain) or Loss

Page 67: [40] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
N/A

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Page 67: [41] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
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Page 67: [41] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
Increase in Minimum Liability Included in OCI

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Page 67: [42] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
(g)

Page 67: [42] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
Total: (a)+(b)+(c)+(d)+(e)+(f)

Page 67: [42] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
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Total Recognized in Net Periodic Pension Cost and other Comprehensive Income: (9) + (10)(g)

Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
$190,380

Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
$270,262

Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
$210,609

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Back · Search · Folders

Address D:\Exhibit 2.8\KHOJASTEH

Folders
- Desktop
  - My Documen
    - + Adobe
    - + CCWin9
    - Corel Use
    - + CyberLink
    - My eBook
    - My Music
    - My Picture
    - RegBak
  - My Computer
    - + 3½ Flopp
    - + BIP3014 (
    - - ROXIO12
      - - Exhibit
        - BA(
        - CO
        - - KH(
        - + MA
        - ME:
    - + CLeider o
    - + Wp on 'Fp
    - + filings on
    - + Hg on 'Fp
    - + Db on 'Fp
    - + 123 on 'Fp
    - + Data on 'F
    - + transfer o
    - + Fp26dos (
    - + Bat on 'fp
    - + Public on
    - + Control Pa
  - My Network P

Files Currently on the CD

Name	Size	Type	Date Modified	Location
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW 10K.msg	1,592 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Analytical Comments.msg	139 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Balance Sheet (12).msg	43 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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Thursday, Apr 10, 2008 03:20 PM

Clara Leider

From: Joanah Ayroso [jayroso@bdo.com]
Sent: Thursday, March 15, 2007 4:00 PM
To: Martin Cheryl
Cc: Dale Buschmann; Khojasteh Mehrdad; Lundgren April
Subject: 10K correction

Hi Cheryl,

At page 43 of 10K Consolidated Statements of Common Shareholders' Equity, stock plans for 2006 should be 584. It is written as 854.

Thanks

JOWI
Joanah Marie Ayroso
Senior Associate
BDO Seidman, LLP
1601 Forum Place #904
West Palm Beach, FL 33401
Direct Line: (561) 207-3208
Office: (561) 688-1600
Fax: (561) 688-1848
Cell: (561) 340 9877

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Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Thursday, Apr 10, 2008 03:31 PM

Clara Leider

From: Lundgren April
Sent: Thursday, May 03, 2007 5:05 PM
To: 'Dale Buschmann'
Cc: Martin Cheryl; Khojasteh Mehrdad
Subject: 10q draft with revisions to date
Attachments: 1st quarter 10q.doc; 1st quarter 10q.doc

Files attached!

Thank you,
April Lundgren
Sr. SEC Accountant
Florida Public Utilities Company
561.838.1788

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **March 31, 2007**

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to ____________

Commission File Number: **001-10608**

FLORIDA PUBLIC UTILITIES COMPANY
(Exact name of registrant as specified in its charter)

Florida	**59-0539080**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

401 South Dixie Highway,
West Palm Beach, Fl. 33401
(561) 832-0872
(Address and telephone number of registrant's principal executive offices and principal place of business)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

On May 1, 2007, there were 6,028,828 shares of $1.50 par value common stock outstanding.

INDEX Number		**Page**
Part I.	**Financial Information**	

PART I - Financial Information

Item 1. Financial Statements

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(Dollars in thousands, except share data)

	Three Months Ended March 31, 2007	2006
Revenues		
Natural gas	$20,573	$26,954
Electric	13,358	11,696
Propane gas	4,681	4,698
Total revenues	38,612	43,348
Cost of Fuel and Other Pass Through Costs	24,769	29,213
Gross Profit	13,843	14,135
Operating Expenses		
Operation and maintenance	7,173	6,805
Depreciation and amortization	2,072	1,978
Taxes other than income taxes	860	824
Total operating expenses	10,105	9,607
Operating Income	3,738	4,528
Other Income and (Deductions)		
Merchandise and service revenue	915	1,226
Merchandise and service expenses	(810)	(1,185)
Other income	151	151
Interest expense	(1,167)	(1,213)
Total other deductions – net	(911)	(1,021)
Earnings Before Income Taxes	2,827	3,507
Income Taxes	(1,029)	(1,286)
Net Income	1,798	2,221
Preferred Stock Dividends	7	7
Earnings For Common Stock	$1,791	$2,214
(Basic and Diluted):		
Earnings Per Common Share	$0.30	$0.37
Dividends Declared Per Common Share	$0.1075	$0.1033
Average Shares Outstanding	6,024,739	5,980,037

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Dollars in thousands)

ASSETS	March 31, 2007	December 31, 2006
Utility plant	$191,633	$188,968
Less Accumulated depreciation	61,114	59,757
Net utility plant	130,519	129,211
Current Assets		
Cash	2,073	84
Accounts receivable	12,947	12,199
Allowance for doubtful accounts	(426)	(429)
Unbilled receivables	1,684	1,957
Notes receivable-current portion	288	298
Inventories (at average unit cost)	3,883	4,120
Prepaid expenses	692	963
Under-recovery of fuel costs	1,010	862
Deferred income taxes-current	319	130
Total current assets	22,470	20,184
Other Assets		
Investments held for environmental costs	3,375	3,364
Regulatory assets-environmental	8,121	8,284
Regulatory assets-storm reserve	207	270
Regulatory assets – retirement plans	587	587
Long-term receivables and other investments	5,472	5,740
Deferred charges	6,380	6,496
Goodwill	2,405	2,405
Intangible assets (net)	4,366	4,405
Total other assets	30,913	31,551
Total Assets	$183,902	$180,946

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

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FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Dollars in thousands)

CAPITALIZATION AND LIABILITIES	March 31, 2007	December 31, 2006
Capitalization		
Common shareholders' equity	$48,935	$47,572
Preferred stock	600	600
Long-term debt	50,723	50,702
Total capitalization	100,258	98,874
Current Liabilities		
Line of credit	2,215	3,466
Accounts payable	9,483	10,279
Insurance accrued	110	181
Interest accrued	1,208	789
Other accruals and payables	2,133	2,185
Taxes accrued	3,389	1,180
Over-earnings liability	675	722
Over-recovery of fuel costs and other	4,210	4,011
Customer deposits	10,152	9,608
Total current liabilities	33,575	32,421
Other Liabilities		
Deferred income taxes	16,704	17,148
Environmental liability	13,728	13,753
Regulatory liability-storm reserve	1,667	1,636
Regulatory liabilities-other	9,830	9,676
Other liabilities	8,140	7,438
Total other liabilities	50,069	49,651
Total Capitalization and Liabilities	$183,902	$180,946

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(Dollars in thousands)

	Three Months Ended March 31, 2007	2006
Net cash provided by operating activities	$6,416	$11,174
Investing Activities		
Construction expenditures	(3,087)	(3,265)
Proceeds received on notes receivable	87	296
Other	346	148
Net cash used in investing activities	(2,654)	(2,821)
Financing Activities		
Net decrease in short-term borrowings	(1,251)	(6,115)
Dividends paid	(653)	(1,248)
Other increases	131	163
Net cash used in financing activities	(1,773)	(7,200)
Net increase in cash	1,989	1,153
Cash at beginning of period	84	695
Cash at end of period	$2,073	$1,848

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

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FLORIDA PUBLIC UTILITIES COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
March 31, 2007

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments necessary for fair presentation have been included. The operating results for the period are not necessarily indicative of the results that may be expected for the full year. For further information, refer to the audited consolidated financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2006.

2. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include allowances, accruals for pensions, environmental liabilities, liability reserves, regulatory deferred tax liabilities, unbilled revenue and over-earnings liability. Actual results may differ from these estimates.

3. Regulation

The financial statements are prepared in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 71 – "Accounting for the Effects of Certain Types of Regulation". SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. A regulated utility may defer recognition of a cost (a regulatory asset) or show recognition of an obligation (a regulatory liability) if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in revenues. The Company has recognized certain regulatory assets and liabilities in the condensed consolidated balance sheets.

As a result, Florida Public Service Commission (FPSC) regulation has a significant effect on the Company's results of operations. The FPSC approves rates that are intended to permit a specified rate of return on investment. Rate tariffs allow the flexibility of automatically passing through the cost of natural gas and electricity to customers. Increases in the operating expenses of the regulated segments may require a request for increases in the rates charged to customers.

4. Pledged Assets

Substantially all of the Company's utility plant and the shares of its wholly owned subsidiary, Flo-Gas Corporation, collateralize the Company's First Mortgage Bonds (long-term debt). Cash, accounts receivable and inventory are collateral for the line of

credit.

5. **Restriction on Dividends**
The Company's Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At March 31, 2007, approximately $10.1 million of retained earnings were free of such restriction and available for the payment of dividends. The Company's line of credit agreement contains covenants that, if violated, could restrict or prevent the payment of dividends. The Company is not in violation of these covenants.

6. **Allowance for Doubtful Accounts**
The Company records an allowance for doubtful accounts based on historical information and trended current economic conditions. The bad debt write-offs for the first quarter 2007 were $177,000 while the provisions for doubtful accounts were $174,000.

7. **Storm Reserves**
As of March 31, 2007, the Company had a storm reserve of approximately $1.7 million for the electric segment. The Company does not have a storm reserve for the natural gas or propane gas segments. Any future storm costs affecting the natural gas segment will be recovered from customers either through rate increases or through applying any available over-earnings as a reduction to the costs. All such deferred costs are subject to review and approval by the FPSC.

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The Company deferred storm costs for the natural gas segment incurred in 2004 as a regulatory asset on the condensed consolidated balance sheets. The FPSC approved recovery of these storm costs, plus interest and revenue related taxes, over a 30-month period beginning in November 2005. As of March 31, 2007, the remaining balance of these storm costs to be recovered is $207,000.

8. **Goodwill and Other Intangible Assets**
The Company does not amortize goodwill or intangibles with indefinite lives. The Company periodically tests the applicable reporting segments, natural gas and propane gas, for impairment. In the event goodwill or intangible assets related to a segment are determined to be impaired, the Company would write down such assets to fair value. The impairment test performed in 2006 showed no impairment for either reporting segment. The Company does not believe the 2007 impairment test will indicate impairment for either reporting segment. Final results are expected in the second quarter of 2007.

Goodwill associated with the Company's acquisitions consists of $500,000 in the natural gas segment and $1.9 million in the propane gas segment. The summary of intangible assets at March 31, 2007, is as follows:

Intangible Assets
(Dollars in thousands)

		2007
Customer distribution rights	(Indefinite life)	$ 1,900
Customer relationships	(Indefinite life)	900

Software	(Five to nine year life)	3,169
Accumulated amortization		(1,603)
Total intangible assets, net of amortization		$ 4,366

The amortization expense of intangible assets was approximately $86,000 for the three months ended March 31, 2007.

9. **Common Shareholders' Equity**
Items impacting common shareholders' equity other than income and dividends are the dividend reinvestment program, employee stock purchase program, stock compensation plans and treasury stock. The net impact of these additional items increased common shareholders' equity approximately $220,000 for the three months ended March 31, 2007.

10. **Over-earnings – Natural Gas Segment**
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. The Company has agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

The Company has recorded estimated 2006 and 2005 over-earnings for regulated natural gas operations of $25,000 and $650,000, respectively. These liabilities are included in the over-earnings liability on the Company's condensed consolidated balance sheet of March 31, 2006. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

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The 2005 and 2006 over-earnings liabilities are based on the Company's best estimates, but the amounts could change upon the FPSC finalization and review of earnings expected in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, increasing storm damage or environmental reserves or reducing any depreciation reserve deficiency.

11. **Environmental Contingencies**
The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. For full disclosure of the legal items that impact the Company, please refer to "Contingencies" in the Notes to Consolidated Financial Statements in the Company's Form 10-K for the year ended December 31, 2006.

12. **Reclassification**
Certain amounts in the 2006 financial statements have been reclassified to conform to the 2007 presentation.

13. **IRS Examination**
In February of 2007, the IRS informed us that it has selected our 2003 and 2004 tax

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years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we do not expect any material adverse findings as the result of the impending IRS audit.

14. Recent Accounting Standards

Financial Accounting Standard No. 159

In February 2007, the Financial Accounting Standards Board (FASB) issued Statement No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, non-financial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company expects to adopt SFAS No. 159 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

We have three primary business segments: natural gas, electric and propane gas. The Florida Public Service Commission (FPSC) regulates the natural gas and electric segments.

Effects of seasonal weather conditions, the timing of rate increases, fluctuations in demand due to the cost of fuel passed on to customers and the migration of winter residents and tourists to Florida during the winter season all have an impact on income.

Results of Operations

Revenues and Gross Profit Summary

Revenues include cost recovery revenues. The FPSC allows cost recovery revenues to directly recover costs of fuel, conservation and revenue-based taxes in our natural gas and electric segments. Revenues collected for these costs and expenses have no effect on results of operations and fluctuations could distort the relationship of revenues between periods. Gross profit is defined as gross operating revenues less fuel, conservation and revenue-based taxes that are passed directly through to customers. Because gross profit eliminates these cost recovery revenues, we believe it provides a more meaningful basis for evaluating utility revenues. The following summary compares gross profit between periods and units sold in one thousand Dekatherm (MDth) (gas) and Megawatt Hour (MWH) (electric).

Revenues and Gross Profit

(Dollars and units in thousands)	Three Months Ended	
	2007	**2006**
Natural Gas		
Revenues	**$20,573**	**$26,954**
Cost of fuel and other pass through costs	12,522	18,555
Gross Profit	**$ 8,051**	**$ 8,399**
Units sold: (MDth)	1,840	1,946
Electric		
Revenues	$13,358	$11,696
Cost of fuel and other pass through costs	**9,899**	**8,273**
Gross Profit	$ 3,459	$ 3,423
Units sold: (MWH)	**186**	**197**
Propane Gas		
Revenues	**$4,681**	**$4,698**
Cost of fuel	2,348	2,385
Gross Profit	**$2,333**	**$2,313**
Units sold: (MDth)	192	200
Consolidated		
Revenues	$38,612	$43,348
Cost of fuel	24,769	29,213

Gross Profit	$13,843	$14,135

Three Months Ended March 31, 2007 Compared with Three Months Ended March 31, 2006.

Revenues and Gross Profit

Natural Gas

Natural gas service revenues decreased $6,381,000 in the first quarter of 2007 over the same period in 2006. As the cost of natural gas continues to decline, revenues to recover our cost of fuel and other costs passed through to customers decreased by $6,033,000. Since these costs do not impact our gross profit, our gross profit decreased $348,000 or 4%. The decrease in gross profit is attributable to a 5% decrease in units sold in 2007 due primarily to generally warmer weather compared to the prior year.

Electric

Electric service revenues increased $1,662,000 in the first quarter of 2007 over the same period in 2006. $1,626,000 of the increase was attributable to the cost of fuel and other costs that were passed through to customers. A new fuel contract in our Northeast division was effective January 1, 2007 and this increased the cost of fuel that was passed through to our customers. Gross profit was flat compared to the first quarter of 2006.

Propane Gas

Propane gas revenues and gross profit did not significantly fluctuate in the first quarter of 2007 over the same period in 2006.

Operating Expenses

Operating expenses increased $498,000 or approximately 5% in the first quarter of 2007 compared to the same period in 2006. The inflationary impact on payroll accounts for the majority of our expense increase. Additionally, we outsourced our meter reading function in our natural gas segment to allow for additional focus on serving our customers and increasing our collection efforts which increased customer accounts expenses.

Other Income and Deductions

Although merchandise and service revenue decreased by $ 311,000 in the first quarter of 2007 compared to the same period last year, our profit increased by $64,000. We experienced a decrease in revenue mainly due to lower demand for merchandise as a result of the slow down of new construction projects in our areas due to a downturn in the housing market. Despite the decrease to our revenues, profitability rose due to a focus by our management on pricing structure.

The total interest expense decreased $46,000 as compared to the same period last year, due mainly to a decrease in the average outstanding balance on the line of credit.

Income Taxes

Income tax expense decreased in the first quarter of 2007 by $257,000 over the same period last year as a result of lower taxable income.

Liquidity and Capital Resources

Cash Flows

Operating Activities
Net cash flow provided by operating activities for the three months ended March 31, 2007 decreased by approximately $4.8 million over the same period in 2006. Previously over recovered fuel costs in 2006 and the following year's related reduction in fuel costs passed through to our customers accounted for a decrease in the current year's net cash flow of approximately $5.1 million compared to the prior year.

Investing Activities
Construction expenditures did not fluctuate significantly between the quarters; decreasing by approximately $178,000 compared to the same period last year.

Financing Activities
Decreases in cash flow used in financing activities were mostly attributable to reductions in short-term borrowings. In the first quarter of 2007 we paid down our line of credit by $1.3 million as compared to $6.1 million in the first quarter of 2006. The increase in fuel costs during the latter part of 2005 resulted in large fuel under-recoveries and therefore a higher dependence on short-term financing in the first quarter of 2006 compared to 2007.

Capital Resources

We have a $12 million line of credit (LOC), which expires on July 1, 2008. Upon 30 days notice by us we can increase the LOC to a maximum of $20 million. The LOC contains affirmative and negative covenants that, if violated, would give the bank the right to accelerate the due date of the loan to be immediately payable. The covenants include certain financial ratios. All ratios are currently within the required limits and management believes we are in full compliance with all covenants and anticipates continued compliance in the foreseeable future. We reserve $1 million of the LOC to cover expenses for any major storm repairs in our electric segment and an additional $250,000 for a letter of credit insuring propane facilities. As of March 31, 2007, the amount borrowed from the LOC was $2.2 million. At March 31, 2007, the LOC, long-term debt and preferred stock comprised 52% of total equity and debt capitalization.

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Our 1942 Indenture of Mortgage and Deed of Trust, which is a mortgage on all real and personal property, permits the issuance of additional bonds based upon a calculation of unencumbered net real and personal property. At March 31, 2007, such calculation would permit the issuance of approximately $39.8 million of additional bonds.

We have $3.4 million in invested funds for payment of future environmental costs. We expect to incur between $5.8 million and $19.1 million for expenses related to environmental clean up.

Capital Requirements
Portions of our business are seasonal and dependent on weather conditions in Florida. The weather affects the sale of electricity and gas, and thereby impacts the cash provided by operations. Construction costs also impact cash requirements throughout the year. Cash needs for operations and construction are met partially through short-term borrowings from our LOC.

We plan to purchase land for the construction of our South Florida division office within 3 years. The possible purchase of the land would increase construction expenditures by $4 to $6 million over the same period last year. Additionally, the construction expenditures for the remainder of 2007 are expected to increase due to the anticipated construction of an office building in Northeast Florida. The cost is expected to be approximately $750,000 with construction scheduled for completion in early 2008.

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The current south Florida division office is located on environmentally impacted property, which requires relocating the office to allow for clean up of the property. It will not be possible to rebuild at the current location since this site has been rezoned with a residential designation. The estimated cost of the land is $4 million to $6 million. We are planning to build and complete this new facility in the next five years.

Material commitments for capital expenditures consist of $775,000 for the purchase of a transformer and vehicle purchases totaling approximately $200,000.

Cash requirements are anticipated to increase significantly in the future due to additional environmental clean up costs, sinking fund payments on long-term debt and pension contributions. Environmental clean up costs are forecasted to be approximately $600,000 through 2007, with remaining payments which could total approximately $13.1 million, beginning in 2008. Annual long-term debt sinking fund payments of approximately $1.4 million will begin in 2008 and will continue for eleven years. Current projections indicate that we will need to make a contribution of $250,000 to our pension plan in 2007. Congress has finalized the new funding rules and we may have significant contribution requirements for several years beginning with 2008.

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Due to delayed environmental clean-up costs, we currently do not anticipate that any equity or debt financing in 2007 will be required. We believe that cash from operations, coupled with short-term borrowings on the LOC, will be sufficient to satisfy our operating expenses, normal capital expenditure requirements and dividend payments through spring of 2008. However, cash requirements are forecasted to increase significantly in the future due to our environmental clean up costs, a land purchase, and sinking fund payments on long-term debt and pension contributions. If cash needs relating to the land purchase and related construction and the timing of environmental expenditures change, it is possible we may consider equity or debt financing in 2008. The need and timing will depend upon the overall company cash flow requirements. There can be no assurance, however, that equity or debt financing will be available on favorable terms, or at all, in 2008 or later years when we seek such financings.

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Outlook

Electric Power Supply

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Contracts with our two electric suppliers were originally set to expire on December 31, 2007. Those contracts provided electricity to our customers at rates much lower than market rates. As part of our negotiations, we agreed to end the current contract terms for our Northeast division on December 31, 2006 and executed an amended contract that began January 1, 2007 and will expire December 31, 2017. Although the contract rates have increased for 2007, this enabled us to obtain lower rates for the longer term of the contract than would have been available if we had not revised the contract. The savings are passed through to our customers without profit to us.

We executed a contract for the provider of electricity in our Northwest division in December 2006 and are seeking approval of this contract and its related terms and conditions from the FPSC on or before July 1, 2007. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division. This contract will be for the purchase of electricity beginning January 1, 2008. We anticipate that contract will result in rates closer to market, which could cause our customers' bills to double over existing prices in the next several years.

We are unable to estimate what impact, if any, the higher rates could have on electric consumption.

Propane Gas

We continue to review the possibility of hedging activities later in 2007 to help mitigate the risk of price changes for our cost of propane gas. We are unable to determine the impact this activity will have on our future operating income.

We used advance purchase agreements made in the normal course of procuring propane gas supplies in past years. These agreements resulted in a loss of gross profit of approximately $5,000 in 2006 and additional gross profit of approximately $383,000 in 2005.

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Over-earnings-Natural Gas Segment

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We originally estimated 2006 over-earnings for regulated natural gas operations of $72,000. The 2006 over-earnings estimate was revised in 2007 to be $25,000. We originally estimated 2005 over-earnings for regulated natural gas operations of $700,000. The 2005 over-earnings estimate was revised in 2006 to be $650,000. These liabilities have been included in the over-earnings liability on our balance sheet. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

Our 2005 and 2006 estimates of our over-earnings liabilities could change upon the FPSC finalization and review of our earnings in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

In 2007, we requested that the 2005 natural gas over-earnings be used to provide additional funds to our regulatory storm reserve liability and reduce the costs currently being recovered from our customers through a storm surcharge. If the FPSC approves this disposition, we will end the storm surcharge later in 2007.

Indiantown Gas

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The FPSC approved our joint transportation and territorial agreements with Indiantown in October 2006. We have also begun construction in the Indiantown area to install natural gas mains in the first phase of this development for approximately 100 homes. The next two developments are slated to break ground later in 2007 for construction of approximately 1,000 homes.

Land Purchase

We have entered into an agreement to purchase land for the new South Florida division office. We are in the process of completing a due diligence on this property and expect to finalize this phase and close during the second quarter of 2007.

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New Division Office

We are planning to build a new operations center for our Northeast division on land we are currently own. We are in the process of developing and finalizing the building plans, and expect to begin construction sometime in 2007. The cost is expected to be $750,000 and should be completed in early 2008.

Storm Related Expenditures

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Regulators continue to focus on hurricane preparedness and storm recovery issues for utility companies. Newly mandated storm preparedness initiatives could impact our operating expenses and capital expenditures later in 2007. The initial forecasts of these annual expenditures are approximately $700,000. It is possible that additional regulation and rules will be mandated regarding storm related expenditures over the next several years. We requested that the FPSC allow us to recover the cost of the newly mandated storm preparedness initiatives and to defer these storm-related expenditures until we receive recovery through a rate increase. If approved, both the recovery and expenditures may occur by mid-2007. If these expenditures are approved for rate recovery in 2007, these rates would be temporary until final rates were implemented as a result of an electric base rate proceeding.

Electric Base Rate Proceeding

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We plan to file a request with the FPSC in the third quarter of 2007 for a base rate increase in our electric segment. This request will include recovery of increased expenses and capital expenditures since our last rate proceeding in 2004, as well as additional storm-related expenditures as discussed above. Finalization of this request and approval, if any, of an electric base rate increase would not occur until early 2008. Possible interim rate relief for partial recovery of the increased expenditures may occur in late 2007.

Impact of Recent Accounting Standards

Financial Accounting Standard No. 159

In February 2007, the Financial Accounting Standards Board (FASB) issued Statement No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, nonfinancial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company expects to adopt SFAS No. 159 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Forward-Looking Statements (Cautionary Statement)

This report contains forward-looking statements including those relating to the following:

- Based on our current expectations for cash needs, including cash needs relating to the possible land purchase and related construction, we may choose to consider an equity or debt financing in 2007 or 2008.
- Our anticipation of continued compliance in the foreseeable future with our LOC covenants.
- Construction expenditures for the remainder of 2007 may increase by $4 to $6 million over the same period in 2006 if we are successful in negotiating the purchase of the land for our South Florida operations.
- Our expectation that cash requirements will increase significantly in the future due to environmental clean-up costs, sinking fund payment on long-term debt and pension contributions.
- Our belief that cash from operations, coupled with short-term borrowings on our LOC, will be sufficient to satisfy our operating expenses, normal construction expenditure and dividend payments through spring of 2008.
- Our 2006 and 2005 over-earnings liability in natural gas will materialize as estimated after the FPSC review and audit.
- We expect there will be no impairment of either reporting segment upon finalization of our impairment testing in 2007.
- We expect higher fuel costs beginning in 2008 for our Northwest electric divisions.
- The development in Indiantown will occur as estimated.
- Storm related expenditures may be necessary beginning in 2007 and the total cost may be significant. We may receive recovery for these expenditures.
- The purchase of land for our new South Florida division office may occur in 2007.

- We expect to file for an electric base rate increase in the third quarter of 2007 and finalization is expected in early 2008. Final rates, if approved by the FPSC, would not occur until 2008.
- We anticipate capital expenditures of approximately $750,000 for the construction of an office building in Northeast Florida. Construction will begin in 2007 and completed in early 2008.

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These statements involve certain risks and uncertainties. Actual results may differ materially from what is expressed in such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed by the forward-looking statements include, but are not limited to, those set forth in "Risk Factors" below and in our Form 10-K for the year ending December 31, 2006.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

All financial instruments held by us were entered into for purposes other than for trading. We have market risk exposure only from the potential loss in fair value resulting from changes in interest rates. We have no material exposure relating to commodity prices because under our regulatory jurisdictions, we are fully compensated for the actual costs of commodities (natural gas and electricity) used in our operations. Any commodity price increases for propane gas are normally passed through monthly to propane gas customers as the fuel charge portion of their rate.

None of our gas or electric contracts are accounted for using the fair value method of accounting. While some of our contracts meet the definition of a derivative, we have designated these contracts as "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

On a rolling four-quarter basis, we will purchase a "cap" on approximately one-third of our forecast propane volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane purchases. The remaining one-third will fluctuate with the market price. Our energy strategy allows us to participate in two-thirds of price declines but only one-third of price increases. As of March 31, 2007, we have not entered into any hedging activities. When we do enter into hedging activities, we will determine whether they meet the definition of normal sales and purchases and if not, we will determine whether we should use hedge accounting.

We have no exposure to equity risk, as we do not hold any equity instruments. Our exposure to interest rate risk is limited to investments held for environmental costs, the long-term notes receivable from the sale of our water division and short-term borrowings on the line of credit. The investments held for environmental costs are short-term fixed income debt securities whose carrying amounts are not materially different than fair value. The short-term borrowings were approximately $2.2 million at the end of March 2007. We do not believe we have material market risk exposure related to these instruments. The indentures governing our two first mortgage bond series outstanding contain "make-whole" provisions (pre-payment penalties that charge for lost interest), which render refinancing impracticable.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer as of March 31, 2007, concluded that our disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended March 31, 2007 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

No new risk factors have been identified outside of those included in our most recent Form 10-K for the year ending December 31, 2006. You should read the risk factors contained within the 10K in conjunction with this report.

Item 6. Exhibits

3.1 Amended Articles of Incorporation (incorporated herein by reference as Exhibit 3.1 to our quarterly report on Form 10-Q for the period ended June 30, 2002).

3.2 Amended By-Laws (incorporated herein by reference as Exhibit 3(ii) to our quarterly report on Form 10-Q for the period ended June 30, 2002).

4.1 Indenture of Mortgage and Deed of Trust of FPU dated as of September 1, 1942 (incorporated by reference herein to Exhibit 7-A to Registration No. 2-6087).

4.2 Fourteenth Supplemental Indenture dated September 1, 2001 (incorporated by reference to exhibit 4.2 on our annual report on Form 10-K for the year ended December 31, 2001).

4.3 Fifteenth Supplemental Indenture dated November 1, 2001 (incorporated by reference to exhibit 4.3 on our annual report on Form 10-K for the year ended December 31, 2001).

10.1 Amendment to Electric Service Contract by and between JEA and FPU dated September 25, 2006.

10.2 Amended Security Agreement and Promissory Note between FPU and Bank of America dated August 25, 2006.

31.1 Certification of Chief Executive Officer (CEO) per Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer (CFO) per Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certification of Principal Executive Officer and Principal Financial Officer per Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FLORIDA PUBLIC UTILITIES COMPANY
(Registrant)

Date: May 14, 2007

By: /s/ George M. Bachman
George M. Bachman
Chief Financial Officer
(Principal Accounting Officer)

FLORIDA PUBLIC UTILITIES COMPANY
EXHIBIT INDEX

Item Number

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32	Certification of Principal Executive Officer and Principal Financial Officer per Section 906 of the Sarbanes-Oxley Act of 2002.

Clara Leider

From: Lundgren April
Sent: Thursday, May 03, 2007 5:05 PM
To: 'Dale Buschmann'
Cc: Martin Cheryl; Khojasteh Mehrdad
Subject: 10q draft with revisions to date
Attachments: 1st quarter 10q.doc; 1st quarter 10q.doc

Files attached!

Thank you,
April Lundgren
Sr. SEC Accountant
Florida Public Utilities Company
561.838.1788

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **March 31, 2007**

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to _____________

Commission File Number: **001-10608**

FLORIDA PUBLIC UTILITIES COMPANY
(Exact name of registrant as specified in its charter)

Florida	**59-0539080**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

401 South Dixie Highway,
West Palm Beach, Fl. 33401
(561) 832-0872
(Address and telephone number of registrant's principal executive offices and principal place of business)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

On May 1, 2007, there were 6,028,828 shares of $1.50 par value common stock outstanding.

INDEX
Number **Page**

PART I - Financial Information

Item 1. Financial Statements

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(Dollars in thousands, except share data)

	Three Months Ended March 31, 2007	Three Months Ended March 31, 2006
Revenues		
Natural gas	$20,573	$26,954
Electric	13,358	11,696
Propane gas	4,681	4,698
Total revenues	38,612	43,348
Cost of Fuel and Other Pass Through Costs	24,769	29,213
Gross Profit	13,843	14,135
Operating Expenses		
Operation and maintenance	7,173	6,805
Depreciation and amortization	2,072	1,978
Taxes other than income taxes	860	824
Total operating expenses	10,105	9,607
Operating Income	3,738	4,528
Other Income and (Deductions)		
Merchandise and service revenue	915	1,226
Merchandise and service expenses	(810)	(1,185)
Other income	151	151
Interest expense	(1,167)	(1,213)
Total other deductions – net	(911)	(1,021)
Earnings Before Income Taxes	2,827	3,507
Income Taxes	(1,029)	(1,286)
Net Income	1,798	2,221
Preferred Stock Dividends	7	7
Earnings For Common Stock	$1,791	$2,214
(Basic and Diluted):		
Earnings Per Common Share	$0.30	$0.37
Dividends Declared Per Common Share	$0.1075	$0.1033
Average Shares Outstanding	6,024,739	5,980,037

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Dollars in thousands)

ASSETS	March 31, 2007	December 31, 2006
Utility plant	$191,633	$188,968
Less Accumulated depreciation	61,114	59,757
Net utility plant	130,519	129,211
Current Assets		
Cash	2,073	84
Accounts receivable	12,947	12,199
Allowance for doubtful accounts	(426)	(429)
Unbilled receivables	1,684	1,957
Notes receivable-current portion	288	298
Inventories (at average unit cost)	3,883	4,120
Prepaid expenses	692	963
Under-recovery of fuel costs	1,010	862
Deferred income taxes-current	319	130
Total current assets	22,470	20,184
Other Assets		
Investments held for environmental costs	3,375	3,364
Regulatory assets-environmental	8,121	8,284
Regulatory assets-storm reserve	207	270
Regulatory assets – retirement plans	587	587
Long-term receivables and other investments	5,472	5,740
Deferred charges	6,380	6,496
Goodwill	2,405	2,405
Intangible assets (net)	4,366	4,405
Total other assets	30,913	31,551
Total Assets	$183,902	$180,946

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Dollars in thousands)

CAPITALIZATION AND LIABILITIES	March 31, 2007	December 31, 2006
Capitalization		
Common shareholders' equity	$48,935	$47,572
Preferred stock	600	600
Long-term debt	50,723	50,702
Total capitalization	100,258	98,874
Current Liabilities		
Line of credit	2,215	3,466
Accounts payable	9,483	10,279
Insurance accrued	110	181
Interest accrued	1,208	789
Other accruals and payables	2,133	2,185
Taxes accrued	3,389	1,180
Over-earnings liability	675	722
Over-recovery of fuel costs and other	4,210	4,011
Customer deposits	10,152	9,608
Total current liabilities	33,575	32,421
Other Liabilities		
Deferred income taxes	16,704	17,148
Environmental liability	13,728	13,753
Regulatory liability-storm reserve	1,667	1,636
Regulatory liabilities-other	9,830	9,676
Other liabilities	8,140	7,438
Total other liabilities	50,069	49,651
Total Capitalization and Liabilities	$183,902	$180,946

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

(Dollars in thousands)

	Three Months Ended March 31, 2007	Three Months Ended March 31, 2006
Net cash provided by operating activities	$6,416	$11,174
Investing Activities		
Construction expenditures	(3,087)	(3,265)
Proceeds received on notes receivable	87	296
Other	346	148
Net cash used in investing activities	(2,654)	(2,821)
Financing Activities		
Net decrease in short-term borrowings	(1,251)	(6,115)
Dividends paid	(653)	(1,248)
Other increases	131	163
Net cash used in financing activities	(1,773)	(7,200)
Net increase in cash	1,989	1,153
Cash at beginning of period	84	695
Cash at end of period	$2,073	$1,848

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
March 31, 2007

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments necessary for fair presentation have been included. The operating results for the period are not necessarily indicative of the results that may be expected for the full year. For further information, refer to the audited consolidated financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2006.

2. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include allowances, accruals for pensions, environmental liabilities, liability reserves, regulatory deferred tax liabilities, unbilled revenue and over-earnings liability. Actual results may differ from these estimates.

3. Regulation

The financial statements are prepared in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 71 – "Accounting for the Effects of Certain Types of Regulation". SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. A regulated utility may defer recognition of a cost (a regulatory asset) or show recognition of an obligation (a regulatory liability) if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in revenues. The Company has recognized certain regulatory assets and liabilities in the condensed consolidated balance sheets.

As a result, Florida Public Service Commission (FPSC) regulation has a significant effect on the Company's results of operations. The FPSC approves rates that are intended to permit a specified rate of return on investment. Rate tariffs allow the flexibility of automatically passing through the cost of natural gas and electricity to customers. Increases in the operating expenses of the regulated segments may require a request for increases in the rates charged to customers.

4. Pledged Assets

Substantially all of the Company's utility plant and the shares of its wholly owned subsidiary, Flo-Gas Corporation, collateralize the Company's First Mortgage Bonds (long-term debt). Cash, accounts receivable and inventory are collateral for the line of

credit.

5. Restriction on Dividends

The Company's Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At March 31, 2007, approximately $10.1 million of retained earnings were free of such restriction and available for the payment of dividends. The Company's line of credit agreement contains covenants that, if violated, could restrict or prevent the payment of dividends. The Company is not in violation of these covenants.

6. Allowance for Doubtful Accounts

The Company records an allowance for doubtful accounts based on historical information and trended current economic conditions. The bad debt write-offs for the first quarter 2007 were $177,000 while the provisions for doubtful accounts were $174,000.

7. Storm Reserves

As of March 31, 2007, the Company had a storm reserve of approximately $1.7 million for the electric segment. The Company does not have a storm reserve for the natural gas or propane gas segments. Any future storm costs affecting the natural gas segment will be recovered from customers either through rate increases or through applying any available over-earnings as a reduction to the costs. All such deferred costs are subject to review and approval by the FPSC.

The Company deferred storm costs for the natural gas segment incurred in 2004 as a regulatory asset on the condensed consolidated balance sheets. The FPSC approved recovery of these storm costs, plus interest and revenue related taxes, over a 30-month period beginning in November 2005. As of March 31, 2007, the remaining balance of these storm costs to be recovered is $207,000.

8. Goodwill and Other Intangible Assets

The Company does not amortize goodwill or intangibles with indefinite lives. The Company periodically tests the applicable reporting segments, natural gas and propane gas, for impairment. In the event goodwill or intangible assets related to a segment are determined to be impaired, the Company would write down such assets to fair value. The impairment test performed in 2006 showed no impairment for either reporting segment. The Company does not believe the 2007 impairment test will indicate impairment for either reporting segment. Final results are expected in the second quarter of 2007.

Goodwill associated with the Company's acquisitions consists of $500,000 in the natural gas segment and $1.9 million in the propane gas segment. The summary of intangible assets at March 31, 2007, is as follows:

Intangible Assets
(Dollars in thousands)

		2007
Customer distribution rights	(Indefinite life)	$ 1,900
Customer relationships	(Indefinite life)	900

Software	(Five to nine year life)	3,169
Accumulated amortization		(1,603)
Total intangible assets, net of amortization		$ 4,366

The amortization expense of intangible assets was approximately $86,000 for the three months ended March 31, 2007.

9. Common Shareholders' Equity
Items impacting common shareholders' equity other than income and dividends are the dividend reinvestment program, employee stock purchase program, stock compensation plans and treasury stock. The net impact of these additional items increased common shareholders' equity approximately $220,000 for the three months ended March 31, 2007.

10. Over-earnings – Natural Gas Segment
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. The Company has agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

The Company has recorded estimated 2006 and 2005 over-earnings for regulated natural gas operations of $25,000 and $650,000, respectively. These liabilities are included in the over-earnings liability on the Company's condensed consolidated balance sheet of March 31, 2006. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

The 2005 and 2006 over-earnings liabilities are based on the Company's best estimates, but the amounts could change upon the FPSC finalization and review of earnings expected in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, increasing storm damage or environmental reserves or reducing any depreciation reserve deficiency.

11. Environmental Contingencies
The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. For full disclosure of the legal items that impact the Company, please refer to "Contingencies" in the Notes to Consolidated Financial Statements in the Company's Form 10-K for the year ended December 31, 2006.

12. Reclassification
Certain amounts in the 2006 financial statements have been reclassified to conform to the 2007 presentation.

13. IRS Examination
In February of 2007, the IRS informed us that it has selected our 2003 and 2004 tax

years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we do not expect any material adverse findings as the result of the impending IRS audit.

14. Recent Accounting Standards

Financial Accounting Standard No. 159

In February 2007, the Financial Accounting Standards Board (FASB) issued Statement No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, non-financial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company expects to adopt SFAS No. 159 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

We have three primary business segments: natural gas, electric and propane gas. The Florida Public Service Commission (FPSC) regulates the natural gas and electric segments.

Effects of seasonal weather conditions, the timing of rate increases, fluctuations in demand due to the cost of fuel passed on to customers and the migration of winter residents and tourists to Florida during the winter season all have an impact on income.

Results of Operations

Revenues and Gross Profit Summary

Revenues include cost recovery revenues. The FPSC allows cost recovery revenues to directly recover costs of fuel, conservation and revenue-based taxes in our natural gas and electric segments. Revenues collected for these costs and expenses have no effect on results of operations and fluctuations could distort the relationship of revenues between periods. Gross profit is defined as gross operating revenues less fuel, conservation and revenue-based taxes that are passed directly through to customers. Because gross profit eliminates these cost recovery revenues, we believe it provides a more meaningful basis for evaluating utility revenues. The following summary compares gross profit between periods and units sold in one thousand Dekatherm (MDth) (gas) and Megawatt Hour (MWH) (electric).

Revenues and Gross Profit

(Dollars and units in thousands)	Three Months Ended	
	2007	**2006**
Natural Gas		
Revenues	$20,573	$26,954
Cost of fuel and other pass through costs	12,522	18,555
Gross Profit	$ 8,051	$ 8,399
Units sold: (MDth)	1,840	1,946
Electric		
Revenues	$13,358	$11,696
Cost of fuel and other pass through costs	9,899	8,273
Gross Profit	$ 3,459	$ 3,423
Units sold: (MWH)	186	197
Propane Gas		
Revenues	$4,681	$4,698
Cost of fuel	2,348	2,385
Gross Profit	$2,333	$2,313
Units sold: (MDth)	192	200
Consolidated		
Revenues	$38,612	$43,348
Cost of fuel	24,769	29,213

Gross Profit	$13,843	$14,135

Three Months Ended March 31, 2007 Compared with Three Months Ended March 31, 2006.

Revenues and Gross Profit

Natural Gas

Natural gas service revenues decreased $6,381,000 in the first quarter of 2007 over the same period in 2006. As the cost of natural gas continues to decline, revenues to recover our cost of fuel and other costs passed through to customers decreased by $6,033,000. Since these costs do not impact our gross profit, our gross profit decreased $348,000 or 4%. The decrease in gross profit is attributable to a 5% decrease in units sold in 2007 due primarily to generally warmer weather compared to the prior year.

Electric

Electric service revenues increased $1,662,000 in the first quarter of 2007 over the same period in 2006. $1,626,000 of the increase was attributable to the cost of fuel and other costs that were passed through to customers. A new fuel contract in our Northeast division was effective January 1, 2007 and this increased the cost of fuel that was passed through to our customers. Gross profit was flat compared to the first quarter of 2006.

Propane Gas

Propane gas revenues and gross profit did not significantly fluctuate in the first quarter of 2007 over the same period in 2006.

Operating Expenses

Operating expenses increased $498,000 or approximately 5% in the first quarter of 2007 compared to the same period in 2006. The inflationary impact on payroll accounts for the majority of our expense increase. Additionally, we outsourced our meter reading function in our natural gas segment to allow for additional focus on serving our customers and increasing our collection efforts which increased customer accounts expenses.

Other Income and Deductions

Although merchandise and service revenue decreased by $ 311,000 in the first quarter of 2007 compared to the same period last year, our profit increased by $64,000. We experienced a decrease in revenue mainly due to lower demand for merchandise as a result of the slow down of new construction projects in our areas due to a downturn in the housing market. Despite the decrease to our revenues, profitability rose due to a focus by our management on pricing structure.

The total interest expense decreased $46,000 as compared to the same period last year, due mainly to a decrease in the average outstanding balance on the line of credit.

Income Taxes

Income tax expense decreased in the first quarter of 2007 by $257,000 over the same period last year as a result of lower taxable income.

Liquidity and Capital Resources

Cash Flows

Operating Activities

Net cash flow provided by operating activities for the three months ended March 31, 2007 decreased by approximately $4.8 million over the same period in 2006. Previously over recovered fuel costs in 2006 and the following year's related reduction in fuel costs passed through to our customers accounted for a decrease in the current year's net cash flow of approximately $5.1 million compared to the prior year.

Investing Activities

Construction expenditures did not fluctuate significantly between the quarters; decreasing by approximately $178,000 compared to the same period last year.

Financing Activities

Decreases in cash flow used in financing activities were mostly attributable to reductions in short-term borrowings. In the first quarter of 2007 we paid down our line of credit by $1.3 million as compared to $6.1 million in the first quarter of 2006. The increase in fuel costs during the latter part of 2005 resulted in large fuel under-recoveries and therefore a higher dependence on short-term financing in the first quarter of 2006 compared to 2007.

Capital Resources

We have a $12 million line of credit (LOC), which expires on July 1, 2008. Upon 30 days notice by us we can increase the LOC to a maximum of $20 million. The LOC contains affirmative and negative covenants that, if violated, would give the bank the right to accelerate the due date of the loan to be immediately payable. The covenants include certain financial ratios. All ratios are currently within the required limits and management believes we are in full compliance with all covenants and anticipates continued compliance in the foreseeable future. We reserve $1 million of the LOC to cover expenses for any major storm repairs in our electric segment and an additional $250,000 for a letter of credit insuring propane facilities. As of March 31, 2007, the amount borrowed from the LOC was $2.2 million. At March 31, 2007, the LOC, long-term debt and preferred stock comprised 52% of total equity and debt capitalization.

Our 1942 Indenture of Mortgage and Deed of Trust, which is a mortgage on all real and personal property, permits the issuance of additional bonds based upon a calculation of unencumbered net real and personal property. At March 31, 2007, such calculation would permit the issuance of approximately $39.8 million of additional bonds.

We have $3.4 million in invested funds for payment of future environmental costs. We expect to incur between $5.8 million and $19.1 million for expenses related to environmental clean up.

Capital Requirements

Portions of our business are seasonal and dependent on weather conditions in Florida. The weather affects the sale of electricity and gas, and thereby impacts the cash provided by operations. Construction costs also impact cash requirements throughout the year. Cash needs for operations and construction are met partially through short-term borrowings from our LOC.

We plan to purchase land for the construction of our South Florida division office within 3 years. The possible purchase of the land would increase construction expenditures by $4 to $6 million over the same period last year. Additionally, the construction expenditures for the remainder of 2007 are expected to increase due to the anticipated construction of an office building in Northeast Florida. The cost is expected to be approximately $750,000 with construction scheduled for completion in early 2008.

The current south Florida division office is located on environmentally impacted property, which requires relocating the office to allow for clean up of the property. It will not be possible to rebuild at the current location since this site has been rezoned with a residential designation. The estimated cost of the land is $4 million to $6 million. We are planning to build and complete this new facility in the next five years.

Material commitments for capital expenditures consist of $775,000 for the purchase of a transformer and vehicle purchases totaling approximately $200,000.

Cash requirements are anticipated to increase significantly in the future due to additional environmental clean up costs, sinking fund payments on long-term debt and pension contributions. Environmental clean up costs are forecasted to be approximately $600,000 through 2007, with remaining payments which could total approximately $13.1 million, beginning in 2008. Annual long-term debt sinking fund payments of approximately $1.4 million will begin in 2008 and will continue for eleven years. Current projections indicate that we will need to make a contribution of $250,000 to our pension plan in 2007. Congress has finalized the new funding rules and we may have significant contribution requirements for several years beginning with 2008.

Due to delayed environmental clean-up costs, we currently do not anticipate that any equity or debt financing in 2007 will be required. We believe that cash from operations, coupled with short-term borrowings on the LOC, will be sufficient to satisfy our operating expenses, normal capital expenditure requirements and dividend payments through spring of 2008. However, cash requirements are forecasted to increase significantly in the future due to our environmental clean up costs, a land purchase, and sinking fund payments on long-term debt and pension contributions. If cash needs relating to the land purchase and related construction and the timing of environmental expenditures change, it is possible we may consider equity or debt financing in 2008. The need and timing will depend upon the overall company cash flow requirements. There can be no assurance, however, that equity or debt financing will be available on favorable terms, or at all, in 2008 or later years when we seek such financings.

Outlook

Electric Power Supply
Contracts with our two electric suppliers were originally set to expire on December 31, 2007. Those contracts provided electricity to our customers at rates much lower than market rates. As part of our negotiations, we agreed to end the current contract terms for our Northeast division on December 31, 2006 and executed an amended contract that began January 1, 2007 and will expire December 31, 2017. Although the contract rates have increased for 2007, this enabled us to obtain lower rates for the longer term of the contract than would have been available if we had not revised the contract. The savings are passed through to our customers without profit to us.

We executed a contract for the provider of electricity in our Northwest division in December 2006 and are seeking approval of this contract and its related terms and conditions from the FPSC on or before July 1, 2007. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division. This contract will be for the purchase of electricity beginning January 1, 2008. We anticipate that contract will result in rates closer to market, which could cause our customers' bills to double over existing prices in the next several years.

We are unable to estimate what impact, if any, the higher rates could have on electric consumption.

Propane Gas
We continue to review the possibility of hedging activities later in 2007 to help mitigate the risk of price changes for our cost of propane gas. We are unable to determine the impact this activity will have on our future operating income.

We used advance purchase agreements made in the normal course of procuring propane gas supplies in past years. These agreements resulted in a loss of gross profit of approximately $5,000 in 2006 and additional gross profit of approximately $383,000 in 2005.

Over-earnings-Natural Gas Segment
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We originally estimated 2006 over-earnings for regulated natural gas operations of $72,000. The 2006 over-earnings estimate was revised in 2007 to be $25,000. We originally estimated 2005 over-earnings for regulated natural gas operations of $700,000. The 2005 over-earnings estimate was revised in 2006 to be $650,000. These liabilities have been included in the over-earnings liability on our balance sheet. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

Our 2005 and 2006 estimates of our over-earnings liabilities could change upon the FPSC finalization and review of our earnings in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

In 2007, we requested that the 2005 natural gas over-earnings be used to provide additional funds to our regulatory storm reserve liability and reduce the costs currently being recovered from our customers through a storm surcharge. If the FPSC approves this disposition, we will end the storm surcharge later in 2007.

Indiantown Gas
The FPSC approved our joint transportation and territorial agreements with Indiantown in October 2006. We have also begun construction in the Indiantown area to install natural gas mains in the first phase of this development for approximately 100 homes. The next two developments are slated to break ground later in 2007 for construction of approximately 1,000 homes.

Land Purchase
We have entered into an agreement to purchase land for the new South Florida division office. We are in the process of completing a due diligence on this property and expect to finalize this phase and close during the second quarter of 2007.

New Division Office
We are planning to build a new operations center for our Northeast division on land we are currently own. We are in the process of developing and finalizing the building plans, and expect to begin construction sometime in 2007. The cost is expected to be $750,000 and should be completed in early 2008.

Storm Related Expenditures
Regulators continue to focus on hurricane preparedness and storm recovery issues for utility companies. Newly mandated storm preparedness initiatives could impact our operating expenses and capital expenditures later in 2007. The initial forecasts of these annual expenditures are approximately $700,000. It is possible that additional regulation and rules will be mandated regarding storm related expenditures over the next several years. We requested that the FPSC allow us to recover the cost of the newly mandated storm preparedness initiatives and to defer these storm-related expenditures until we receive recovery through a rate increase. If approved, both the recovery and expenditures may occur by mid-2007. If these expenditures are approved for rate recovery in 2007, these rates would be temporary until final rates were implemented as a result of an electric base rate proceeding.

Electric Base Rate Proceeding
We plan to file a request with the FPSC in the third quarter of 2007 for a base rate increase in our electric segment. This request will include recovery of increased expenses and capital expenditures since our last rate proceeding in 2004, as well as additional storm-related expenditures as discussed above. Finalization of this request and approval, if any, of an electric base rate increase would not occur until early 2008. Possible interim rate relief for partial recovery of the increased expenditures may occur in late 2007.

Impact of Recent Accounting Standards

Financial Accounting Standard No. 159

In February 2007, the Financial Accounting Standards Board (FASB) issued Statement No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, nonfinancial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company expects to adopt SFAS No. 159 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Forward-Looking Statements (Cautionary Statement)

This report contains forward-looking statements including those relating to the following:

- Based on our current expectations for cash needs, including cash needs relating to the possible land purchase and related construction, we may choose to consider an equity or debt financing in 2007 or 2008.
- Our anticipation of continued compliance in the foreseeable future with our LOC covenants.
- Construction expenditures for the remainder of 2007 may increase by $4 to $6 million over the same period in 2006 if we are successful in negotiating the purchase of the land for our South Florida operations.
- Our expectation that cash requirements will increase significantly in the future due to environmental clean-up costs, sinking fund payment on long-term debt and pension contributions.
- Our belief that cash from operations, coupled with short-term borrowings on our LOC, will be sufficient to satisfy our operating expenses, normal construction expenditure and dividend payments through spring of 2008.
- Our 2006 and 2005 over-earnings liability in natural gas will materialize as estimated after the FPSC review and audit.
- We expect there will be no impairment of either reporting segment upon finalization of our impairment testing in 2007.
- We expect higher fuel costs beginning in 2008 for our Northwest electric divisions.
- The development in Indiantown will occur as estimated.
- Storm related expenditures may be necessary beginning in 2007 and the total cost may be significant. We may receive recovery for these expenditures.
- The purchase of land for our new South Florida division office may occur in 2007.

- We expect to file for an electric base rate increase in the third quarter of 2007 and finalization is expected in early 2008. Final rates, if approved by the FPSC, would not occur until 2008.
- We anticipate capital expenditures of approximately $750,000 for the construction of an office building in Northeast Florida. Construction will begin in 2007 and completed in early 2008.

These statements involve certain risks and uncertainties. Actual results may differ materially from what is expressed in such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed by the forward-looking statements include, but are not limited to, those set forth in "Risk Factors" below and in our Form 10-K for the year ending December 31, 2006.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

All financial instruments held by us were entered into for purposes other than for trading. We have market risk exposure only from the potential loss in fair value resulting from changes in interest rates. We have no material exposure relating to commodity prices because under our regulatory jurisdictions, we are fully compensated for the actual costs of commodities (natural gas and electricity) used in our operations. Any commodity price increases for propane gas are normally passed through monthly to propane gas customers as the fuel charge portion of their rate.

None of our gas or electric contracts are accounted for using the fair value method of accounting. While some of our contracts meet the definition of a derivative, we have designated these contracts as "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

On a rolling four-quarter basis, we will purchase a "cap" on approximately one-third of our forecast propane volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane purchases. The remaining one-third will fluctuate with the market price. Our energy strategy allows us to participate in two-thirds of price declines but only one-third of price increases. As of March 31, 2007, we have not entered into any hedging activities. When we do enter into hedging activities, we will determine whether they meet the definition of normal sales and purchases and if not, we will determine whether we should use hedge accounting.

We have no exposure to equity risk, as we do not hold any equity instruments. Our exposure to interest rate risk is limited to investments held for environmental costs, the long-term notes receivable from the sale of our water division and short-term borrowings on the line of credit. The investments held for environmental costs are short-term fixed income debt securities whose carrying amounts are not materially different than fair value. The short-term borrowings were approximately $2.2 million at the end of March 2007. We do not believe we have material market risk exposure related to these instruments. The indentures governing our two first mortgage bond series outstanding contain "make-whole" provisions (pre-payment penalties that charge for lost interest), which render refinancing impracticable.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer as of March 31, 2007, concluded that our disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended March 31, 2007 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

No new risk factors have been identified outside of those included in our most recent Form 10-K for the year ending December 31, 2006. You should read the risk factors contained within the 10K in conjunction with this report.

Item 6. Exhibits

3.1 Amended Articles of Incorporation (incorporated herein by reference as Exhibit 3.1 to our quarterly report on Form 10-Q for the period ended June 30, 2002).

3.2 Amended By-Laws (incorporated herein by reference as Exhibit 3(ii) to our quarterly report on Form 10-Q for the period ended June 30, 2002).

4.1 Indenture of Mortgage and Deed of Trust of FPU dated as of September 1, 1942 (incorporated by reference herein to Exhibit 7-A to Registration No. 2-6087).

4.2 Fourteenth Supplemental Indenture dated September 1, 2001 (incorporated by reference to exhibit 4.2 on our annual report on Form 10-K for the year ended December 31, 2001).

4.3 Fifteenth Supplemental Indenture dated November 1, 2001 (incorporated by reference to exhibit 4.3 on our annual report on Form 10-K for the year ended December 31, 2001).

10.1 Amendment to Electric Service Contract by and between JEA and FPU dated September 25, 2006.

10.2 Amended Security Agreement and Promissory Note between FPU and Bank of America dated August 25, 2006.

31.1 Certification of Chief Executive Officer (CEO) per Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer (CFO) per Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certification of Principal Executive Officer and Principal Financial Officer per Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FLORIDA PUBLIC UTILITIES COMPANY
(Registrant)

Date: May 14, 2007

By: /s/ George M. Bachman
George M. Bachman
Chief Financial Officer
(Principal Accounting Officer)

FLORIDA PUBLIC UTILITIES COMPANY
EXHIBIT INDEX

<u>Item Number</u>

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Folders

- Desktop
- My Documen
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- + CCWin9
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- + BIP3014 (
- - ROXIO12
- - Exhibi
- BA(
- CO
- - KH
- + MA
- ME
- + CLeider o
- + Wp on 'Fp
- + filings on
- + Hg on 'Fp
- + Db on 'Fp
- + 123 on 'Fp
- + Data on 'F
- + transfer o
- + Fp26dos (
- + Bat on 'fp
- + Public on
- + Control P
- My Network I

Files Currently on the CD

Name	Size	Type	Date Modified	Location
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE999.msg	158 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
Propane Projections - Impairme...	32 KB	HTML Document	10/16/2007 9:25 AM	Files Currently on the...
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RE Audit Requests.msg	126 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

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Thursday, Apr 10, 2008 03:39 PM

Clara Leider

From: Lundgren April
Sent: Thursday, April 19, 2007 7:48 AM
To: ACCOUNTING - All
Subject: 2007 1st quarter audit
Attachments: image001.jpg; 10Q checklist.xls; AUDIT_10k.xls; image001.jpg

Good morning, everyone!

Please find attached the 1st quarter 2007 checklist. Please review all three tabs and let me know if there are any items that need to be reassigned. As the audit progresses, and as you have time available, we may reassign...

Also, please familiarize yourself with the Audit_10k file. Each accountant will be responsible to enter variance analysis for their accounts. The attached file is an example from last quarter. I will let you know after the quarter has been closed when the working file is ready for your input.

If you have any questions, please give me a call!

Thank you,
April Lundgren
Sr. SEC Accountant
Florida Public Utilities Company
561.838.1788

10Q/K Checklist
2007

________	AL	1	Make sure JE 999 correctly reclassed items on BS
________	AL	2	B/S balances A=L+E
________	AL	3	Reclass LT Deferred Taxes to Current
________	AL	4	Break out storm and environmental Other Regulatory Assets
________	AW	5	Valuation of water recievable
________	AL	6	Check rules for B/S, I/S & CF breakouts for combining items:
________	AL	a	BS: any caption is <10% of total assets and has not increased or decreased by >25%
________	AL	b	IS:any caption is<15% average net income for 3 years and not increaesdor decreased by > 20%
________	AL	c	CF: if changes from investing and financing activities exceed 10% of operating activities
________	AL	7	Check prior years data w/ prior 10K
________	AL	8	Ties to internal F/S
________	MK	9	Check (_) on income taxes
________	NB/AL	10	Support for all #'s
________	AL	11	Complete EPS & Div tab
________	AL	12	Complete Gross Profit tab
________	AL	13	Complete Units & Customer tab
________	AL	14	Complete Cap &Equity tab
________	DC	15	Check for impairment testing completed and related results to be included in report
________	MK	16	Check that all PAJEs have been completed for prior quarters and last year end
________	NB/AL	17	Check formatting
________	NB/AL	18	Check wording on statements w/ prior 10K and last 10Q
________	NB/AL	19	Review prior 10K & same period prior year w/ current document for possible items
________	MK	20	Special audits going on with IRS, FPSC, IA, ,etc.
________	MK	21	Proof that partners in environmental cleanup are financially solvent from the internet FS
________	AL/MK	22	New FASBs addressed
________	CM	23	Review exhibit list on rules and also check for any new ones required, make sure all prior exhibits in Qs and Ks are
________	CM/MK	24	Check sections normally blank for applicability
________	AL	25	Review new SEC rules
________	AL	26	Review 10Q/K rules
________	NB/AL	27	Foot all statements & cross reference # in text (before each draft given to auditors,legal, and edgar) and in tables t
________	NB/AL	28	Check the Press Release numbers tie to Q/K
________	NB/AL	29	Complete summary for BS/IS variances in 10Q excel file & give copy to George
________	Not applic	30	Check YTD less 10Qs published equals any 4th quarter data provided in K
________	JM	31	COR JE updated for lastest JE changes and included in our JE999
________	AL	32	Make sure credit AR and debit Aps and debit IT payables have been reclassified in JE 999
________	CM/MK	33	Check for new risks
________	AL	34	Make sure all prior quarter and year end types of reclass and elimination JEs have been made this year-end.
________	AL/NB/MK	35	Check for plain english
________	Not applic	36	Annual report schedules and tables tie to 10K
________	MK	37	Review and approve 10Q reference copy

Prepared by: Date:
Approved by: Date:

Items needed for 10Q/K
2006

Name	Item
1 DC	Qtr statements by utility & subaccount analysis
2 JM	A&G Qtrs & YTD by acct
3 MN	Payroll analysis
4 JM	Cost of removal
5 MK	Deferred Tax breakout
6 BG	Utility cash expended sheets
7 AW	Equity recs
8 AW	Shares outstanding
9 AW	Internal Financial Statements
10 CM	Contractual obligations table (we send out template mid Jan) 10K ONLY
11 AL	Statements for 10Q/K
12 MK/AL	Checklists, MDA, GAAP, and Fin disclosures
13 NB	Dobule check cross reference footnote numbering within the document to footnotes
14 AL	Reference copy
15 AL	Tables and Footnote facts for 10K
16 CM	Outlook
17 MK	Liquidity and BS analysis section
18 AL	Revenue analysis in MDA
19 NB	Expense and other income analysis in MDA
20 MK	Tax tables and narrative in 10K
21 CM	Exhibit updates
22 CM	Risk Updates
23 CM	General Business update
24 AL	Legal Update
25 CM	Item 4 matters to a vote
26 AL	Item 5 stock data
27 AL	Recent Accounting Standards
28 CM	Other items in MDA
29 MK	Quantitattive and Qualitative Disclosures
30 All as applicable	Footnote narrative
31 NB with AON	Pension disclosures
32 All as applicable	Remaining 10K information
33 JM	Plant tables

Prepared by: Date:

Approved by: Date:

BDO Checklist
2007

______	1	Mehrdad	Sr. Tax Acct	Tax Calculations – Fed and State
______	2	Mehrdad	Sr. Tax Acct	FASB.xls (Year End schedules)
______	3	Mehrdad	Sr. Tax Acct	Gross up.xls (Year End schedules)
______	4	Mehrdad	Sr. Tax Acct	Amort.xls (Year End schedules)
______	5	Bill	Sr. Construction Accountant	Construction recs
______	6	Bonnie	Executive Assistant	Board minutes for qtr and through end of review work
______	7	Cindy	Inventory Analyst	Audit Propane.xls – 1540.4 acct and leased equipment
______	8	Cindy	Inventory Analyst	Inventory reconciliation
______	9	Jim	Corp Accountants	Any physical inventory counts
______	10	Curtis	Sr. Regulatory Accountant	Over Under reconciliation
______	11	Dina	Executive Assistant	Disclosure Committee Minutes
______	12	Doreen	Financial Analyst	Covenant workpaper
______	13	Jim	Sr. Project Accountant	Embedded cost of removal
______	14	April	Sr. SEC Accountant	Employee stock purchase (Scholes)
______	15	April	Sr. SEC Accountant	Unbilled revenue – metered and other
______	16	April	Sr. SEC Accountant	10Q Statements & Supporting documents
______	17	April	Sr. SEC Accountant	Trial Balance
______	18	Audra	GL Accountant	Water PV Computation
______	19	Melanie	Cash/Rev Accountant	Uncollectible.xls for end of Qtr
______	20	Audra	GL Accountant	Copies of all JE's after initial draft
______	21	Melanie	Cash/Rev Accountant	Bank reconciliations for cash accounts
______	22	Melanie	Cash/Rev Accountant	Cash and Investment BOA statements for end of qtr if available
______	23	Melanie	Cash/Rev Accountant	xxx06.xls and xxx06.xls Balancing of AR/Sales/Cash
______	24	Melanie	Cash/Rev Accountant	AR and Customer Deposits reconciliation
______	25	Michelle	General Acc Manager/Cash Acct	AR Cancels for July
______	26	April	Sr. SEC Accountant	10Q BS/IS Variance Explanations
______	27	Nadira	Sr. Financial Reporting Acct	2006 Med Self Ins Reserve
______	28	Nadira	Sr. Financial Reporting Acct	2006 Gen & Auto Liability Reserve
______	29	Nadira	Sr. Financial Reporting Acct	2006 Workers Comp Ins
______	30	Dina	Exec Fin Assistant	Confirmation letters
______	31	Dina	Exec Fin Assistant	Attorney updates
______	32	Melanie	Cash/Rev Accountant	AR detail on disk

Prepared by: Date:

Approved by: Date:

Clara Leider

From: Lundgren April
Sent: Thursday, April 19, 2007 7:48 AM
To: ACCOUNTING - All
Subject: 2007 1st quarter audit
Attachments: image001.jpg; 10Q checklist.xls; AUDIT_10k.xls; image001.jpg

Good morning, everyone!

Please find attached the 1st quarter 2007 checklist. Please review all three tabs and let me know if there are any items that need to be reassigned. As the audit progresses, and as you have time available, we may reassign...

Also, please familiarize yourself with the Audit_10k file. Each accountant will be responsible to enter variance analysis for their accounts. The attached file is an example from last quarter. I will let you know after the quarter has been closed when the working file is ready for your input.

If you have any questions, please give me a call!

Thank you,
April Lundgren
Sr. SEC Accountant
Florida Public Utilities Company
561.838 1788

Florida Public Utilities Company
Consolidated Balance Sheet
Dec-06
AUDIT_10K

	Change $	%
Scope:	75,000	5%

	2006 Current YTD	%	2005 31-Dec	%	Inc (Dec)	% Change
Plant						
Natural Gas	95,392,634	53%	89,835,239	49%	5,557,395	4%
Electric	72,776,298	40%	70,084,258	39%	2,692,040	1%
Propane	17,153,448	10%	15,500,385	9%	1,653,063	1%
Common	3,646,424	2%	3,859,023	2%	(212,599)	0%
Total Utility Plant	188,968,804		179,278,905		9,902,498	
Less Accum Dep	(59,757,072)	-33%	(56,217,445)	-31%	(3,539,627)	-2%
Net Utility Plant	129,211,732		123,061,460		6,150,272	
Current Assets						
Cash	83,638	0%	695,115	0%	(611,477)	0%
Accounts Receivable	12,199,327	7%	14,997,150	8%	(2,797,823)	-1%
Notes Rec	297,940	0%	298,411	0%	(471)	0%
Unbilled	1,956,839	1%	1,917,994	1%	38,845	0%
Allowance for Uncoll	(429,379)	0%	(271,998)	0%	(157,381)	0%
Inventories	4,120,378	2%	3,781,138	2%	339,240	0%
Prepay & Deferrals	961,438	1%	950,750	1%	10,688	0%
Under recovery of fuel	-	0%	3,374,851	2%	(3,374,851)	-2%
Prepay IT	98,153	0%	1,159,283	1%	(1,061,130)	-1%
Total Current Assets	19,288,334		26,902,694		(7,614,360)	
Other Assets						
Environmental	3,364,143	2%	3,257,814	2%	106,329	0%
Reg Assets-Storm	270,039	0%	452,327	0%	(182,288)	0%
Reg Assets-Env	8,283,991	5%	8,867,652	5%	(583,661)	0%
Reg Assets-Retire	516,847	0%	-	0%	516,847	0%
Other LT Investments	5,739,506	3%	5,793,830	3%	(54,324)	0%
Deferred Charges	6,495,703	4%	6,751,217	4%	(255,514)	0%
Goodwill	2,405,238	1%	2,405,238	1%	-	0%
Intang Assets	4,405,170	2%	4,390,764	2%	14,406	0%
Total Other Assets	31,480,637		31,918,842		(438,205)	
Total Assets	**179,980,703**	**100%**	**181,882,996**	**100%**	**(1,902,293)**	**0%**
Cap & Liab						
Capitalization						
Common SH Equity	47,624,472	27%	45,503,271	25%	2,121,201	2%
Preferred Stock	600,000	0%	600,000	0%	-	0%
LT Debt	50,702,281	28%	50,619,960	28%	82,321	0%
Total Capitalization	98,926,753		96,723,231		2,203,522	
Current Liabilities						
Line of Credit	3,466,000	2%	9,558,000	5%	(6,092,000)	-3%
Accounts Payable	10,278,572	6%	13,165,662	7%	(2,887,090)	-1%
Insurance Accrued	181,443	0%	296,132	0%	(114,689)	0%
Interest Accrued	789,063	0%	1,013,931	1%	(224,868)	-1%
Oth Accruals & Pay	2,034,221	1%	1,984,300	1%	49,921	0%
Taxes Accrued	1,277,145	1%	1,512,068	1%	(234,923)	0%
Deferred IT	698,000	0%	1,066,000	1%	(368,000)	-1%
Over Rec Fuel	2,793,807	2%	-	0%	2,793,807	2%
Over Rec Cons	355,325	0%	24,103	0%	331,222	0%
Earnings obligation	879,500	0%	700,000	0%	179,500	0%
Cust Deposit	9,607,526	5%	8,067,561	4%	1,539,965	1%
Total Current Liab	32,360,602		37,387,757		(5,027,155)	
Other Liabilities						
Deferred IT	15,704,799	9%	17,567,985	10%	(1,863,186)	-1%
Unamortized ITC	335,146	0%	410,529	0%	(75,383)	0%
Environ Liab	13,753,006	8%	14,000,745	8%	(247,739)	0%
Cost of Removal	8,799,830	5%	8,256,355	5%	543,475	0%
Regulatory Liability	876,346	0%	990,879	1%	(114,533)	-1%
LT Med & Pen Res	4,881,025	3%	2,662,982	1%	2,218,043	2%
Cust. Adv on Con	2,707,078	2%	2,346,388	1%	360,690	1%
Reg Liab Storm	1,636,118	1%	1,536,145	1%	99,973	0%
Total Oth Liablilities	48,693,348		47,772,008		921,340	
Total Liabilities	**179,980,703**	**100%**	**181,882,996**	**100%**	**(1,902,293)**	**0%**

	2006 Current YTD	%	2005 Prior Yr YTD	%	Inc (Dec)	% Change
Plant						
Natural Gas	95,392,634	53%	89,835,239	49%	5,557,395	4%
Electric	72,776,298	40%	70,084,258	39%	2,692,040	1%
Propane	17,153,448	10%	15,500,385	9%	1,653,063	1%
Common	3,646,424	2%	3,859,023	2%	(212,599)	0%
Total Utility Plant	188,968,804		179,278,905		9,902,498	
Less Accum Dep	(59,757,072)	-33%	(56,217,445)	-31%	(3,539,627)	-2%
Net Utility Plant	129,211,732		123,061,460		6,150,272	
Current Assets						
Cash	83,638	0%	695,115	0%	(611,477)	0%
Accounts Receivable	12,199,327	7%	14,997,150	8%	(2,797,823)	-1%
Notes Rec	297,940	0%	298,411	0%	(471)	0%
Unbilled	1,956,839	1%	1,917,994	1%	38,845	0%
Allowance for Uncoll	(429,379)	0%	(271,998)	0%	(157,381)	0%
Inventories	4,120,378	2%	3,781,138	2%	339,240	0%
Prepay & Deferrals	961,438	1%	950,750	1%	10,688	0%
Under recovery of fuel	-	0%	3,374,851	2%	(3,374,851)	-2%
Prepay IT	98,153	0%	1,159,283	1%	(1,061,130)	-1%
Total Current Assets	19,288,334		26,902,694		(7,614,360)	
Other Assets						
Environmental	3,364,143	2%	3,257,814	2%	106,329	0%
Reg Assets-Storm	270,039	0%	452,327	0%	(182,288)	0%
Reg Assets-Env	8,283,991	5%	8,867,652	5%	(583,661)	0%
Reg Assets-Retire	516,847	0%	-	0%	516,847	0%
Other LT Investments	5,739,506	3%	5,793,830	3%	(54,324)	0%
Deferred Charges	6,495,703	4%	6,751,217	4%	(255,514)	0%
Goodwill	2,405,238	1%	2,405,238	1%	-	0%
Intang Assets	4,405,170	2%	4,390,764	2%	14,406	0%
Total Other Assets	31,480,637		31,918,842		(438,205)	
Total Assets	**179,980,703**	**100%**	**181,882,996**	**100%**	**(1,902,293)**	**0%**
Cap & Liab						
Capitalization						
Common SH Equity	47,624,472	27%	45,503,271	25%	2,121,201	2%
Preferred Stock	600,000	0%	600,000	0%	-	0%
LT Debt	50,702,281	28%	50,619,960	28%	82,321	0%
Total Capitalization	98,926,753		96,723,231		2,203,522	
Current Liabilities						
Line of Credit	3,466,000	2%	9,558,000	5%	(6,092,000)	-3%
Accounts Payable	10,278,572	6%	13,165,662	7%	(2,887,090)	-1%
Insurance Accrued	181,443	0%	296,132	0%	(114,689)	0%
Interest Accrued	789,063	0%	1,013,931	1%	(224,868)	-1%
Oth Accruals & Pay	2,034,221	1%	1,984,300	1%	49,921	0%
Taxes Accrued	1,277,145	1%	1,512,068	1%	(234,923)	0%
Deferred IT	698,000	0%	1,066,000	1%	(368,000)	-1%
Over Rec Fuel	2,793,807	2%	-	0%	2,793,807	2%
Over Rec Cons	355,325	0%	24,103	0%	331,222	0%
Earnings obligation	879,500	0%	700,000	0%	179,500	0%
Cust Deposit	9,607,526	5%	8,067,561	4%	1,539,965	1%
Total Current Liab	32,360,602		37,387,757		(5,027,155)	
Other Liabilities						
Deferred IT	15,704,799	9%	17,567,985	10%	(1,863,186)	-1%
Unamortized ITC	335,146	0%	410,529	0%	(75,383)	0%
Environ Liab	13,753,006	8%	14,000,745	8%	(247,739)	0%
Cost of Removal	8,799,830	5%	8,256,355	5%	543,475	0%
Regulatory Liability	876,346	0%	990,879	1%	(114,533)	-1%
LT Med & Pen Res	4,881,025	3%	2,662,982	1%	2,218,043	2%
Cust. Adv on Con	2,707,078	2%	2,346,388	1%	360,690	1%
Reg Liab Storm	1,636,118	1%	1,536,145	1%	99,973	0%
Total Oth Liablilities	48,693,348		47,772,008		921,340	
Total Liabilities	**179,980,703**	**100%**	**181,882,996**	**100%**	**(1,902,293)**	**0%**

	2006 Current YTD	%	2006 Prior QTR	%	Inc (Dec)	% Change	Explanation Needed
Plant							
Natural Gas	95,392,634	53%	94,285,537	54%	1,107,097	-1%	FALSE
Electric	72,776,298	40%	72,259,139	41%	517,159	-1%	FALSE
Propane	17,153,448	10%	16,885,446	9%	268,002	1%	FALSE
Common	3,646,424	2%	3,611,522	2%	34,902	0%	FALSE
Total Utility Plant	188,968,804		187,041,644		1,892,258		
Less Accum Dep	(59,757,072)	-33%	(58,944,362)	-33%	(812,710)	0%	FALSE
Net Utility Plant	129,211,732		128,097,282		1,114,450		
Current Assets							
Cash	83,638	0%	743,307	0%	(659,669)	0%	FALSE
Accounts Receivable	12,199,327	7%	11,202,732	6%	996,595	1%	FALSE
Notes Rec	297,940	0%	319,948	0%	(22,008)	0%	FALSE
Unbilled	1,956,839	1%	1,542,268	1%	414,571	0%	FALSE
Allowance for Uncoll	(429,379)	0%	(313,801)	0%	(115,578)	0%	FALSE
Inventories	4,120,378	2%	4,031,323	2%	89,055	0%	FALSE
Prepay & Deferrals	961,438	1%	1,076,364	1%	(114,926)	0%	FALSE
Under recovery of fuel	-	0%	-	0%	-	0%	FALSE
Prepay IT	98,153	0%	-	0%	98,153	0%	FALSE
Total Current Assets	19,288,334		18,602,141		686,193		
Other Assets							
Environmental	3,364,143	2%	3,317,404	2%	46,739	0%	FALSE
Reg Assets-Storm	270,039	0%	312,701	0%	(42,662)	0%	FALSE
Reg Assets-Env	8,283,991	5%	8,521,078	5%	(237,087)	0%	FALSE
Reg Assets-Retire	516,847	0%	-	0%	516,847	0%	FALSE
Other LT Investments	5,739,506	3%	5,664,018	3%	75,488	0%	FALSE
Deferred Charges	6,495,703	4%	6,771,864	4%	(276,161)	0%	FALSE
Goodwill	2,405,238	1%	2,405,238	1%	-	0%	FALSE
Intang Assets	4,405,170	2%	4,343,923	2%	61,247	0%	FALSE
Total Other Assets	31,480,637		31,336,226		144,411		
Total Assets	**179,980,703**	**100%**	**178,035,649**	**100%**	**1,945,054**	**0%**	
Cap & Liab							
Capitalization							
Common SH Equity	47,624,472	27%	47,526,863	29%	97,609	-2%	FALSE
Preferred Stock	600,000	0%	600,000	0%	-	0%	FALSE
LT Debt	50,702,281	28%	50,681,701	28%	20,580	0%	FALSE
Total Capitalization	98,926,753		98,808,564		118,189		
Current Liabilities							
Line of Credit	3,466,000	2%	1,687,000	1%	1,779,000	1%	FALSE
Accounts Payable	10,278,572	6%	7,883,674	4%	2,394,898	2%	FALSE
Insurance Accrued	181,443	0%	219,355	0%	(37,912)	0%	FALSE
Interest Accrued	789,063	0%	1,670,381	1%	(881,318)	-1%	FALSE
Oth Accruals & Pay	2,034,221	1%	1,379,275	1%	654,946	0%	FALSE
Taxes Accrued	1,277,145	1%	2,957,025	2%	(1,679,880)	-1%	FALSE
Deferred IT	698,000	0%	624,000	0%	74,000	0%	FALSE
Over Rec Fuel	2,793,807	2%	3,804,162	2%	(1,010,355)	0%	FALSE
Over Rec Cons	355,325	0%	264,126	0%	91,199	0%	FALSE
Earnings obligation	879,500	0%	700,000	0%	179,500	0%	FALSE
Cust Deposit	9,607,526	5%	9,383,444	5%	224,082	0%	FALSE
Total Current Liab	32,360,602		30,572,442		1,788,160		
Other Liabilities							
Deferred IT	15,704,799	9%	16,691,392	9%	(986,593)	0%	FALSE
Unamortized ITC	335,146	0%	353,982	0%	(18,836)	0%	FALSE
Environ Liab	13,753,006	8%	13,993,126	8%	(240,120)	0%	FALSE
Cost of Removal	8,799,830	5%	8,665,917	5%	133,913	0%	FALSE
Regulatory Liability	876,346	0%	876,346	0%	-	0%	FALSE
LT Med & Pen Res	4,881,025	3%	3,477,606	2%	1,403,419	1%	FALSE
Cust. Adv on Con	2,707,078	2%	3,007,320	2%	(300,242)	0%	FALSE
Reg Liab Storm	1,636,118	1%	1,588,954	1%	47,164	0%	FALSE
Total Oth Liablilities	48,693,348		48,654,643		38,705	0%	
Total Liabilities	**179,980,703**	**100%**	**178,035,649**	**100%**	**1,945,054**	**0%**	

Reclass Entries Not Made in System

IT Payment	1,159,283	1,159,283	
AR reclass	783,000	783,000	
Accum. Def. IT	9,227	9,227	(28,295)
AR reclass error			927,646
CD reclass error			927,646
Notes Rec	14,683	14,683	
LT Debt	(1,880,040)	(1,880,040)	
Over Rec - Cons	7,412	7,412	

Florida Public Utilities Company
Consolidated Statement of Income
Dec-06
AUDIT_10K

	Change $	%
Scope:	75,000	5%

	2006 Current QTR	%	2005 Prior Yr QTR	%	Inc (Dec)	% Change	2006 Current YTD	%	2005 Prior Yr YTD	%	Inc (Dec)	% Change	2006 Current QTR	%	2006 Prior QTR	%	Inc (Dec)	% Change	Explanation Needed	Explanation needed if TRUE
Revenues																				
Natural Gas	16,872,776	54%	21,854,268	58%	(4,981,492)	-4%	70,981,240	53%	69,094,450	54%	1,886,790	-1%	16,872,776	54%	12,521,806	43%	4,350,970	11%	TRUE	Seasonality - winter peaks
Electric	11,119,945	35%	11,310,819	31%	(190,874)	4%	48,527,213	36%	47,449,557	36%	1,077,656	0%	11,119,945	35%	13,896,369	47%	(2,776,424)	-12%	TRUE	Seasonality - summer peaks
Propane	3,600,632	11%	3,901,249	11%	(300,617)	0%	14,726,330	11%	13,478,913	10%	1,247,417	1%	3,600,632	11%	2,996,899	10%	603,733	1%	FALSE	
Total Revenues	31,593,353		37,066,336		(5,472,983)		134,234,783		130,022,920		4,211,863		31,593,353		29,415,074		2,178,279			
Cost of Fuel & Tax																				
Natural Gas	9,982,974	50%	14,932,095	60%	(4,949,121)	-10%	43,909,296	51%	42,815,337	52%	1,093,959	-1%	9,982,974	50%	6,969,354	38%	3,013,620	12%	TRUE	Higher fuel costs in 2005 / Seasonality
Electric	7,820,620	40%	7,939,063	32%	(118,443)	8%	34,260,016	40%	33,351,757	40%	908,259	0%	7,820,620	40%	9,923,045	53%	(2,102,425)	-13%	TRUE	Higher sales in 2005 / Seasonality
Propane	1,930,710	10%	1,938,650	8%	(7,940)	2%	7,802,030	9%	6,637,032	8%	1,164,998	1%	1,930,710	10%	1,655,613	9%	275,097	1%	FALSE	
Total Fuel&Pass thro	19,734,304		24,809,808		(5,075,504)		85,971,342		82,804,126		3,167,216		19,734,304		18,548,012		1,186,292			
Gross Profit																				
Natural Gas	6,889,802	58%	6,922,173	56%	(32,371)	2%	27,071,944	56%	26,279,113	56%	792,831	0%	6,889,802	58%	5,552,452	51%	1,337,350	7%	TRUE	Seasonality - winter peaks
Electric	3,299,325	28%	3,371,756	28%	(72,431)	0%	14,267,197	30%	14,097,800	30%	169,397	0%	3,299,325	28%	3,973,324	37%	(673,999)	-9%	TRUE	Seasonality - summer peaks
Propane	1,669,922	14%	1,962,599	16%	(292,677)	-2%	6,924,300	14%	6,841,881	14%	82,419	0%	1,669,922	14%	1,341,286	12%	328,636	2%	FALSE	
Total Gross Profit	11,859,049		12,256,528		(397,479)		48,263,441		47,218,794		1,044,647		11,859,049		10,867,062		991,987			
Operations & Maint																				
Natural Gas	3,604,066	52%	4,365,357	58%	(761,291)	-6%	14,602,930	54%	14,169,773	53%	433,157	1%	3,604,066	52%	3,632,335	54%	(28,269)	-2%	TRUE	Less maintenance, sales exp
Electric	2,049,409	29%	1,829,969	24%	219,440	5%	7,623,845	28%	7,275,983	28%	347,862	0%	2,049,409	29%	1,856,232	28%	193,177	1%	FALSE	
Propane	1,308,588	19%	1,383,082	18%	(74,494)	1%	4,982,363	18%	5,000,816	19%	(18,453)	-1%	1,308,588	19%	1,221,322	18%	87,266	1%	FALSE	
Total Op & Maint Exp	6,962,063		7,578,408		(616,345)		27,209,138		26,446,572		762,566		6,962,063		6,709,889		252,174			
Depreciation & Amort																				
Natural Gas	1,080,927	56%	1,049,240	56%	31,687	0%	4,299,397	56%	4,125,165	56%	174,232	0%	1,080,927	56%	1,036,820	55%	44,107	1%	FALSE	
Electric	655,928	34%	648,587	35%	7,341	-1%	2,722,495	35%	2,520,504	35%	201,991	0%	655,928	34%	696,571	36%	(40,643)	-2%	FALSE	
Propane	186,920	10%	160,823	9%	26,097	1%	719,625	9%	620,866	9%	98,759	0%	186,920	10%	181,609	9%	5,311	1%	FALSE	
Total Dep & Amort	1,923,775		1,858,650		65,125		7,741,517		7,266,535		474,982		1,923,775		1,915,000		8,775			
TOTI (exc. GR&FT)																				
Natural Gas	505,761	70%	465,743	71%	40,018	-1%	2,051,684	69%	1,935,498	67%	116,186	2%	505,761	70%	504,735	67%	1,026	3%	FALSE	
Electric	174,395	24%	161,176	24%	13,219	0%	784,753	26%	799,552	28%	(14,799)	-2%	174,395	24%	214,186	28%	(39,791)	-4%	FALSE	
Propane	46,230	6%	33,717	5%	12,513	1%	148,386	5%	134,322	5%	14,064	0%	46,230	6%	35,355	5%	10,875	1%	FALSE	
Total TOTI(ex GR&FT	726,386		660,636		65,750		2,984,823		2,869,372		115,451		726,386		754,276		(27,890)			
Op Inc Before Taxes																				
Natural Gas	1,699,048	75%	1,041,833	48%	657,215	27%	6,117,933	60%	6,048,677	57%	69,256	3%	1,699,048	75%	378,562	26%	1,320,486	49%	TRUE	Lower Op & Mtnce costs / Seasonality
Electric	419,593	19%	732,024	34%	(312,431)	-15%	3,136,104	30%	3,501,761	33%	(365,657)	-3%	419,593	19%	1,206,335	81%	(786,742)	-62%	TRUE	Lower sales and higher costs / Seasonality
Propane	128,184	6%	384,977	18%	(256,793)	-12%	1,073,926	10%	1,085,877	10%	(11,951)	0%	128,184	6%	(97,000)	-7%	225,184	13%	TRUE	Inc fuel costs not passed to cust / Seasonality
Op Inc before Tax	2,246,825		2,158,834		87,991		10,327,963		10,636,315		(308,352)		2,246,825		1,487,897		758,928			
Other Income & (Ded)																				
M & S Income	1,020,681		1,125,750		(105,069)	-9%	4,321,693		4,590,403		(268,710)	-6%	1,020,681		984,660		36,021	4%	TRUE	Lower sales in SF - No generator only sales
M & S Expenses	(1,003,326)		(1,228,483)		225,157	-18%	(4,070,925)		(4,663,593)		592,668	-13%	(1,003,326)		(875,768)		(127,558)	15%	FALSE	Lower expenses due to focus group cost rdn implementation
Other Income	154,950		165,776		(10,826)	-7%	587,820		539,486		48,334	9%	154,950		149,044		5,906	4%	FALSE	
Interest Expense	(1,139,284)		(1,176,430)		37,146	-3%	(4,608,544)		(4,567,936)		(40,608)	1%	(1,139,284)		(1,137,207)		(2,077)	0%	FALSE	
Total Oth Inc&(Ded)	(966,979)		(1,113,387)		146,408	-13%	(3,769,956)		(4,101,640)		331,684	-8%	(966,979)		(879,271)		(87,708)	10%	FALSE	
Income Taxes																				
Natural Gas	410,995		104,054		306,941	295%	1,336,415		1,282,732		53,683	4%	410,995		(113,486)		524,481	-462%	TRUE	
Electric	17,426		80,452		(63,026)	-78%	576,276		666,437		(90,161)	-14%	17,426		272,493		(255,067)	-94%	TRUE	
Propane	(22,360)		84,268		(106,628)	-127%	130,778		228,437		(97,659)	-43%	(22,360)		(112,867)		90,507	-80%	TRUE	
Other	44,300		(6,591)		50,891	-772%	251,045		109,255		141,790	130%	44,300		87,842		(43,542)	-50%	TRUE	
Total Income Tax	450,361		262,183		188,178	72%	2,294,514		2,286,861		7,653	0%	450,361		133,982		316,379	236%	TRUE	
Net Income	829,485		783,264		46,221		4,263,493		4,247,814		15,679		829,485		474,644		354,841		FALSE	
Preferred Stock Div	7,125		7,125		-	0%	28,500		28,500		-	0%	7,125		7,125		-	0%	FALSE	
Earnings for CS	822,360		776,139		46,221	6%	4,234,993		4,219,314		15,679	0%	822,360		467,519		354,841	76%	TRUE	Seasonality

Florida Public Utilities Company
Statistical Information
Dec-06 **Month** **12**
AUDIT STAT

	Change	%
Scope:	-	3%

	2006 Current QTR	2005 Prior Yr QTR	Inc (Dec)	% Change	2006 Current YTD	2005 Prior Yr YTD	Inc (Dec)	% Change	2006 Current QTR	2006 Prior QTR	Inc (Dec)	% Change	Explanation Needed	Explanation needed if TRUE	Initials
Natural Gas															
Units Sold	1.641.672	1,640,862	810	0%	6.229.995	6.223.562	6.433	0%	1.641.672	1.240,223	401.449	32%	TRUE	Seasonality - winter peaks	DC
Average Customers	51.294	50.468	826	2%	51.211	50,246	965	2%	51.294	51.040	254	0%	FALSE		
Usage per Cust	32	33	(1)	-3%	122	124	(2)	-2%	32	24	8	33%	TRUE	Colder Winter / Seasonality - winter peaks	DC
Electric (ex. GSLD)															
Total Units Sold	185.395.847	193,823,604	(8.427,757)	-4%	849.123.616	814.352.781	34.770.835	4%	185,395,847	250.109.069	(64,713,222)	-26%	TRUE	Milder weather / Seasonality - summer peaks	DC
Less GSLD Units	32.720,000	33.710.000	(990,000)	-3%	159.780.000	134 790.000	24.990.000	19%	32.720,000	39.650 000	(6.930,000)	-17%	TRUE	Milder weather / Seasonality - summer peaks	DC
Units Sold (ex GSLD)	152.675.847	160.113.604	(7.437,757)	-5%	689.343.616	679.562.781	9.780,835	1%	152,675,847	210.459.069	(57.783,222)	-27%	TRUE	Milder weather / Seasonality - summer peaks	DC
Average Cust(ex GSLD)	30.776	30,397	379	1%	30.635	30,243	392	1%	30.776	30.684	92	0%	FALSE		
Usage per Cust	4,961	5,267	(306)	-6%	22,502	22,470	32	0%	4,961	6.859	(1,898)	-28%	TRUE	Milder weather / Seasonality - summer peaks	DC
Propane															
Units Sold	150.098	162,049	(11,951)	-7%	620.873	640,292	(19,419)	-3%	150,098	123.590	26,508	21%	TRUE	Warmer Winter / Seasonality - winter peaks	DC
Average Customers	13,229	12,552	677	5%	13.048	12.376	672	5%	13,229	13.033	196	2%	TRUE	Customer Growth due to Community Gas Systems turn-ons	DC
Usage per Cust	11	13	(2)	-15%	48	52	(4)	-8%	11	9	2	22%	TRUE	Warmer Winter / Customer conserving due to inc costs Seasonality - winter peaks	DC
Revenues	3.600,632	3.901,249	(300,617)	-8%	14.726.330	13.478,913	1,247,417	9%	3,600.632	2.996.899	603,733	20%	TRUE	Warmer Winter/Cust Growth & Higher Fuel Costs/Seasonality	DC
Cost	1.930.710	1.938,650	(7.940)	0%	7.802,030	6.637,032	1,164,998	18%	1,930,710	1.655.613	275,097	17%	TRUE	Higher fuel costs	DC
Cost per Unit	13	12	1	8%	13	10	3	30%	13	13	-	0%	TRUE	Higher fuel costs	DC
Revenue per Unit	24	24	-	0%	24	21	3	14%	24	24	-	0%	TRUE	Higher fuel costs	DC

Florida Public Utilties Company
Ratio Analysis
-4th qtr ended 12/31/06

	Quarter ended 12/31/2006	Quarter ended 12/31/2005	Variance	Initials	Comments
Revenue					
Natural Gas:	16,872,776	21,854,268	(4,981,492)	DC	Milder weather & significant reduction in Fuel Costs (36%).
Electric:	11,119,945	11,310,819	(190,874)	DC	Usage per customer, excluding GSLD, declined 7% due to milder weather.
Propane Gas:	3,600,632	3,901,249	(300,617)	DC	Decrease in units sold (7%) due to weather. Dec 2006 significantly warmer than Dec 2005 - 66% less heating degree days for SF & CF.
	31,593,353	37,066,336	(5,472,983)		
Net Income (continuing ops)	829,485	783,264	46,221		
Net income percentage	**2.63%**	**2.11%**			

	As of 12/31/2006	As of 12/31/2005	variance		
Inventory	4,120,378	3,781,138	339,240		
Current Assets	19,288,334	26,902,694	(7,614,360)	DC	Less Receivables ($2.8M), under-recovery 2005 ($3.4M, Pre-paid Tax 2005 ($1.1M)
Current Liabilities	(32,360,602)	(37,387,757)	5,027,155	DC	Lower Acc Pay ($2.9M), less dependence on LOC due to over-recovery in 2006.
Working Capital	(13,072,268)	(10,485,063)	(2,587,205)		
Inventory to Working Capital	**-31.52%**	**-36.06%**			

		12/31/2006	12/31/2005		
Depreciation		1,923,775	1,858,650	65,125	
Fixed Assets	12 31 2005	123,061,460	117,191,000	12 31 2004	
	12 31 2006	129,211,732	123,061,460	12 31 2005	
Avg Fixed assets		126,136,596	120,126,230		
Depreciation to Avg Fixed Assets		**1.53%**	**1.55%**		

Florida Public Utilties Company
Ratio Analysis
-4th qtr ended 12/31/06

	Quarter ended 12/31/2006	Quarter ended 9/30/2006	Variance	Initials	
Revenue					
Natural Gas:	16,872,776	12,521,806	4,350,970	DC	Seasonality - winter peaks.
Electric:	11,119,945	13,896,369	(2,776,424)	DC	Seasonality - Summer peaks
Propane Gas:	3,600,632	2,996,899	603,733	DC	Seasonality - winter peaks.
	31,593,353	29,415,074	2,178,279		
Net Income (continuing ops)	829,485	474,644	354,841		
Net income percentage	**2.63%**	**1.61%**		DC	Seasonality - winter peaks.

	As of 12/31/2006	As of 9/30/2006	variance
Inventory	4,120,378	4,031,000	89,378
Current Assets	19,288,334	18,724,000	564,334
Current Liabilities	(32,360,602)	(30,620,000)	(1,740,602)
Working Capital	(13,072,268)	(11,896,000)	(1,176,268)
Inventory to Working Capital	**-31.52%**	**-33.89%**	

		12/31/2006	9/30/2006	
Depreciation		1,923,775	1,858,650	65,125
Fixed Assets	12/31/2005	123,061,460	117,191,000	9/30/2006
	12/31/2006	129,211,732	123,061,460	12/31/2005
Avg Fixed assets		126,136,596	120,126,230	
Depreciation to Avg Fixed Assets		**1.53%**	**1.55%**	

Florida Public Utilties Company
Ratio Analysis
YTD ended 12/31/06

	YTD ended 12/31/2006	YTD ended 12/31/2005	Variance	Initials	Comments	
Revenue						
Natural Gas:	70,981,240	69,094,450	1,886,790	DC	Change in legislature Jan 1, 2006 for Gross Receipts Tax	$500,000
					Increase in Franchise Fees collected due to increased rates and area expansion	$500,000
					Higher Fuel costs (8%) and Customer Growth (2%)	
Electric:	48,527,213	47,449,557	1,077,656	DC	Cost of Fuel increases	$900,000
					Customer Growth (1%)	
Propane Gas:	14,726,330	13,478,913	1,247,417	DC	Customer Growth (5%) and increased margins.	
	134,234,783	130,022,920	4,211,863			
Net Income (continuing ops)	4,263,493	4,247,814	15,679			
Net income percentage	**3.18%**	**3.27%**			Increased Revenues (3%) and M&J Costs Rdn (13%) were offset by increased Op Exp (4%) due mainly as a result of higher Depn & Amort (7%) resulting from additional plant assets.	

	As of 12/31/2006	As of 12/31/2005	variance	Comments
Inventory	4,120,378	3,781,138	339,240	
Current Assets	19,288,334	26,902,694	(7,614,360)	Large under-recovery in 2005 due to rising fuel prices
Current Liabilities	(32,360,602)	(37,387,757)	5,027,155	Over-recovery in 2006 and more dependency on ST Debt in 2005 due to prior year under-recovery.
Working Capital	(13,072,268)	(10,485,063)	(2,587,205)	
Inventory to Working Capital	**-31.52%**	**-36.06%**		

		12/31/2006	12/31/2005	
Depreciation		7,741,517	7,266,535	474,982
Fixed Assets	12 31 2005 →	123,061,460	117,191,000	← 12 31 2004
	12 31 2006 →	129,211,732	123,061,460	← 12 31 2005
Avg Fixed assets		126,136,596	120,126,230	
Depreciation to Avg Fixed Assets		**6.14%**	**6.05%**	

Florida Public Utility Company
December Revenue Variance
December 31, 2006

Purpose: Reasonableness of revenue accounts variance during the year.

Procedure: Obtained 13 month financial statements in Excel for both 2005 and 2006.
Using auto filter, all the revenue accounts were filtered (account numbers with 4000)
Compared activity 12/06 to activity 12/05 and investigated increases >77,250.

Scope: >77,250

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	January '07	December '06	13 mths Avg	Diff Dec '06 & Jan '07	Diff 13 Mo Ave & Dec 06	Comments
001.1.4.4000.44001	BASE REVENUE-RESIDENTIAL	(282,518.37)	(281,423.37)	(275,634.20)	1,095.00	5,789.17	
001.1.4.4000.44002	FUEL REVENUE-RESIDENTIAL	(578,736.24)	(590,233.02)	(570,875.49)	(11,496.78)	19,357.53	
001.1.4.4000.44003	GROSS RECEIPT REV-RESIDEN	(23,669.18)	(23,809.18)	(23,169.28)	(140.00)	639.90	
001.1.4.4000.44004	FRANCHISE TAX REV-RESIDEN	(47,195.06)	(47,183.96)	(45,976.60)	11.10	1,207.36	
001.1.4.4000.44005	CONSRV REVENUE-RESIDENTL	(7,856.69)	(5,994.51)	(5,950.67)	1,862.18	43.84	
001.1.4.4000.44201	C/S BASE REVENUE-COMM. SM	(63,349.60)	(61,231.93)	(64,537.81)	2,117.67	(3,305.88)	
001.1.4.4000.44202	C/S FUEL REVENUE-COMM. SM	(104,044.44)	(101,148.64)	(110,917.20)	2,895.80	(9,768.56)	
001.1.4.4000.44203	GROSS RECEIPT REV-COMM SM	(11,013.24)	(11,012.57)	(12,042.41)	0.67	(1,029.84)	
001.1.4.4000.44204	FRANCHISE TAX REV-COMM SM	(22,955.95)	(22,895.16)	(25,230.42)	60.79	(2,335.26)	
001.1.4.4000.44205	C/S CONSRV REVENUE-COMM.	(1,429.12)	(1,040.33)	(1,168.32)	388.79	(127.99)	
001.1.4.4000.44211	C/L BASE REV.-COMM LG/IND	(102,443.38)	(100,795.77)	(102,940.52)	1,647.61	(2,144.75)	
001.1.4.4000.44212	C/L FUEL REV.-COMM LG/IND	(292,652.45)	(298,891.34)	(327,617.58)	(6,238.89)	(28,726.24)	
001.1.4.4000.44213	GROSS RECEIPTS REV-COMM L	(7,849.66)	(7,824.38)	(8,442.78)	25.28	(618.40)	
001.1.4.4000.44214	FRANCHISE TAX REV-COMM LA	(15,884.15)	(15,863.39)	(17,401.09)	20.76	(1,537.70)	
001.1.4.4000.44215	C/L CONSRV REV-COM LG/IND	(4,202.70)	(3,213.86)	(3,604.01)	988.84	(390.15)	
001.1.4.4000.44221	BASE REVENUE- LARGE COMMI	(32,488.61)	(36,763.36)	(35,951.33)	(4,274.75)	812.03	
001.1.4.4000.44222	FUEL REV- LARGE COMMERCIA	(198,362.22)	(232,542.39)	(222,172.01)	(34,180.17)	10,370.38	
001.1.4.4000.44223	GROSS RECEIPTS REV- LG CO	(3,347.97)	(4,346.09)	(3,609.14)	(998.12)	736.95	
001.1.4.4000.44224	FRANCHISE TAX REV- LG COM	(7,390.81)	(9,594.29)	(7,962.83)	(2,203.48)	1,631.46	
001.1.4.4000.44225	CONSERV REV- LARGE COMME	(2,974.69)	(2,607.74)	(2,549.16)	366.95	58.58	
001.1.4.4000.44301	BASE REV-OUTDOOR LIGHTS	(44,150.56)	(43,410.15)	(42,834.31)	740.41	575.84	
001.1.4.4000.44302	FUEL REV-OUTDOOR LIGHTS	(11,874.76)	(11,968.57)	(11,783.30)	(93.81)	185.27	
001.1.4.4000.44303	GROSS RCPT REV-OUTDOOR LI	(1,127.23)	(1,111.00)	(1,092.56)	16.23	18.44	
001.1.4.4000.44304	FRAN TAX REV-OUTDOOR LIGH	(3,089.26)	(3,039.85)	(2,789.73)	49.41	250.12	
001.1.4.4000.44305	CONSRV REV-OUTDOOR LIGHTS	(197.20)	(157.43)	(158.15)	39.77	(0.72)	
001.1.4.4000.44401	BASE REV-PUBLIC ST & HWY	(10,481.86)	(10,466.25)	(10,410.07)	15.61	56.18	
001.1.4.4000.44402	FUEL REV-PUBLIC ST & HWY	(3,270.74)	(3,360.37)	(3,371.83)	(89.63)	(11.46)	
001.1.4.4000.44403	GROSS RCPT REV-PUB ST&HWY	(90.31)	(91.46)	(88.62)	(1.15)	2.84	
001.1.4.4000.44404	FRAN TAX REV-PUB ST & HWY	(401.08)	(398.16)	(296.35)	2.92	101.81	
001.1.4.4000.44405	CONSRV REV-PUBLIC ST&HWY	(56.66)	(43.49)	(44.74)	13.17	(1.25)	
001.1.4.4000.44802	FUEL REV-INTERDEPARTMNTL	(820.89)	(989.31)	(837.31)	(168.42)	152.00	
001.1.4.4000.44803	GROSS RCPT REV-INTRDPTMNL	(22.31)	(26.88)	(22.76)	(4.57)	4.12	
001.1.4.4000.44804	FRAN TAX REV-INTRDPTMNTL	(49.26)	(59.36)	(50.24)	(10.10)	9.12	
001.1.4.4000.450	LATE FEES	(18,143.71)	(16,630.89)	(16,094.92)	1,512.82	535.97	
001.1.4.4000.451	MISC SVC REV-INTL EST OF	(880.00)	(1,181.00)	(1,053.13)	(301.00)	127.87	
001.1.4.4000.4511	MISC SVC REV-RE-EST/CHG S	(3,912.00)	(4,066.00)	(4,109.77)	(154.00)	(43.77)	
001.1.4.4000.4512	MISC SVC REV-COLLECTION C	(1,978.00)	(2,127.50)	(1,805.04)	(149.50)	322.46	

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001.1.4.4000.4513	MISC SVC REV-ALLOWANCES &	30.00	40.00	6.60	10.00	(33.40)
001.1.4.4000.4514	MISC SVC REV-RECNCT RULE	(1,997.00)	(2,645.00)	(2,124.23)	(648.00)	520.77
001.1.4.4000.4516	MISC SVC REV-RTN CHECK CH	(795.00)	(775.00)	(848.46)	20.00	(73.46)
001.1.4.4000.4517	MISC SVC REV-TMP DSCNCT/R	(162.00)	(216.00)	(245.08)	(54.00)	(29.08)
001.1.4.4000.4518	MISC REV-CREDIT CARD FEES	(70.00)	(38.50)	(112.54)	31.50	(74.04)
001.1.4.4000.454	RENT FROM ELECTRIC PROPER	(67,650.30)	-	(11,058.15)	67,650.30	(11,058.15)
001.1.4.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	(46,332.00)	(22,171.00)	18,741.46	24,161.00	40,912.46
001.1.4.4000.4562	MISC.ELECTRIC REVENUE	(322.59)	(178.30)	(526.09)	144.29	(347.79)
001.1.4.4000.4563	UNBILLED REVENUES	(4,488.00)	19,856.00	2,394.77	24,344.00	(17,461.23)
001.1.4.4000.4566	OVERRECOVERY: CONSERVATI	1,383.00	(8,185.00)	(6,522.69)	(9,568.00)	1,662.31
001.1.5.4000.44001	BASE REVENUE-RESIDENTIAL	(327,186.60)	(320,273.35)	(355,385.11)	6,913.25	(35,111.76)
001.1.5.4000.44002	FUEL REVENUE-RESIDENTIAL	(736,679.32)	(453,171.33)	(559,433.66)	283,507.99	(106,262.33)
001.1.5.4000.44003	GROSS RECEIPT REV-RESIDEN	(28,303.77)	(20,599.11)	(24,372.03)	7,704.66	(3,772.92)
001.1.5.4000.44004	FRANCHISE TAX REV-RESIDEN	(29,891.83)	(21,675.48)	(25,868.78)	8,216.35	(4,193.30)
001.1.5.4000.44005	CONSRV REVENUE-RESIDENTL	(8,547.83)	(6,344.49)	(7,693.88)	2,203.34	(1,349.39)
001.1.5.4000.44201	C/S BASE REVENUE-COMM. SM	(52,505.81)	(50,222.83)	(55,822.61)	2,282.98	(5,599.78)
001.1.5.4000.44202	C/S FUEL REVENUE-COMM. SM	(111,924.98)	(69,189.64)	(82,116.07)	42,735.34	(12,926.43)
001.1.5.4000.44203	GROSS RECEIPT REV-COMM SM	(6,319.89)	(4,674.65)	(5,370.32)	1,645.24	(695.67)
001.1.5.4000.44204	FRANCHISE TAX REV-COMM SM	(9,215.43)	(6,581.09)	(7,747.67)	2,634.34	(1,166.58)
001.1.5.4000.44205	C/S CONSRV REVENUE-COMM S	(1,328.19)	(989.88)	(1,153.76)	338.31	(163.88)
001.1.5.4000.44211	C/L BASE REV.-COMM LG/IND	(75,745.84)	(77,774.76)	(80,632.68)	(2,028.92)	(2,857.92)
001.1.5.4000.44212	C/L FUEL REV.-COMM LG/IND	(313,481.54)	(193,514.70)	(228,819.29)	119,966.84	(35,304.59)
001.1.5.4000.44213	GROSS RECEIPTS REV-COMM L	(8,785.20)	(6,010.39)	(6,869.89)	2,774.81	(859.50)
001.1.5.4000.44214	FRANCHISE TAX REV-COMM LA	(9,295.88)	(6,567.69)	(7,544.44)	2,728.19	(976.75)
001.1.5.4000.44215	C/L CONSRV REV-COM LG/IND	(3,912.41)	(2,877.95)	(3,345.42)	1,034.46	(467.47)
001.1.5.4000.44221	BASE REV- LARGE COMMERCIA	(17,088.98)	(17,094.78)	(17,347.89)	(5.80)	(253.11)
001.1.5.4000.44222	FUEL REVENUE- LARGE COMMI	(106,864.90)	(65,212.50)	(70,754.88)	41,652.40	(5,542.38)
001.1.5.4000.44223	GROSS RECEIPTS REV-LG COM	(3,060.04)	(2,010.89)	(2,134.10)	1,049.15	(123.21)
001.1.5.4000.44224	FRANCHISE TAX REV- LG COM	(2,380.31)	(1,460.40)	(1,560.91)	919.91	(100.51)
001.1.5.4000.44225	CONSERV REV- LARGE COMME.	(1,322.05)	(1,000.61)	(1,061.20)	321.44	(60.59)
001.1.5.4000.44231	BASE REVENUE-INDUSTRIAL G	(34,128.00)	(38,950.16)	(44,621.83)	(4,822.16)	(5,671.67)
001.1.5.4000.44232	FUEL REVENUE-INDUSTRIAL G	(496,259.40)	(295,040.76)	(369,067.18)	201,218.64	(74,026.42)
001.1.5.4000.44233	GROSS RECEIPT REV-INDST G	(14,607.99)	(9,219.87)	(11,411.91)	5,388.12	(2,192.04)
001.1.5.4000.44234	FRANCHISE TAX REV-INDST G	(32,249.12)	(20,354.10)	(25,193.33)	11,895.02	(4,839.23)
001.1.5.4000.44235	CONSRV REVENUE-INDUSTRL C	(7,098.00)	(5,244.00)	(6,199.75)	1,854.00	(955.75)
001.1.5.4000.44301	BASE REV-OUTDOOR LIGHTS	(28,718.05)	(28,506.18)	(28,386.66)	211.87	119.52
001.1.5.4000.44302	FUEL REV-OUTDOOR LIGHTS	(3,960.76)	(2,379.57)	(2,460.14)	1,581.19	(80.57)
001.1.5.4000.44303	GROSS RCPT REV-OUTDOOR LI	(814.28)	(810.64)	(797.60)	3.64	13.04
001.1.5.4000.44304	FRAN TAX REV-OUTDOOR LIGH	(473.22)	(442.42)	(412.48)	30.80	29.94
001.1.5.4000.44305	CONSRV REV-OUTDOOR LIGHTS	(63.14)	(48.17)	(48.78)	14.97	(0.61)
001.1.5.4000.44401	BASE REV-PUBLIC ST & HWY	(7,476.30)	(7,473.87)	(7,336.18)	2.43	137.69
001.1.5.4000.44402	FUEL REV-PUBLIC ST & HWY	(2,488.71)	(1,548.44)	(1,605.02)	940.27	(56.58)
001.1.5.4000.44403	GROSS RCPT REV-PUB ST&HWY	(123.46)	(97.63)	(98.79)	25.83	(1.16)
001.1.5.4000.44404	FRAN TAX REV-PUB ST & HWY	(738.60)	(681.53)	(677.84)	57.07	3.69
001.1.5.4000.44405	CONSRV REV-PUBLIC ST&HWY	(40.38)	(30.95)	(31.36)	9.43	(0.41)
001.1.5.4000.44802	FUEL REV-INTERDPARTMENTL	(1,384.14)	(1,027.66)	(1,386.60)	356.48	(358.94)
001.1.5.4000.44803	GROSS RCPT REV-INTRDPTMNL	(36.94)	(27.32)	(38.57)	9.62	(11.25)
001.1.5.4000.44804	FRAN TAX REV-INTRDPTMNTL	(56.75)	(37.92)	(48.70)	18.83	(10.78)
001.1.5.4000.450	LATE FEES	(15,673.21)	(15,027.88)	(13,790.72)	645.33	1,237.16
001.1.5.4000.451	MISC SVC REV-INTL EST OF	(2,112.00)	18,429.84	(228.24)	20,541.84	(18,658.08)
001.1.5.4000.4511	MISC SVC REV-RE-EST/CHG S	(3,572.00)	(3,895.00)	(4,375.62)	(323.00)	(480.62)
001.1.5.4000.4512	MISC SVC REV-COLLECTION C	(1,932.00)	(1,713.50)	(1,573.73)	218.50	139.77
001.1.5.4000.4513	MISC SVC REV-ALLOWANCES &	155.96	96.91	271.69	(59.05)	174.78

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001.1.5.4000.4514	MISC SVC REV-RCNCT RULE V	(1,022.00)	(1,156.00)	(1,242.46)	(134.00)	(86.46)
001.1.5.4000.4516	MISC SVC REV-RTN CHECK CH	(841.60)	(245.00)	(548.01)	596.60	(303.01)
001.1.5.4000.4517	MISC SVC REV-TMP DSCNCT/R	(270.00)	(162.00)	(182.77)	108.00	(20.77)
001.1.5.4000.4518	MISC REV- CREDIT CARD FEE	(276.50)	(350.00)	(253.87)	(73.50)	96.13
001.1.5.4000.454	RENT FROM ELECTRIC PROPER	(3,252.37)	(2,797.48)	(3,171.45)	454.89	(373.97)
001.1.5.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	(24,116.00)	(73,904.00)	(47,809.00)	(49,788.00)	26,095.00
001.1.5.4000.4562	MISC.ELECTRIC REVENUE	(2,103.48)	47.45	(264.11)	2,150.93	(311.56)
001.1.5.4000.4563	UNBILLED REVENUES	(15,727.00)	(12,206.00)	(4,593.85)	3,521.00	7,612.15
001.1.5.4000.4566	OVERRECOVERY: CONSERVATI	10,643.00	(4,732.00)	2,649.15	(15,375.00)	7,381.15
001.2.1.4000.48001	BASE REVENUE-RESIDENTIAL	(750,537.94)	(633,076.04)	(575,685.49)	117,461.90	57,390.55
001.2.1.4000.48002	FUEL REVENUE-RESIDENTIAL	(854,776.80)	(672,654.37)	(702,772.28)	182,122.43	(30,117.91)
001.2.1.4000.48003	GROSS RECEIPT REV-RESIDEN	(55,719.45)	(43,413.07)	(36,303.83)	12,306.38	7,109.24
001.2.1.4000.48004	FRANCHISE TAX REV-RESIDEN	(62,148.58)	(47,683.29)	(41,697.82)	14,465.29	5,985.47
001.2.1.4000.48005	CONSERVATION REVENUE-RES	(95,934.42)	(72,669.88)	(62,170.48)	23,264.54	10,499.40
001.2.1.4000.48101	C/S BASE REVENUE-COMM. SM	(409,514.71)	(346,515.46)	(291,170.85)	62,999.25	55,344.61
001.2.1.4000.48102	C/S FUEL REVENUES-COMM. S	(926,315.70)	(774,533.34)	(779,826.06)	151,782.36	(5,292.72)
001.2.1.4000.48103	GROSS RECEIPT REV-COMM SM	(42,337.32)	(35,951.80)	(27,489.80)	6,385.52	8,462.00
001.2.1.4000.48104	FRANCHISE TAX REV-COMM SM	(45,055.54)	(38,616.70)	(30,608.62)	6,438.84	8,008.08
001.2.1.4000.48105	CONSERVATION REV-COMM. SM	(45,593.69)	(38,602.03)	(31,807.03)	6,991.66	6,795.00
001.2.1.4000.48111	C/L BASE REVENUE-COMM. LA	(312,624.92)	(272,134.48)	(273,134.36)	40,490.44	(999.88)
001.2.1.4000.48112	C/L FUEL REVENUE-COMM. LA	(938,615.01)	(803,577.90)	(938,598.88)	135,037.11	(135,020.98)
001.2.1.4000.48113	GROSS RECEIPTS REV-COMM L	(37,802.74)	(32,214.57)	(29,618.14)	5,588.17	2,596.43
001.2.1.4000.48114	FRANCHISE TAX REV-COMM LA	(35,866.66)	(30,461.54)	(28,981.00)	5,405.12	1,480.54
001.2.1.4000.48115	CONSERVATION REV-COMM. LA	(32,296.83)	(28,435.12)	(27,942.40)	3,861.71	492.72
001.2.1.4000.48121	BASE REV.-INTERRUPTIBLE	-	-	-	-	-
001.2.1.4000.48122	FUEL REV.-INTERRUPTIBLE	-	-	-	-	-
001.2.1.4000.48123	GROSS RECEIPT REV-INTERRU	-	-	-	-	-
001.2.1.4000.48141	BASE REVENUE - OUTDOOR LI	(4,982.95)	(4,982.95)	(4,562.97)	-	419.98
001.2.1.4000.48142	FUEL REVENUE - OUTDOOR LI	(18,804.81)	(18,804.81)	(19,235.49)	-	(430.68)
001.2.1.4000.48143	GROSS REVENUE - OUTDOOR L	(783.96)	(783.96)	(734.12)	-	49.84
001.2.1.4000.48144	FRANCH TAX REV-OUTDOOR LI	(810.26)	(801.90)	(762.17)	8.36	39.73
001.2.1.4000.48402	FUEL REV-INTERDEPARTMNTL	(3,484.32)	(3,643.92)	(4,525.36)	(159.60)	(881.44)
001.2.1.4000.48403	GROSS REC REV-INTRDPTMTL	(107.24)	(112.16)	(125.34)	(4.92)	(13.18)
001.2.1.4000.48404	FRANCH TAX REV-INTRDPMTL	(132.83)	(138.91)	(105.75)	(6.08)	33.16
001.2.1.4000.487	LATE FEES	(54,840.74)	(50,709.81)	(49,341.10)	4,130.93	1,368.71
001.2.1.4000.4880	MISC SERVICE REV-OTHER CH	(4,076.00)	(3,504.00)	(3,620.85)	572.00	(116.85)
001.2.1.4000.4881	MISC SVC REV - CREDIT CRD	(549.50)	(532.00)	(889.13)	17.50	(357.13)
001.2.1.4000.4882	MISC SERVICE REV-CHECK CH	(1,665.00)	(1,464.74)	(1,608.78)	200.26	(144.04)
001.2.1.4000.4884	MISC SVC REV-CHANGE OF AC	(1,739.00)	(1,653.00)	(2,155.04)	86.00	(502.04)
001.2.1.4000.4885	MISC SVC REV-RECONNECT CH	(12,694.00)	(16,434.00)	(12,491.00)	(3,740.00)	3,943.00
001.2.1.4000.4886	MISC SVC REV-RECONNECT NO	(13,771.00)	(10,601.00)	(8,089.85)	3,170.00	2,511.15
001.2.1.4000.4887	MISC SVC REV-BILL COLLECT	(1,872.00)	(2,384.00)	(694.15)	(512.00)	1,689.85
001.2.1.4000.4888	MISC SVC REV-ALLOWANCES &	988.39	453.69	1,204.55	(534.70)	750.86
001.2.1.4000.48901	BASE REVENUE-TRANSPORTAT	(28,681.93)	(24,620.86)	(21,458.92)	4,061.07	3,161.94
001.2.1.4000.48903	GR REC-COMM SM TRANSPORT	(2,791.71)	(2,372.24)	(1,893.48)	419.47	478.76
001.2.1.4000.48905	CONSERVATION REVENUE TRA	(3,305.54)	(2,846.22)	(2,442.67)	459.32	403.55
001.2.1.4000.48911	BASE REVENUE-CL TRANSPORT	(208,652.11)	(184,093.03)	(189,941.23)	24,559.08	(5,848.20)
001.2.1.4000.48913	GR REC- COMM LRG TRANSPOR	(25,326.93)	(22,134.08)	(21,267.32)	3,192.85	866.76
001.2.1.4000.48915	CONSERVATION REVENUE-CL T	(22,086.08)	(19,865.27)	(20,228.38)	2,220.81	(363.11)
001.2.1.4000.48921	BASE REVENUE - INTERR. TR	(45,134.51)	(46,208.87)	(44,377.86)	(1,074.36)	1,831.01
001.2.1.4000.48923	GR REC- INTRDPT TRANSPORT	(11,674.18)	(11,727.38)	(10,761.15)	(53.20)	966.23
001.2.1.4000.48933	GR REC- LRG VOL TRANSPORT	-	-	-	-	-
001.2.1.4000.48981	BASE REV-POOL MANAGER SVC	(500.00)	(600.00)	(400.00)	(100.00)	200.00

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001.2.1.4000.48982	POOLMANAGER SVC FUELREV '	163,511.93	82,150.02	69,271.67	(81,361.91)	(12,878.35)
001.2.1.4000.4951	OVER REC:FUEL ADJ- PURCHA	335,604.64	(711,990.07)	334,252.27	(1,047,594.71)	1,046,242.34
001.2.1.4000.4952	MISC.GAS REVENUE	(2,022.06)	(3,698.63)	(2,858.70)	(1,676.57)	839.93
001.2.1.4000.4953	UNBILLED REVENUES	43,073.00	(111,537.00)	(3,600.92)	(154,610.00)	107,936.08
001.2.1.4000.49551	BASE RVENUE-L WORTH GENEF	(61,509.66)	(61,509.66)	(61,923.03)	-	(413.37)
001.2.1.4000.4956	OTHER GAS REVENUE - AEP	(26,870.65)	(22,881.10)	(20,675.92)	3,989.55	2,205.18
001.2.1.4000.49561	OTHER GAS REV-STORM SURCH	(16,408.49)	(13,550.01)	(12,195.98)	2,858.48	1,354.03
001.2.1.4000.4957	OVERRECOVERY:GAS CONSERV	146,207.00	90,156.00	76,174.62	(56,051.00)	(13,981.38)
001.2.1.4000.496	RATE REFUND PENDING ACCOU	-	179,500.00	13,807.69	179,500.00	(165,692.31)
001.2.3.4000.48001	BASE REVENUE-RESIDENTIAL	(326,139.53)	(336,079.01)	(294,163.95)	(9,939.48)	41,915.06
001.2.3.4000.48002	FUEL REVENUE-RESIDENTIAL	(314,314.46)	(332,231.78)	(331,645.86)	(17,917.32)	585.92
001.2.3.4000.48003	GROSS RECEIPT REV-RESIDEN	(20,653.13)	(21,850.42)	(16,575.57)	(1,197.29)	5,274.85
001.2.3.4000.48004	FRANCHISE TAX REV-RESIDEN	(19,688.32)	(19,913.95)	(18,226.48)	(225.63)	1,687.47
001.2.3.4000.48005	CONSERVATION REVENUE-RES	(35,236.70)	(35,907.30)	(28,442.27)	(670.60)	7,465.03
001.2.3.4000.48101	C/S BASE REVENUE-COMM. SM	(96,528.45)	(93,795.46)	(82,087.87)	2,732.99	11,707.59
001.2.3.4000.48102	C/S FUEL REVENUE-COMM. SM	(206,712.49)	(200,170.30)	(210,235.65)	6,542.19	(10,065.35)
001.2.3.4000.48103	GROSS RECEIPT REV-COMM SM	(8,884.49)	(8,577.30)	(6,882.16)	307.19	1,695.14
001.2.3.4000.48104	FRANCHISE TAX REV-COMM SM	(7,286.00)	(6,409.69)	(7,010.19)	876.31	(600.50)
001.2.3.4000.48105	CONSERVATION REV-COMM. SM	(10,175.03)	(9,974.91)	(8,472.02)	200.12	1,502.89
001.2.3.4000.48111	C/L BASE REVENUE-COMM. LA	(149,924.95)	(150,750.48)	(152,355.64)	(825.53)	(1,605.16)
001.2.3.4000.48112	C/L FUEL REVENUE-COMM. LA	(457,193.75)	(460,173.20)	(550,438.06)	(2,979.45)	(90,264.86)
001.2.3.4000.48113	GROSS RECEIPTS REV-COMM L	(12,273.10)	(12,686.54)	(11,832.31)	(413.44)	854.23
001.2.3.4000.48114	FRANCHISE TAX REV-COMM LA	(10,857.56)	(9,834.56)	(11,707.32)	1,023.00	(1,872.76)
001.2.3.4000.48115	CONSERVATION REV-COMM. LA	(15,727.49)	(16,284.39)	(16,404.51)	(556.90)	(120.12)
001.2.3.4000.48121	BASE REVENUE-INTERRUPTIBL	(30.00)	(2,655.37)	(2,445.70)	(2,625.37)	209.67
001.2.3.4000.48122	FUEL REVENUE-INTERRUPTIBL	-	(19,008.80)	(21,041.54)	(19,008.80)	(2,032.74)
001.2.3.4000.48123	GROSS RECEIPT REV-INTERRU	-	(585.11)	(513.18)	(585.11)	71.93
001.2.3.4000.48141	BASE REV - OUTDOOR LIGHTS	(2,412.67)	(2,392.84)	(2,054.68)	19.83	338.16
001.2.3.4000.48142	FUEL REVENUE- OUTDOOR LIG	(2,112.80)	(2,112.80)	(2,288.82)	-	(176.02)
001.2.3.4000.48143	GROSS REC REV-OUTDOOR LIG	(358.31)	(354.58)	(287.97)	3.73	66.61
001.2.3.4000.48402	FUEL REV-INTERDEPARTMNTL	(699.68)	(721.78)	(900.00)	(22.10)	(178.22)
001.2.3.4000.48403	GROSS REC REV-INTRDPMNTL	(21.54)	(22.22)	(25.08)	(0.68)	(2.86)
001.2.3.4000.487	LATE FEES	(22,401.04)	(21,965.63)	(21,266.79)	435.41	698.84
001.2.3.4000.4880	MISC SERVICE REV-OTHER CH	(1,346.00)	(1,608.00)	(1,872.92)	(262.00)	(264.92)
001.2.3.4000.4881	MISC SVC REV - CREDIT CRD	(565.70)	(514.50)	(789.84)	51.20	(275.34)
001.2.3.4000.4882	MISC SERVICE REV-CHECK CH	(760.00)	(1,060.00)	(988.11)	(300.00)	71.89
001.2.3.4000.4884	MISC SVC REV-CHANGE OF AC	(833.00)	(1,617.00)	(1,602.08)	(784.00)	14.92
001.2.3.4000.4885	MISC SVC REV-RECONNECT CH	(9,970.00)	(15,666.00)	(11,357.15)	(5,696.00)	4,308.85
001.2.3.4000.4886	MISC SVC REV-RECONNECT NO	(13,157.00)	(10,221.00)	(11,496.62)	2,936.00	(1,275.62)
001.2.3.4000.4887	MISC SVC REV-BILL COLLECT	(5,056.00)	(3,600.00)	(5,155.96)	1,456.00	(1,555.96)
001.2.3.4000.4888	MISC SVC REV-ALLOWANCES &	105.00	119.19	221.83	14.19	102.64
001.2.3.4000.48901	BASE REVENUE TRANSPORTAT	(6,312.93)	(5,690.62)	(4,097.73)	622.31	1,592.89
001.2.3.4000.48903	GR REC- RES TRANSPORTATIO	(592.47)	(522.65)	(371.39)	69.82	151.26
001.2.3.4000.48905	CONSERVATION REVENUE TRA	(688.19)	(621.34)	(441.12)	66.85	180.22
001.2.3.4000.48911	BASE REVENUE-CL TRANSPORT	(86,393.72)	(85,155.60)	(85,451.32)	1,238.12	(295.72)
001.2.3.4000.48913	GR REC- COMM LG TRANSPORT	(9,192.09)	(9,028.86)	(8,812.14)	163.23	216.72
001.2.3.4000.48915	CONSERV.REVENUE-CL TRANSI	(8,171.78)	(8,166.20)	(9,054.73)	5.58	(888.53)
001.2.3.4000.48921	BASE REVENUE - INTERR TRA	(9,947.92)	(6,845.81)	(7,159.98)	3,102.11	(314.17)
001.2.3.4000.48923	GR REC- INTRDPT TRANSPORT	(2,583.10)	(1,896.97)	(1,862.63)	686.13	34.34
001.2.3.4000.48933	GR REC- LRG VOL TRANSPORT	-	-	-	-	-
001.2.3.4000.4951	OVER REC:FUEL ADJ- PURCHA	(22,745.53)	(136,807.00)	(28,953.80)	(114,061.47)	107,853.20
001.2.3.4000.4952	MISC.GAS REVENUE	(1,711.91)	(6,968.58)	(2,717.59)	(5,256.67)	4,250.99
001.2.3.4000.4953	UNBILLED REVENUES	(82,872.00)	(42,628.00)	(7,074.00)	40,244.00	35,554.00

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001.2.3.4000.4956	OTHER GAS REVENUE - AEP	(31,809.82)	(34,356.76)	(25,389.78)	(2,546.94)	8,966.98
001.2.3.4000.49561	OTHER GAS REV-STORM SURCH	(5,640.78)	(5,775.71)	(5,187.87)	(134.93)	587.84
001.2.3.4000.4957	OVERRECOVERY:GAS CONSERV	33,437.00	8,462.00	(38,457.92)	(24,975.00)	(46,919.92)
001.2.3.4000.496	RATE REFUND PENDING ACCOU	-	-	-	-	-
009.9.1.4000.480	RESIDENTIAL SALES-GENERAL	(291,384.07)	(238,808.50)	(226,400.24)	52,575.57	12,408.26
009.9.1.4000.4802	RESIDENTIAL BULK SALES	(166,510.49)	(134,307.89)	(111,140.29)	32,202.60	23,167.60
009.9.1.4000.481	COMMERCIAL AND INDUSTRIAL	(169,268.73)	(152,363.10)	(155,120.16)	16,905.63	(2,757.06)
009.9.1.4000.4812	COMM.& INDUS. SALES BULK	(227,256.69)	(223,440.46)	(201,328.13)	3,816.23	22,112.33
009.9.1.4000.4821	FORK LIFT CYLINDER EXCHAN	-	-	-	-	-
009.9.1.4000.483	UNBILLED REVENUES	(5,051.37)	19,481.26	1,010.73	24,532.63	(18,470.53)
009.9.1.4000.487	LATE FEES	(11,194.47)	(10,449.22)	(9,946.46)	745.25	502.76
009.9.1.4000.4880	MISC SERV REV-OTHER CHARG	(1,646.00)	(1,566.00)	(1,454.77)	80.00	111.23
009.9.1.4000.4881	MISC SVC REV - CREDIT CRD	(24.50)	(14.00)	(13.73)	10.50	0.27
009.9.1.4000.4882	MISC SERV REV-CHECK CHARG	(134.00)	(215.00)	(208.62)	(81.00)	6.38
009.9.1.4000.4884	MISC SERV REV-CHANGE OF A	(228.00)	(185.00)	(266.85)	43.00	(81.85)
009.9.1.4000.4885	MISC SERV REV-RECONNECT C	(1,906.00)	(2,875.00)	(1,725.46)	(969.00)	1,149.54
009.9.1.4000.4886	MISC SERV REV-RECONNECT N	(1,132.00)	(1,676.00)	(849.92)	(544.00)	826.08
009.9.1.4000.4887	MISC SERV REV-BILL COLLEC	(272.00)	(352.00)	(116.92)	(80.00)	235.08
009.9.1.4000.4888	MISC SVC REV_ALLOWANCES &	190.92	1,925.62	1,536.93	1,734.70	(388.69)
009.9.1.4000.495	OTHER GAS REVENUE	(11,637.00)	(6,341.90)	(1,495.30)	5,295.10	4,846.60
009.9.1.4000.4952	OTHER GAS REV-DOCK CYLNDI	-	-	(19.96)	-	(19.96)
009.9.1.4000.4954	REGULATORY COMPLIANCE FEI	(12,535.11)	(12,285.96)	(9,957.38)	249.15	2,328.58
009.9.3.4000.480	RESIDENTIAL SALES-GENERAL	(88,826.20)	(90,083.98)	(75,411.52)	(1,257.78)	14,672.46
009.9.3.4000.4802	RESIDENTIAL SALES - BULK	(61,125.83)	(82,481.43)	(55,728.88)	(21,355.60)	26,752.55
009.9.3.4000.481	COMMERCIAL AND INDUSTRIAL	(8,531.59)	(11,691.38)	(6,894.44)	(3,159.79)	4,796.94
009.9.3.4000.4812	COMM & INDUS. SALES - BUL	(23,025.93)	(35,898.06)	(29,995.52)	(12,872.13)	5,902.54
009.9.3.4000.482	CYLINDER SALES	-	-	-	-	-
009.9.3.4000.4821	FORK LIFT CYLINDER EXCHAN	(10,542.92)	(9,451.30)	(14,147.02)	1,091.62	(4,695.72)
009.9.3.4000.483	UNBILLED REVENUES	(8,724.55)	11,773.54	852.81	20,498.09	(10,920.73)
009.9.3.4000.484	INTERDEPARTMENTAL REVENU	-	-	(511.78)	-	(511.78)
009.9.3.4000.487	LATE FEES	(3,090.74)	(2,651.29)	(2,642.19)	439.45	9.10
009.9.3.4000.4880	MISC SERV REV-OTHER CHARG	(210.00)	(558.00)	(164.92)	(348.00)	393.08
009.9.3.4000.4881	MISC SVC REV - CREDIT CRD	(17.50)	(3.50)	(1.62)	14.00	1.88
009.9.3.4000.4882	MISC SERV REV-CHECK CHARG	(85.00)	(65.00)	(86.54)	20.00	(21.54)
009.9.3.4000.4884	MISC SERV REV-CHANGE OF A	(138.00)	(176.00)	(139.46)	(38.00)	36.54
009.9.3.4000.4885	MISC SERV REV-RECONNECT C	(770.00)	(2,020.00)	(1,405.77)	(1,250.00)	614.23
009.9.3.4000.4886	MISC SERV REV-RECONNECT N	(1,150.00)	(1,640.00)	(1,125.69)	(490.00)	514.31
009.9.3.4000.4887	MISC SERV REV-BILL COLLEC	(592.00)	(624.00)	(762.42)	(32.00)	(138.42)
009.9.3.4000.4888	MISC SVC REV-ALLOWANCES &	83.44	106.00	81.22	22.56	(24.78)
009.9.3.4000.495	OTHER GAS REVENUE	(461.82)	(243.86)	(302.23)	217.96	(58.37)
009.9.3.4000.4952	OTHER GAS REV-DOCK CYLNDI	(600.90)	(604.31)	(437.70)	(3.41)	166.61
009.9.3.4000.4954	REGULATORY COMPLIANCE FEI	(4,657.10)	(5,002.99)	(3,762.11)	(345.89)	1,240.88
009.9.3.4000.4955	OTHER GAS REV-ACCESS FEE	-	-	-	-	-
009.9.5.4000.480	RESIDENTIAL SALES-GENERAL	(12,951.98)	(15,332.98)	(9,652.37)	(2,381.00)	5,680.61
009.9.5.4000.4802	RESIDENTIAL BULK SALES	(42,871.29)	(45,664.91)	(36,727.34)	(2,793.62)	8,937.57
009.9.5.4000.481	COMMERCIAL AND INDUSTRIAL	(26,708.12)	(23,676.05)	(27,933.40)	3,032.07	(4,257.35)
009.9.5.4000.4812	COMM.& INDUS. SALES BULK	(117,499.85)	(122,420.34)	(103,070.16)	(4,920.49)	19,350.18
009.9.5.4000.4814	COMMERCIAL BULK - WHOLESA	(22,673.49)	(26,645.65)	(24,413.36)	(3,972.16)	2,232.29
009.9.5.4000.482	CYLINDER SALES	(131.78)	(65.18)	(193.27)	66.60	(128.09)
009.9.5.4000.4821	FORK LIFT CYLINDER EXCHAN	(19,166.80)	(21,445.31)	(24,319.10)	(2,278.51)	(2,873.79)
009.9.5.4000.483	UNBILLED REVENUES	(43,228.56)	25,363.36	(1,927.87)	68,591.92	(27,291.23)
009.9.5.4000.484	INTERDEPARTMENTAL REVENU	(56.01)	-	(17.93)	56.01	(17.93)
009.9.5.4000.487	LATE FEES	(2,886.33)	(2,786.84)	(2,170.10)	99.49	616.74

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009.9.5.4000.4880	MISC SERV REV-OTHER CHARG	(1,218.00)	(798.00)	(607.00)	420.00	191.00
009.9.5.4000.4881	MISC SVC REV - CREDIT CRD	-	-	(0.27)	-	(0.27)
009.9.5.4000.4882	MISC SERV REV-CHECK CHARG	-	(70.00)	(15.85)	(70.00)	54.15
009.9.5.4000.4884	MISC SERV REV-CHANGE OF A	-	-	(1.46)	-	(1.46)
009.9.5.4000.4885	MISC SERV REV-RECONNECT C	(714.00)	(588.00)	(607.38)	126.00	(19.38)
009.9.5.4000.4886	MISC SERV REV-RECONNECT N	(74.00)	-	(46.62)	74.00	(46.62)
009.9.5.4000.4887	MISC SERV REV-BILL COLLEC	(176.00)	(48.00)	(46.77)	128.00	1.23
009.9.5.4000.4888	MISC SVC REV-ALLOWANCES &	582.81	218.22	137.31	(364.59)	(80.91)
009.9.5.4000.495	OTHER GAS REVENUE	4,455.00	(1,177.61)	226.72	(5,632.61)	1,404.33
009.9.5.4000.4954	REGULATORY COMPLIANCE FEI	(1,323.64)	(1,734.91)	(1,222.43)	(411.27)	512.48
009.9.6.4000.480	RESIDENTIAL SALES-GENERAL	(30,330.28)	(32,354.66)	(23,647.65)	(2,024.38)	8,707.01
009.9.6.4000.4802	RESIDENTIAL SALES - BULK	(40,154.63)	(57,724.40)	(38,285.60)	(17,569.77)	19,438.80
009.9.6.4000.481	COMMERCIAL AND INDUSTRIAI	(10,814.85)	(13,288.77)	(4,843.20)	(2,473.92)	8,445.57
009.9.6.4000.4812	COMM. & INDUS. SALES - BU	(29,076.71)	(37,231.84)	(35,015.14)	(8,155.13)	2,216.70
009.9.6.4000.483	UNBILLED REVENUES	(13,731.74)	(5,477.45)	(1,538.00)	8,254.29	3,939.45
009.9.6.4000.484	INTERDEPARTMENTAL REVENU	-	(106.02)	(52.19)	(106.02)	53.83
009.9.6.4000.487	LATE FEES	(1,309.86)	(1,244.71)	(1,008.19)	65.15	236.52
009.9.6.4000.4880	MISC SERV REV-OTHER CHARG	(1,008.00)	(1,190.00)	(856.38)	(182.00)	333.62
009.9.6.4000.4881	MISC SVC REV - CREDIT CRD	-	-	-	-	-
009.9.6.4000.4882	MISC SERV REV-CHECK CHARG	-	(60.00)	(25.38)	(60.00)	34.62
009.9.6.4000.4884	MISC SERV REV-CHANGE OF A	(190.00)	(95.00)	(82.85)	95.00	12.15
009.9.6.4000.4885	MISC SERV REV-RECONNECT C	(504.00)	(280.00)	(370.61)	224.00	(90.61)
009.9.6.4000.4886	MISC SERV REV-RECONNECT N	-	-	(11.08)	-	(11.08)
009.9.6.4000.4887	MISC SERV REV-BILL COLLEC	(288.00)	(144.00)	(160.78)	144.00	(16.78)
009.9.6.4000.4888	MISC SVC REV-ALLOWANCES &	1,313.36	572.79	323.69	(740.57)	(249.10)
009.9.6.4000.495	OTHER GAS REVENUE	(1,599.76)	(30.00)	(150.75)	1,569.76	(120.75)
009.9.6.4000.4952	OTHER GAS REV-DOCK CYL SA	(811.27)	(485.94)	(407.83)	325.33	78.11
009.9.6.4000.4954	REGULATORY COMPLIANCE FEI	(2,491.82)	(2,852.00)	(1,671.39)	(360.18)	1,180.61
TOTAL		(12,623,539.48)	(12,201,384.32)	(11,296,794.05)	422,155.16	904,590.27

Florida Public Utility Company
December Revenue Variance
December 31, 2005

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Purpose: Reasonableness of revenue accounts variance during the year.

Procedure: Obtained 13 month financial statements in Excel for both 2005 and 2006.
Using auto filter, all the revenue accounts were filtered (account numbers with 4000)
Compared activity 12/05 to activity 12/06 and investigated increases >81,750.

Scope: >81,750

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	January '06	December '05	13 mths Avg	Diff Dec '05 & Jan '06	Diff 13 Mo Ave & Dec 05
001.1.4.4000.44001	BASE REVENUE-RESIDENTIAL	(301,650.94)	(275,892.71)	(273,962.53)	25,758.23	1,930.18
001.1.4.4000.44002	FUEL REVENUE-RESIDENTIAL	(658,010.11)	(552,120.29)	(549,767.97)	105,889.82	2,352.32
001.1.4.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	125,111.00	-	30,089.00	(125,111.00)	30,089.00
001.1.4.4000.4563	UNBILLED REVENUES	48,614.00	(33,829.00)	7,698.62	(82,443.00)	41,527.62
001.1.5.4000.4563	UNBILLED REVENUES	42,035.00	(58,401.00)	9,882.31	(100,436.00)	68,283.31
001.2.1.4000.48001	BASE REVENUE-RESIDENTIAL	(762,227.87)	(656,785.64)	(584,868.00)	105,442.23	71,917.64
001.2.1.4000.48002	FUEL REVENUE-RESIDENTIAL	(1,437,744.10)	(1,011,702.17)	(672,356.10)	426,041.93	339,346.07
001.2.1.4000.48102	C/S FUEL REVENUES-COMM. S	(1,438,797.26)	(1,112,843.46)	(725,950.45)	325,953.80	386,893.01
001.2.1.4000.48112	C/L FUEL REVENUE-COMM. LA	(1,445,354.62)	(1,337,445.28)	(919,228.88)	107,909.34	418,216.40
001.2.1.4000.4957	OVERRECOVERY:GAS CONSERVA	421,797.00	-	32,445.92	(421,797.00)	32,445.92
001.2.1.4000.496	RATE REFUND PENDING ACCOU	-	182,000.00	55,588.38	182,000.00	(126,411.62)
001.2.3.4000.48001	BASE REVENUE-RESIDENTIAL	(439,773.56)	(347,688.18)	(307,961.04)	92,085.38	39,727.14
001.2.3.4000.48002	FUEL REVENUE-RESIDENTIAL	(818,035.61)	(505,291.39)	(329,825.70)	312,744.22	175,465.69
001.2.3.4000.48102	C/S FUEL REVENUE-COMM. SM	(414,229.87)	(266,538.97)	(191,721.00)	147,690.90	74,817.97
001.2.3.4000.48112	C/L FUEL REVENUE-COMM. LA	(874,126.27)	(626,219.72)	(463,750.89)	247,906.55	162,468.83
001.2.3.4000.4953	UNBILLED REVENUES	6,129.00	(139,695.00)	(692.77)	(145,824.00)	139,002.23
001.2.3.4000.4957	OVERRECOVERY:GAS CONSERVA	(367,651.00)	-	(28,280.85)	367,651.00	(28,280.85)
TOTAL		############	(13,418,434.07)	(11,201,052.69)	2,172,330.73	2,217,381.38

Comments Dec '05 & Jan '06	Comments 13 Mo Ave & Dec 05
N/A	N/A
Increased Fuel Costs (3%) and Volume (15%)	N/A
Fuel Rev for NW inc 9% while fuel costs dec 10% (CY)	N/A
Timing of Billing Cycle	N/A
Dec 2005 there was a $52K adj to correct 2005 (NB)	N/A
Higher Fuel Cost (14%)	N/A
Increased Volume (24%) & Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Increased Volume (14%) & Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Included in $421K is a $299K bal trans from U/R. The remaining $122K is due to a 11% inc in rev fron Dec 05 to Jan 06 and a 4% dec in consv costs. (CY)	N/A
SF NG has an est $182K for the 4th Qrt of 2005 (booked in Dec). There were no O/E booked for Jan 06. (CY)	Rate Refund estimated and booked quarterly if necessary
Increased Volume (43%) due to weather, Higher Fuel Cost (14%)	N/A
Increased Volume (43%) due to weather, Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Increased Volume (38%) due to weather, Higher Fuel Cost (14%)	N/A
Increased Volume (24%) due to weather, Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Timing of Billing Cycle	
Includes a $382K bal trans from U/R. The remaining $15K in in O/R due to a 20% inc in Consv Rev offset partially by a 30% inc in Consv Costs. (CY)	N/A

FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET - 10Q
PERIOD ENDED 12 2006

REPORT NAME: AUDIT_BS
DATE: 2/28/2007
USER: STARRJ

10k Audit Balance Sheet

DESCRIPTION	ACCT	CURRENT PERI CONSOL	LAST YEAR-FPUC DECEMBER 31	CURRENT PERI PRIOR YEAR	PRIOR QTR CURRENT YEAR
ASSETS					
UTILITY PLANT:					
ELECTRIC		72776298	70084258	70084258	72259139
NATURAL GAS		95392634	89835239	89835239	94285537
PROPANE		17153448	15500385	15500385	16885446
PLANT ACQUISITION ADJS.	1140	0	0	0	0
COMMON PLANT		3646424	3859023	3859023	3611522
TOTAL		188968804	179278905	179278905	187041644
LESS ACCUM DEPR & AMORT		-59757072	-56217445	-56217445	-58944362
NET UTILITY PLANT		129211732	123061460	123061460	128097282
NET OTHER PLANT	1210,1220	8436	8436	8436	8436
INVEST IN ASSOC. CO.	1230	0	0	0	0
CURRENT ASSETS:					
CASH	1310	83638	695115	695115	743307
WORKING FUNDS	1350	0	0	0	0
SPEC DEP-OTHER	1320-1340	3364143	3257814	3257814	3317404
ACCOUNTS REC	1420-1430,1720	12199327	14997150	14997150	9347440
NOTES REC	1410	297940	313094	313094	319948
ALLOW FOR UNCOLL ACCTS	1440	-429379	-271998	-271998	-313801
RECEIVABLES ASSOC. COS.	1460	0	6752	6752	0
OTHER INVESTMENTS	1240,1280	5739506	5779147	5779147	5664018
MAT & SUP	1510,1540-1560,1630	4120378	3781138	3781138	4031323
PREPAYMENTS-INS & PEN	1650	961438	950750	950750	1076364
PREPAYMENTS - OTHER - I/T		98153	0	0	0
UNBILLED REVENUES	1730	1956839	1917994	1917994	1542268
TOTAL		28391983	31426956	31426956	25728271
DEFERRED DEBITS					
GOODWILL	1140.2	2405238	2405238	2405238	2405238
SPECIAL DEPOSITS LT	1340.1	317836	0	0	317836
INTANGIBLE ASSETS	1010.3031	4405170	4390764	4390764	4343923
UNAMORTIZED DEBT EXP	1810	0	1880040	1880040	0
PREPAY PENSION-RETIRE	1650.3	0	0	0	0
CLEARING ACCOUNTS	184*	0	0	0	134
TEMPORARY FACILITIES	1850	12836	21285	21285	29864
OTHER WORK IN PROGRESS	1860.1	475117	688676	688676	536745
MISC. DEFERRED DEBITS	1860	5472737	5805795	5805795	5665537
OTHER REG ASSETS-STORM	1820.32	270039	452327	452327	312701
OTHER REG ASSETS-ENVIRON	1820	8283991	8867652	8867652	8521078
OTHER REG ASSETS-RETIRE	1820	516847	0	0	0
UNDERREC FUEL	1860.21	0	3374851	3374851	0
UNDERREC CON & UNBUND	1860.6&7	0	-7412	-7412	0
UNAMORT LOSS/REACQD DEBT	1890	208741	227025	227025	213312
REGULATORY ASSETS	1901	311832	0	0	0
ACCUM DEFERRED INC TAX	1900	0	9227	9227	28295
TOTAL		22680384	28115468	28115468	22374663
TOTAL ASSETS		180292535	182612320	182612320	176208652

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LIABILITIES

CAPITALIZATION:

COMMON STOCK 2010	9250472	9229514	9229514	9245312
PREMIUM ON COMMON 2070	5542986	5373461	5373461	5500364
MISC PAID IN CAPITAL 2110	938906	1052761	1052761	919988
RETAINED EARNINGS	35307857	33625097	33625097	35131171
CAP STOCK EXP & DIS 2130-2150	-428441	-428441	-428441	-428441
TREASURY STOCK 2170	-2841531	-3349121	-3349121	-2841531
COMPREHENSIVE INC. 2190	-145777	0	0	0
COMMON SHARE EQUITY	47624472	45503271	45503271	47526863
PREFERRED STOCK - A 2040	600000	600000	600000	600000
LONG TERM DEBT 2210,2240	50702281	52500000	52500000	50681701
TOTAL CAPITALIZATION	98926753	98603271	98603271	98808564
CURRENT LIABILITIES:				
L-T DEBT - CURRENT	0	0	0	0
NOTES PAYABLE 2310	3466000	9558000	9558000	1687000
ACCOUNTS PAYABLE 2320	10278572	13165662	13165662	7883674
PAYABLES TO ASSOC CO	0	6752	6752	0
CUSTOMER DEPOSITS 2350	9607526	8067561	8067561	7528152
TAXES ACCRUED 2360	576107	-700919	-700919	2171694
INTEREST ACCRUED 2370	789063	1013931	1013931	1670381
DIVIDENDS DECLARED 2380	652802	623174	623174	0
TAX COLLECTIONS PAYABLE 2410	701038	1053704	1053704	785331
VACATION PAY ACCRUED 2420	1198162	1075748	1075748	1075748
INSURANCE ACCRUED 2280	181443	296132	296132	219355
RATE REFUND 2420,2290	879500	700000	700000	700000
MISC. CURRENT LIABS. 2420	142604	124305	124305	232406
INACT DIVIDEND CHECK 2420.2	0	0	0	0
TOTAL	28472817	34984050	34984050	23953741
DEFERRED CREDITS:				
OVERREC. FUEL 2530.21	2793807	0	0	3804162
OVERREC CON & UNBUND 2530.6&7	355325	16691	16691	264126
MIS DEF CR-ENV INS PRO 2530.3	13753006	14000745	14000745	13993126
STORM RESERVE 2280.11	1636118	1536145	1536145	1588954
COST OF REMOVAL 2530.4	8799830	8256355	8256355	8665917
MED & PENSION RESERVE 2280.3	4881025	2662982	2662982	3477606
CUST. ADVANCES-CONSTR 2520.1	2707078	2346388	2346388	3007320
UNAMORTIZED I.T.C. 2550.1	335146	410529	410529	353982
OTHER DEF CR 2530.1,4	40653	161073	161073	71121
REGULATORY LIABILITIES 2821	876346	990879	990879	876346
CONTRIB IN AID 2710,2720	0	0	0	0
TOTAL	36178334	30381787	30381787	36102660
ROUNDING	-1	1	1	3
ACCUM. DEF I/T 2820,2830	16714631	18643212	18643212	17343687
TOTAL LIABILITIES	180292535	182612320	182612320	176208652

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REPORT NAME: AUDIT_IS IS Trial Balance for Audit
DATE: 2/28/2007
USER: STARRJ

IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06		
001.1.4.4000.44001	BASE REVENUE-RESIDENTIAL	(3,300,726.29)	(3,259,861.94)	(40,864.35)	(301,650.94)	(282,518.37)	(275,634.20)	(273,962.53)	(281,423.37)	(275,892.71)
001.1.4.4000.44002	FUEL REVENUE-RESIDENTIAL	(6,842,645.13)	(6,488,973.55)	(353,671.58)	(658,010.11)	(578,736.24)	(570,875.49)	(549,767.97)	(590,233.02)	(552,120.29)
001.1.4.4000.44003	GROSS RECEIPT REV-RESIDEN	(277,531.51)	(266,542.07)	(10,989.44)	(26,213.34)	(23,669.18)	(23,169.28)	(22,519.65)	(23,809.18)	(22,539.82)
001.1.4.4000.44004	FRANCHISE TAX REV-RESIDEN	(550,500.77)	(516,803.70)	(33,697.07)	(52,709.69)	(47,195.06)	(45,976.60)	(43,808.72)	(47,183.96)	(44,305.81)
001.1.4.4000.44005	CONSRV REVENUE-RESIDENTL	(69,502.05)	(80,439.81)	10,937.76	(6,685.82)	(7,856.69)	(5,950.67)	(6,701.97)	(5,994.51)	(6,846.08)
001.1.4.4000.44201	C/S BASE REVENUE-COMM. SM	(775,641.89)	(769,206.77)	(6,435.12)	(63,632.88)	(63,349.60)	(64,537.81)	(64,064.59)	(61,231.93)	(60,807.88)
001.1.4.4000.44202	C/S FUEL REVENUE-COMM. SM	(1,337,879.18)	(1,274,008.11)	(63,871.07)	(108,650.49)	(104,044.44)	(110,917.20)	(106,358.35)	(101,148.64)	(96,131.19)
001.1.4.4000.44203	GROSS RECEIPT REV-COMM SM	(145,538.05)	(140,018.62)	(5,519.43)	(11,773.06)	(11,013.24)	(12,042.41)	(11,676.28)	(11,012.57)	(11,106.91)
001.1.4.4000.44204	FRANCHISE TAX REV-COMM SM	(305,039.56)	(284,792.40)	(20,247.16)	(24,448.62)	(22,955.95)	(25,230.42)	(23,787.77)	(22,895.16)	(23,007.17)
001.1.4.4000.44205	C/S CONSRV REVENUE-COMM.	(13,759.05)	(15,985.37)	2,226.32	(1,117.16)	(1,429.12)	(1,168.32)	(1,315.58)	(1,040.33)	(1,206.45)
001.1.4.4000.44211	C/L BASE REV.-COMM LG/IND	(1,235,783.37)	(1,289,598.86)	53,815.49	(100,818.88)	(102,443.38)	(102,940.52)	(106,955.21)	(100,795.77)	(97,454.08)
001.1.4.4000.44212	C/L FUEL REV.-COMM LG/IND	(3,966,376.03)	(4,027,771.83)	61,395.80	(307,900.16)	(292,652.45)	(327,617.58)	(333,513.23)	(298,891.34)	(278,995.87)
001.1.4.4000.44213	GROSS RECEIPTS REV-COMM L	(101,906.53)	(104,422.00)	2,515.47	(7,915.95)	(7,849.66)	(8,442.78)	(8,641.38)	(7,824.38)	(7,519.95)
001.1.4.4000.44214	FRANCHISE TAX REV-COMM LA	(210,330.02)	(215,230.15)	4,900.13	(16,413.39)	(15,884.15)	(17,401.09)	(17,818.73)	(15,863.39)	(15,410.45)
001.1.4.4000.44215	C/L CONSRV REV-COM LG/IND	(42,649.49)	(52,902.65)	10,253.16	(3,311.07)	(4,202.70)	(3,604.01)	(4,324.13)	(3,213.86)	(3,664.78)
001.1.4.4000.44221	BASE REVENUE- LARGE COMME	(434,878.70)	(376,763.93)	(58,114.77)	(34,602.81)	(32,488.61)	(35,951.33)	(31,643.60)	(36,763.36)	(37,875.30)
001.1.4.4000.44222	FUEL REV- LARGE COMMERCIA	(2,689,873.90)	(2,281,894.15)	(407,979.75)	(203,290.39)	(198,362.22)	(222,172.01)	(191,168.04)	(232,542.39)	(217,388.70)
001.1.4.4000.44223	GROSS RECEIPTS REV- LG CO	(43,570.79)	(35,157.35)	(8,413.44)	(3,188.69)	(3,347.97)	(3,609.14)	(2,949.70)	(4,346.09)	(3,445.35)
001.1.4.4000.44224	FRANCHISE TAX REV- LG COM	(96,126.02)	(78,915.47)	(17,210.55)	(7,039.18)	(7,390.81)	(7,962.83)	(6,611.90)	(9,594.29)	(7,605.79)
001.1.4.4000.44225	CONSERV REV- LARGE COMMER	(30,164.37)	(31,652.28)	1,487.91	(2,279.70)	(2,974.69)	(2,549.16)	(2,610.15)	(2,607.74)	(3,015.42)
001.1.4.4000.44301	BASE REV-OUTDOOR LIGHTS	(512,695.41)	(506,164.94)	(6,530.47)	(42,802.14)	(44,150.56)	(42,834.31)	(42,228.24)	(43,410.15)	(42,275.72)
001.1.4.4000.44302	FUEL REV-OUTDOOR LIGHTS	(141,308.17)	(130,331.77)	(10,976.40)	(11,677.26)	(11,874.76)	(11,783.30)	(10,923.77)	(11,968.57)	(10,944.66)
001.1.4.4000.44303	GROSS RCPT REV-OUTDOOR LI	(13,076.05)	(12,947.69)	(128.36)	(1,096.98)	(1,127.23)	(1,092.56)	(1,080.36)	(1,111.00)	(1,086.84)
001.1.4.4000.44304	FRAN TAX REV-OUTDOOR LIGH	(33,177.23)	(33,222.97)	45.74	(2,913.09)	(3,089.26)	(2,789.73)	(2,779.70)	(3,039.85)	(2,861.48)
001.1.4.4000.44305	CONSRV REV-OUTDOOR LIGHTS	(1,858.69)	(2,012.68)	153.99	(153.90)	(197.20)	(158.15)	(166.66)	(157.43)	(168.94)
001.1.4.4000.44401	BASE REV-PUBLIC ST & HWY	(124,849.01)	(128,466.85)	3,617.84	(10,762.70)	(10,481.86)	(10,410.07)	(10,709.97)	(10,466.25)	(10,762.70)
001.1.4.4000.44402	FUEL REV-PUBLIC ST & HWY	(40,563.01)	(41,159.00)	595.99	(3,549.54)	(3,270.74)	(3,371.83)	(3,439.12)	(3,360.37)	(3,422.77)
001.1.4.4000.44403	GROSS RCPT REV-PUB ST&HWY	(1,061.81)	(955.03)	(106.78)	(81.47)	(90.31)	(88.62)	(79.73)	(91.46)	(79.96)
001.1.4.4000.44404	FRAN TAX REV-PUB ST & HWY	(3,451.41)	(3,140.14)	(311.27)	(317.01)	(401.08)	(296.35)	(265.93)	(398.16)	(314.47)
001.1.4.4000.44405	CONSRV REV-PUBLIC ST&HWY	(524.96)	(648.29)	123.33	(45.94)	(56.66)	(44.74)	(53.40)	(43.49)	(53.91)
001.1.4.4000.44802	FUEL REV-INTERDEPARTMNTL	(10,064.14)	(9,840.70)	(223.44)	(929.61)	(820.89)	(837.31)	(828.49)	(989.31)	(1,020.93)
001.1.4.4000.44803	GROSS RCPT REV-INTRDPTMNL	(273.53)	(260.65)	(12.88)	(25.27)	(22.31)	(22.76)	(21.99)	(26.88)	(27.75)
001.1.4.4000.44804	FRAN TAX REV-INTRDPTMNTL	(603.83)	(546.64)	(57.19)	(55.78)	(49.26)	(50.24)	(46.34)	(59.36)	(61.26)
001.1.4.4000.450	LATE FEES	(191,090.19)	(187,936.11)	(3,154.08)	(19,135.54)	(18,143.71)	(16,094.92)	(15,928.59)	(16,630.89)	(17,104.91)
001.1.4.4000.451	MISC SVC REV-INTL EST OF	(12,810.71)	(12,735.00)	(75.71)	(1,056.71)	(880.00)	(1,053.13)	(1,060.90)	(1,181.00)	(1,188.00)
001.1.4.4000.4511	MISC SVC REV-RE-EST/CHG S	(49,515.00)	(53,010.21)	3,495.21	(3,834.00)	(3,912.00)	(4,109.77)	(4,372.63)	(4,066.00)	(5,973.21)
001.1.4.4000.4512	MISC SVC REV-COLLECTION C	(21,487.50)	(23,874.00)	2,386.50	(1,265.00)	(1,978.00)	(1,805.04)	(1,933.77)	(2,127.50)	(1,644.50)
001.1.4.4000.4513	MISC SVC REV-ALLOWANCES &	55.76	77.03	(21.27)	-	30.00	6.60	5.93	40.00	-
001.1.4.4000.4514	MISC SVC REV-RECNCT RULE	(25,618.00)	(20,661.00)	(4,957.00)	(1,133.00)	(1,997.00)	(2,124.23)	(1,676.46)	(2,645.00)	(1,304.00)
001.1.4.4000.4516	MISC SVC REV-RTN CHECK CH	(10,235.00)	(8,970.00)	(1,265.00)	(1,050.00)	(795.00)	(848.46)	(770.77)	(775.00)	(540.00)
001.1.4.4000.4517	MISC SVC REV-TMP DSCNCT/R	(3,024.00)	(3,024.00)	-	(243.00)	(162.00)	(245.08)	(251.31)	(216.00)	(405.00)
001.1.4.4000.4518	MISC REV-CREDIT CARD FEES	(1,393.08)	(1,934.07)	540.99	(449.56)	(70.00)	(112.54)	(183.36)	(38.50)	(366.00)
001.1.4.4000.454	RENT FROM ELECTRIC PROPER	(76,105.60)	(76,105.60)	-	(76,105.60)	(67,650.30)	(11,058.15)	(11,708.55)	-	-
001.1.4.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	289,971.00	266,046.00	23,925.00	125,111.00	(46,332.00)	18,741.46	30,089.00	(22,171.00)	-
001.1.4.4000.4562	MISC.ELECTRIC REVENUE	(6,516.62)	(5,609.65)	(906.97)	(100.60)	(322.59)	(526.09)	(439.25)	(178.30)	(840.02)
001.1.4.4000.4563	UNBILLED REVENUES	35,620.00	51,468.00	(15,848.00)	48,614.00	(4,488.00)	2,394.77	7,698.62	19,856.00	(33,829.00)
001.1.4.4000.4566	OVERRECOVERY: CONSERVATIO	(86,178.00)	(67,013.00)	(19,165.00)	(8,638.00)	1,383.00	(6,522.69)	(5,819.31)	(8,185.00)	(4,466.00)
001.1.5.4000.44001	BASE REVENUE-RESIDENTIAL	(4,292,819.77)	(4,299,363.95)	6,544.18	(358,847.87)	(327,186.60)	(355,385.11)	(358,323.99)	(320,273.35)	(319,507.93)

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IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06		
001.1.5.4000.44002	FUEL REVENUE-RESIDENTIAL	(6,535,958.31)	(7,338,168.37)	802,210.06	(549,331.54)	(736,679.32)	(559,433.66)	(606,730.76)	(453,171.33)	(504,780.79)
001.1.5.4000.44003	GROSS RECEIPT REV-RESIDEN	(288,532.65)	(310,195.74)	21,663.09	(24,196.36)	(28,303.77)	(24,372.03)	(25,722.47)	(20,599.11)	(21,930.40)
001.1.5.4000.44004	FRANCHISE TAX REV-RESIDEN	(306,402.31)	(326,285.18)	19,882.87	(25,934.79)	(29,891.83)	(25,868.78)	(27,093.84)	(21,675.48)	(22,391.40)
001.1.5.4000.44005	CONSRV REVENUE-RESIDENTL	(91,472.59)	(108,879.36)	17,406.77	(7,688.00)	(8,547.83)	(7,693.88)	(8,966.72)	(6,344.49)	(7,490.23)
001.1.5.4000.44201	C/S BASE REVENUE-COMM. SM	(673,188.12)	(677,990.42)	4,802.30	(53,392.43)	(52,505.81)	(55,822.61)	(56,260.22)	(50,222.83)	(51,840.49)
001.1.5.4000.44202	C/S FUEL REVENUE-COMM. SM	(955,583.89)	(1,069,049.30)	113,465.41	(73,660.08)	(111,924.98)	(82,116.07)	(87,900.72)	(69,189.64)	(76,796.02)
001.1.5.4000.44203	GROSS RECEIPT REV-COMM SM	(63,494.22)	(68,064.52)	4,570.30	(4,776.17)	(6,319.89)	(5,370.32)	(5,603.13)	(4,674.65)	(5,128.67)
001.1.5.4000.44204	FRANCHISE TAX REV-COMM SM	(91,504.23)	(98,448.15)	6,943.92	(6,770.80)	(9,215.43)	(7,747.67)	(8,093.77)	(6,581.09)	(7,220.58)
001.1.5.4000.44205	C/S CONSRV REVENUE-COMM S	(13,670.74)	(16,393.13)	2,722.39	(1,053.88)	(1,328.19)	(1,153.76)	(1,342.08)	(989.88)	(1,178.16)
001.1.5.4000.44211	C/L BASE REV.-COMM LG/IND	(972,479.05)	(994,911.02)	22,431.97	(75,542.83)	(75,745.84)	(80,632.68)	(82,342.60)	(77,774.76)	(76,269.78)
001.1.5.4000.44212	C/L FUEL REV.-COMM LG/IND	(2,661,169.19)	(2,977,644.63)	316,475.44	(192,427.69)	(313,481.54)	(228,819.29)	(243,851.72)	(193,514.70)	(214,693.35)
001.1.5.4000.44213	GROSS RECEIPTS REV-COMM L	(80,523.39)	(85,820.90)	5,297.51	(6,018.48)	(8,785.20)	(6,869.89)	(7,064.57)	(6,010.39)	(6,466.26)
001.1.5.4000.44214	FRANCHISE TAX REV-COMM LA	(88,781.90)	(95,287.68)	6,505.78	(6,438.13)	(9,295.88)	(7,544.44)	(7,825.06)	(6,567.69)	(7,077.33)
001.1.5.4000.44215	C/L CONSRV REV-COM LG/IND	(39,578.00)	(47,220.52)	7,642.52	(2,862.16)	(3,912.41)	(3,345.42)	(3,852.51)	(2,877.95)	(3,404.81)
001.1.5.4000.44221	BASE REV- LARGE COMMERCIA	(208,433.62)	(197,786.85)	(10,646.77)	(17,649.57)	(17,088.98)	(17,347.89)	(16,572.03)	(17,094.78)	(18,302.35)
001.1.5.4000.44222	FUEL REVENUE- LARGE COMME	(812,948.48)	(911,192.06)	98,243.58	(69,138.08)	(106,864.90)	(70,754.88)	(75,410.01)	(65,212.50)	(78,170.72)
001.1.5.4000.44223	GROSS RECEIPTS REV-LG COM	(24,683.20)	(29,506.69)	4,823.49	(2,135.13)	(3,060.04)	(2,134.10)	(2,433.99)	(2,010.89)	(2,322.59)
001.1.5.4000.44224	FRANCHISE TAX REV- LG COM	(17,911.50)	(21,098.53)	3,187.03	(1,486.76)	(2,380.31)	(1,560.91)	(1,737.33)	(1,460.40)	(1,746.49)
001.1.5.4000.44225	CONSERV REV- LARGE COMMER	(12,473.56)	(14,671.55)	2,197.99	(1,060.82)	(1,322.05)	(1,061.20)	(1,210.18)	(1,000.61)	(1,266.87)
001.1.5.4000.44231	BASE REVENUE-INDUSTRIAL G	(545,955.84)	(555,945.76)	9,989.92	(42,242.72)	(34,128.00)	(44,621.83)	(46,014.50)	(38,950.16)	(34,800.00)
001.1.5.4000.44232	FUEL REVENUE-INDUSTRIAL G	(4,301,613.96)	(4,005,152.20)	(296,461.76)	(305,018.16)	(496,259.40)	(369,067.18)	(331,551.57)	(295,040.76)	(229,818.84)
001.1.5.4000.44233	GROSS RECEIPT REV-INDST G	(133,746.79)	(125,941.56)	(7,805.23)	(9,585.77)	(14,607.99)	(11,411.91)	(10,425.18)	(9,219.87)	(7,325.03)
001.1.5.4000.44234	FRANCHISE TAX REV-INDST G	(295,264.13)	(279,317.61)	(15,946.52)	(21,161.88)	(32,249.12)	(25,193.33)	(23,113.81)	(20,354.10)	(16,171.00)
001.1.5.4000.44235	CONSRV REVENUE-INDUSTRL G	(73,498.80)	(72,786.60)	(712.20)	(5,437.20)	(7,098.00)	(6,199.75)	(6,017.22)	(5,244.00)	(4,897.80)
001.1.5.4000.44301	BASE REV-OUTDOOR LIGHTS	(340,308.52)	(317,998.12)	(22,310.40)	(28,420.85)	(28,718.05)	(28,386.66)	(26,647.61)	(28,506.18)	(27,796.93)
001.1.5.4000.44302	FUEL REV-OUTDOOR LIGHTS	(28,021.10)	(30,197.62)	2,176.52	(2,706.07)	(3,960.76)	(2,460.14)	(2,531.05)	(2,379.57)	(2,588.79)
001.1.5.4000.44303	GROSS RCPT REV-OUTDOOR LI	(9,554.57)	(8,829.76)	(724.81)	(783.20)	(814.28)	(797.60)	(739.46)	(810.64)	(778.13)
001.1.5.4000.44304	FRAN TAX REV-OUTDOOR LIGH	(4,888.96)	(5,974.66)	1,085.70	(444.10)	(473.22)	(412.48)	(493.75)	(442.42)	(450.80)
001.1.5.4000.44305	CONSRV REV-OUTDOOR LIGHTS	(570.95)	(632.08)	61.13	(46.51)	(63.14)	(48.78)	(52.20)	(48.17)	(54.19)
001.1.5.4000.44401	BASE REV-PUBLIC ST & HWY	(87,893.99)	(85,347.65)	(2,546.34)	(7,152.36)	(7,476.30)	(7,336.18)	(7,115.39)	(7,473.87)	(7,143.48)
001.1.5.4000.44402	FUEL REV-PUBLIC ST & HWY	(18,376.52)	(19,767.52)	1,391.00	(1,512.08)	(2,488.71)	(1,605.02)	(1,636.89)	(1,548.44)	(1,694.48)
001.1.5.4000.44403	GROSS RCPT REV-PUB ST&HWY	(1,160.81)	(1,172.91)	12.10	(95.86)	(123.46)	(98.79)	(97.60)	(97.63)	(100.85)
001.1.5.4000.44404	FRAN TAX REV-PUB ST & HWY	(8,073.37)	(8,068.72)	(4.65)	(663.05)	(738.60)	(677.84)	(671.67)	(681.53)	(673.69)
001.1.5.4000.44405	CONSRV REV-PUBLIC ST&HWY	(367.31)	(418.68)	51.37	(30.22)	(40.38)	(31.36)	(34.53)	(30.95)	(35.40)
001.1.5.4000.44802	FUEL REV-INTERDPARTMENTL	(16,641.65)	(19,287.44)	2,645.79	(1,227.58)	(1,384.14)	(1,386.60)	(1,578.08)	(1,027.66)	(4,039.17)
001.1.5.4000.44803	GROSS RCPT REV-INTRDPTMNL	(464.51)	(485.94)	21.43	(39.39)	(36.94)	(38.57)	(40.41)	(27.32)	(84.14)
001.1.5.4000.44804	FRAN TAX REV-INTRDPTMNTL	(576.37)	(624.73)	48.36	(54.05)	(56.75)	(48.70)	(52.21)	(37.92)	(142.80)
001.1.5.4000.450	LATE FEES	(163,606.18)	(168,777.13)	5,170.95	(17,032.93)	(15,673.21)	(13,790.72)	(14,293.08)	(15,027.88)	(14,685.89)
001.1.5.4000.451	MISC SVC REV-INTL EST OF	(855.16)	(8,683.00)	7,827.84	(1,804.00)	(2,112.00)	(228.24)	(806.69)	18,429.84	10,860.00
001.1.5.4000.4511	MISC SVC REV-RE-EST/CHG S	(53,311.00)	(60,692.00)	7,381.00	(4,579.00)	(3,572.00)	(4,375.62)	(5,020.85)	(3,895.00)	(5,016.00)
001.1.5.4000.4512	MISC SVC REV-COLLECTION C	(18,526.50)	(27,048.00)	8,521.50	(1,506.50)	(1,932.00)	(1,573.73)	(2,196.50)	(1,713.50)	(1,644.50)
001.1.5.4000.4513	MISC SVC REV-ALLOWANCES &	3,376.04	1,774.62	1,601.42	165.83	155.96	271.69	149.27	96.91	70.00
001.1.5.4000.4514	MISC SVC REV-RCNCT RULE V	(15,130.00)	(18,400.00)	3,270.00	(1,530.00)	(1,022.00)	(1,242.46)	(1,533.08)	(1,156.00)	(2,191.00)
001.1.5.4000.4516	MISC SVC REV-RTN CHECK CH	(6,282.50)	(5,539.00)	(743.50)	(455.00)	(841.60)	(548.01)	(461.08)	(245.00)	(205.00)
001.1.5.4000.4517	MISC SVC REV-TMP DSCNCT/R	(2,106.00)	(1,431.00)	(675.00)	(270.00)	(270.00)	(182.77)	(130.85)	(162.00)	(81.00)
001.1.5.4000.4518	MISC REV- CREDIT CARD FEE	(3,023.81)	(1,993.96)	(1,029.85)	(304.31)	(276.50)	(253.87)	(176.79)	(350.00)	(374.50)
001.1.5.4000.454	RENT FROM ELECTRIC PROPER	(37,976.42)	(40,096.56)	2,120.14	(2,797.48)	(3,252.37)	(3,171.45)	(3,299.54)	(2,797.48)	(2,762.48)
001.1.5.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	(597,401.00)	585,741.00	(1,183,142.00)	(73,904.00)	(24,116.00)	(47,809.00)	39,372.08	(73,904.00)	(25,092.00)
001.1.5.4000.4562	MISC.ELECTRIC REVENUE	(1,329.92)	(3,171.59)	1,841.67	(130.00)	(2,103.48)	(264.11)	(253.97)	47.45	(355.60)
001.1.5.4000.4563	UNBILLED REVENUES	(43,993.00)	86,435.00	(130,428.00)	42,035.00	(15,727.00)	(4,593.85)	9,882.31	(12,206.00)	(58,401.00)
001.1.5.4000.4566	OVERRECOVERY: CONSERVATIO	23,796.00	42,173.00	(18,377.00)	(3,538.00)	10,643.00	2,649.15	2,971.92	(4,732.00)	(2,364.00)
001.2.1.4000.48001	BASE REVENUE-RESIDENTIAL	(6,733,373.38)	(6,841,056.08)	107,682.70	(762,227.87)	(750,537.94)	(575,685.49)	(584,868.00)	(633,076.04)	(656,785.64)
001.2.1.4000.48002	FUEL REVENUE-RESIDENTIAL	(8,281,262.82)	(7,302,885.21)	(978,377.61)	(1,437,744.10)	(854,776.80)	(702,772.28)	(672,356.10)	(672,654.37)	(1,011,702.17)
001.2.1.4000.48003	GROSS RECEIPT REV-RESIDEN	(416,230.35)	(367,993.97)	(48,236.38)	(70,665.87)	(55,719.45)	(36,303.83)	(33,743.06)	(43,413.07)	(23,217.05)
001.2.1.4000.48004	FRANCHISE TAX REV-RESIDEN	(479,923.11)	(326,994.57)	(152,928.54)	(73,650.81)	(62,148.58)	(41,697.82)	(30,818.88)	(47,683.29)	(48,660.05)
001.2.1.4000.48005	CONSERVATION REVENUE-RESI	(712,281.87)	(642,726.52)	(69,555.35)	(95,618.56)	(95,934.42)	(62,170.48)	(56,795.78)	(72,669.88)	(66,644.54)
001.2.1.4000.48101	C/S BASE REVENUE-COMM. SM	(3,375,706.40)	(3,438,864.95)	63,158.55	(391,543.17)	(409,514.71)	(291,170.85)	(294,646.78)	(346,515.46)	(348,658.47)
001.2.1.4000.48102	C/S FUEL REVENUES-COMM. S	(9,211,423.07)	(7,998,558.58)	(1,212,864.49)	(1,438,797.26)	(926,315.70)	(779,826.06)	(725,950.45)	(774,533.34)	(1,112,843.46)

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IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06		
001.2.1.4000.48103	GROSS RECEIPT REV-COMM SM	(315,030.14)	(317,987.74)	2,957.60	(34,032.81)	(42,337.32)	(27,489.80)	(27,078.50)	(35,951.80)	(39,755.74)
001.2.1.4000.48104	FRANCHISE TAX REV-COMM SM	(352,856.47)	(211,694.67)	(141,161.80)	(47,984.13)	(45,055.54)	(30,608.62)	(19,975.29)	(38,616.70)	(36,930.56)
001.2.1.4000.48105	CONSERVATION REV-COMM. SM	(367,897.70)	(327,571.61)	(40,326.09)	(44,121.78)	(45,593.69)	(31,807.03)	(28,591.80)	(38,602.03)	(34,027.48)
001.2.1.4000.48111	C/L BASE REVENUE-COMM. LA	(3,238,121.70)	(3,286,657.01)	48,535.31	(298,869.23)	(312,624.92)	(273,134.36)	(275,809.71)	(272,134.48)	(311,825.83)
001.2.1.4000.48112	C/L FUEL REVENUE-COMM. LA	(11,263,170.37)	(10,504,620.83)	(758,549.54)	(1,445,354.62)	(938,615.01)	(938,598.88)	(919,228.88)	(803,577.90)	(1,337,445.28)
001.2.1.4000.48113	GROSS RECEIPTS REV-COMM L	(347,233.10)	(353,130.55)	5,897.45	(30,883.46)	(37,802.74)	(29,618.14)	(29,539.54)	(32,214.57)	(41,063.03)
001.2.1.4000.48114	FRANCHISE TAX REV-COMM LA	(340,886.38)	(191,035.35)	(149,851.03)	(34,863.79)	(35,866.66)	(28,981.00)	(17,376.86)	(30,461.54)	(32,711.86)
001.2.1.4000.48115	CONSERVATION REV-COMM. LA	(330,954.42)	(305,366.14)	(25,588.28)	(31,474.82)	(32,296.83)	(27,942.40)	(25,910.84)	(28,435.12)	(29,489.31)
001.2.1.4000.48121	BASE REV.-INTERRUPTIBLE	-	(39,760.67)	39,760.67	-	-	-	(3,058.51)	-	-
001.2.1.4000.48122	FUEL REV.-INTERRUPTIBLE	-	(287,379.34)	287,379.34	-	-	-	(22,106.10)	-	-
001.2.1.4000.48123	GROSS RECEIPT REV-INTERRU	-	(8,886.98)	8,886.98	-	-	-	(683.61)	-	-
001.2.1.4000.48141	BASE REVENUE - OUTDOOR LI	(54,335.68)	(58,849.72)	4,514.04	(4,864.51)	(4,982.95)	(4,562.97)	(4,901.09)	(4,982.95)	(4,864.51)
001.2.1.4000.48142	FUEL REVENUE - OUTDOOR LI	(231,256.62)	(243,993.20)	12,736.58	(29,907.81)	(18,804.81)	(19,235.49)	(21,069.31)	(18,804.81)	(26,303.67)
001.2.1.4000.48143	GROSS REVENUE - OUTDOOR L	(8,759.65)	(7,790.13)	(969.52)	(649.49)	(783.96)	(734.12)	(649.20)	(783.96)	(649.49)
001.2.1.4000.48144	FRANCH TAX REV-OUTDOOR LI	(9,097.95)	(5,319.98)	(3,777.97)	(1,035.85)	(810.26)	(762.17)	(488.91)	(801.90)	(951.86)
001.2.1.4000.48402	FUEL REV-INTERDEPARTMNTL	(55,345.33)	(54,339.34)	(1,005.99)	(3,777.13)	(3,484.32)	(4,525.36)	(4,470.50)	(3,643.92)	(3,289.77)
001.2.1.4000.48403	GROSS REC REV-INTRDPTMTL	(1,522.17)	(1,309.22)	(212.95)	(63.68)	(107.24)	(125.34)	(105.61)	(112.16)	-
001.2.1.4000.48404	FRANCH TAX REV-INTRDPMTL	(1,241.89)	-	(1,241.89)	(65.81)	(132.83)	(105.75)	(5.06)	(138.91)	-
001.2.1.4000.487	LATE FEES	(586,593.56)	(534,717.26)	(51,876.30)	(67,917.90)	(54,840.74)	(49,341.10)	(46,356.55)	(50,709.81)	(58,298.65)
001.2.1.4000.4880	MISC SERVICE REV-OTHER CH	(42,995.00)	(33,771.00)	(9,224.00)	(2,844.00)	(4,076.00)	(3,620.85)	(2,816.54)	(3,504.00)	(4,238.00)
001.2.1.4000.4881	MISC SVC REV - CREDIT CRD	(11,009.24)	(29,781.02)	18,771.78	(2,668.27)	(549.50)	(889.13)	(2,496.10)	(532.00)	(2,558.08)
001.2.1.4000.4882	MISC SERVICE REV-CHECK CH	(19,249.17)	(16,734.17)	(2,515.00)	(2,200.93)	(1,665.00)	(1,608.78)	(1,456.55)	(1,464.74)	(1,611.73)
001.2.1.4000.4884	MISC SVC REV-CHANGE OF AC	(26,276.50)	(32,702.00)	6,425.50	(1,910.00)	(1,739.00)	(2,155.04)	(2,662.46)	(1,653.00)	(2,339.00)
001.2.1.4000.4885	MISC SVC REV-RECONNECT CH	(149,689.00)	(177,126.00)	27,437.00	(13,081.00)	(12,694.00)	(12,491.00)	(14,631.31)	(16,434.00)	(16,618.00)
001.2.1.4000.4886	MISC SVC REV-RECONNECT NO	(91,397.00)	(112,141.00)	20,744.00	(7,036.00)	(13,771.00)	(8,089.85)	(9,167.46)	(10,601.00)	(8,695.00)
001.2.1.4000.4887	MISC SVC REV-BILL COLLECT	(7,152.00)	(10,631.00)	3,479.00	(496.00)	(1,872.00)	(694.15)	(855.92)	(2,384.00)	(368.00)
001.2.1.4000.4888	MISC SVC REV-ALLOWANCES &	14,670.77	5,587.30	9,083.47	756.78	988.39	1,204.55	488.01	453.69	118.72
001.2.1.4000.48901	BASE REVENUE-TRANSPORTATI	(250,284.06)	(244,157.24)	(6,126.82)	(27,869.36)	(28,681.93)	(21,458.92)	(20,925.12)	(24,620.86)	(26,512.64)
001.2.1.4000.48903	GR REC-COMM SM TRANSPORTA	(21,823.56)	(650.94)	(21,172.62)	(1,665.54)	(2,791.71)	(1,893.48)	(178.19)	(2,372.24)	(650.94)
001.2.1.4000.48905	CONSERVATION REVENUE TRAN	(28,449.12)	(24,148.70)	(4,300.42)	(3,228.84)	(3,305.54)	(2,442.67)	(2,105.96)	(2,846.22)	(2,682.62)
001.2.1.4000.48911	BASE REVENUE-CL TRANSPORT	(2,260,583.84)	(2,155,409.17)	(105,174.67)	(206,131.01)	(208,652.11)	(189,941.23)	(181,656.94)	(184,093.03)	(197,129.67)
001.2.1.4000.48913	GR REC- COMM LRG TRANSPOR	(251,148.25)	(11,856.16)	(239,292.09)	(8,259.89)	(25,326.93)	(21,267.32)	(1,547.39)	(22,134.08)	(11,856.16)
001.2.1.4000.48915	CONSERVATION REVENUE-CL T	(240,882.88)	(205,612.52)	(35,270.36)	(22,656.41)	(22,086.08)	(20,228.38)	(17,559.15)	(19,865.27)	(19,016.01)
001.2.1.4000.48921	BASE REVENUE - INTERR. TR	(531,777.68)	(504,678.58)	(27,099.10)	(52,398.98)	(45,134.51)	(44,377.86)	(42,852.12)	(46,208.87)	(48,405.92)
001.2.1.4000.48923	GR REC- INTRDPT TRANSPORT	(128,220.81)	(12,658.30)	(115,562.51)	82.70	(11,674.18)	(10,761.15)	(967.35)	(11,727.38)	(12,658.30)
001.2.1.4000.48933	GR REC- LRG VOL TRANSPORT	-	-	-	(1,109.71)	-	-	(85.36)	-	-
001.2.1.4000.48981	BASE REV-POOL MANAGER SVC	(4,700.00)	(3,600.00)	(1,100.00)	(300.00)	(500.00)	(400.00)	(300.00)	(600.00)	(300.00)
001.2.1.4000.48982	POOLMANAGER SVC FUELREV T	737,019.78	369,311.86	367,707.92	30,739.94	163,511.93	69,271.67	30,773.22	82,150.02	36,263.29
001.2.1.4000.4951	OVER REC;FUEL ADJ- PURCHA	4,009,674.93	(411,003.00)	4,420,677.93	-	335,604.64	334,252.27	(31,615.62)	(711,990.07)	-
001.2.1.4000.4952	MISC.GAS REVENUE	(35,141.04)	(37,717.63)	2,576.59	(29.99)	(2,022.06)	(2,858.70)	(2,903.66)	(3,698.63)	(7,044.45)
001.2.1.4000.4953	UNBILLED REVENUES	(89,885.00)	248,994.00	(338,879.00)	(14,959.00)	43,073.00	(3,600.92)	18,002.69	(111,537.00)	(84,409.00)
001.2.1.4000.49551	BASE RVENUE-L WORTH GENER	(743,489.76)	(763,868.10)	20,378.34	(63,300.94)	(61,509.66)	(61,923.03)	(63,628.39)	(61,509.66)	(63,300.94)
001.2.1.4000.4956	OTHER GAS REVENUE - AEP	(241,916.33)	(222,841.95)	(19,074.38)	(24,357.30)	(26,870.65)	(20,675.92)	(19,015.33)	(22,881.10)	(22,834.21)
001.2.1.4000.49561	OTHER GAS REV-STORM SURCH	(142,139.31)	(16,832.80)	(125,306.51)	(15,969.32)	(16,408.49)	(12,195.98)	(2,523.24)	(13,550.01)	(14,118.88)
001.2.1.4000.4957	OVERRECOVERY:GAS CONSERVA	844,063.00	-	844,063.00	421,797.00	146,207.00	76,174.62	32,445.92	90,156.00	-
001.2.1.4000.496	RATE REFUND PENDING ACCOU	179,500.00	722,649.00	(543,149.00)	-	-	13,807.69	55,588.38	179,500.00	182,000.00
001.2.3.4000.48001	BASE REVENUE-RESIDENTIAL	(3,497,991.81)	(3,563,720.00)	65,728.19	(439,773.56)	(326,139.53)	(294,163.95)	(307,961.04)	(336,079.01)	(347,688.18)
001.2.3.4000.48002	FUEL REVENUE-RESIDENTIAL	(3,997,081.69)	(3,469,698.48)	(527,383.21)	(818,035.61)	(314,314.46)	(331,645.86)	(329,825.70)	(332,231.78)	(505,291.39)
001.2.3.4000.48003	GROSS RECEIPT REV-RESIDEN	(194,829.33)	(187,936.92)	(6,892.41)	(37,398.25)	(20,653.13)	(16,575.57)	(17,333.47)	(21,850.42)	(14,279.84)
001.2.3.4000.48004	FRANCHISE TAX REV-RESIDEN	(217,255.91)	(199,505.32)	(17,750.59)	(37,293.31)	(19,688.32)	(18,226.48)	(18,215.28)	(19,913.95)	(25,637.26)
001.2.3.4000.48005	CONSERVATION REVENUE-RESI	(334,512.79)	(308,232.49)	(26,280.30)	(54,422.27)	(35,236.70)	(28,442.27)	(27,896.52)	(35,907.30)	(33,281.82)
001.2.3.4000.48101	C/S BASE REVENUE-COMM. SM	(970,613.82)	(941,859.61)	(28,754.21)	(116,424.36)	(96,528.45)	(82,087.87)	(81,406.46)	(93,795.46)	(87,911.77)
001.2.3.4000.48102	C/S FUEL REVENUE-COMM. SM	(2,526,350.91)	(2,078,143.15)	(448,207.76)	(414,229.87)	(206,712.49)	(210,235.65)	(191,721.00)	(200,170.30)	(266,538.97)
001.2.3.4000.48103	GROSS RECEIPT REV-COMM SM	(80,583.57)	(90,166.16)	9,582.59	(9,914.64)	(8,884.49)	(6,882.16)	(7,698.52)	(8,577.30)	(10,529.69)
001.2.3.4000.48104	FRANCHISE TAX REV-COMM SM	(83,846.46)	(71,269.52)	(12,576.94)	(12,850.20)	(7,286.00)	(7,010.19)	(6,470.75)	(6,409.69)	(9,631.78)
001.2.3.4000.48105	CONSERVATION REV-COMM. SM	(99,961.23)	(85,289.97)	(14,671.26)	(12,702.23)	(10,175.03)	(8,472.02)	(7,537.86)	(9,974.91)	(8,149.78)
001.2.3.4000.48111	C/L BASE REVENUE-COMM. LA	(1,830,698.35)	(1,536,699.13)	(293,999.22)	(175,157.78)	(149,924.95)	(152,355.64)	(131,681.30)	(150,750.48)	(143,313.73)
001.2.3.4000.48112	C/L FUEL REVENUE-COMM. LA	(6,698,500.97)	(5,154,635.31)	(1,543,865.66)	(874,126.27)	(457,193.75)	(550,438.06)	(463,750.89)	(460,173.20)	(626,219.72)

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IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06		
001.2.3.4000.48113	GROSS RECEIPTS REV-COMM L	(141,546.95)	(169,633.39)	28,086.44	(17,375.66)	(12,273.10)	(11,832.31)	(14,385.31)	(12,686.54)	(18,441.94)
001.2.3.4000.48114	FRANCHISE TAX REV-COMM LA	(141,337.59)	(111,018.20)	(30,319.39)	(20,532.61)	(10,857.56)	(11,707.32)	(10,119.29)	(9,834.56)	(11,722.56)
001.2.3.4000.48115	CONSERVATION REV-COMM. LA	(197,531.17)	(145,715.08)	(51,816.09)	(19,051.88)	(15,727.49)	(16,404.51)	(12,674.38)	(16,284.39)	(13,807.77)
001.2.3.4000.48121	BASE REVENUE-INTERRUPTIBL	(31,764.11)	(34,903.11)	3,139.00	(3,033.03)	(30.00)	(2,445.70)	(2,918.16)	(2,655.37)	(2,835.77)
001.2.3.4000.48122	FUEL REVENUE-INTERRUPTIBL	(273,539.96)	(275,707.46)	2,167.50	(35,779.90)	-	(21,041.54)	(23,960.57)	(19,008.80)	(29,221.48)
001.2.3.4000.48123	GROSS RECEIPT REV-INTERRU	(6,671.38)	(7,742.63)	1,071.25	(610.46)	-	(513.18)	(642.55)	(585.11)	(566.88)
001.2.3.4000.48141	BASE REV - OUTDOOR LIGHTS	(24,298.11)	(17,678.93)	(6,619.18)	(1,719.78)	(2,412.67)	(2,054.68)	(1,492.21)	(2,392.84)	(1,705.28)
001.2.3.4000.48142	FUEL REVENUE- OUTDOOR LIG	(27,641.80)	(18,867.12)	(8,774.68)	(2,787.20)	(2,112.80)	(2,288.82)	(1,665.72)	(2,112.80)	(2,431.88)
001.2.3.4000.48143	GROSS REC REV-OUTDOOR LIG	(3,385.25)	-	(3,385.25)	(209.83)	(358.31)	(287.97)	(16.14)	(354.58)	-
001.2.3.4000.48402	FUEL REV-INTERDEPARTMNTL	(11,000.26)	(10,476.79)	(523.47)	(774.39)	(699.68)	(900.00)	(865.48)	(721.78)	(600.44)
001.2.3.4000.48403	GROSS REC REV-INTRDPMNTL	(304.46)	(253.28)	(51.18)	(11.62)	(21.54)	(25.08)	(20.38)	(22.22)	-
001.2.3.4000.487	LATE FEES	(254,067.28)	(276,380.21)	22,312.93	(27,812.31)	(22,401.04)	(21,266.79)	(23,399.42)	(21,965.63)	(25,022.59)
001.2.3.4000.4880	MISC SERVICE REV-OTHER CH	(23,002.00)	(25,362.00)	2,360.00	(1,885.00)	(1,346.00)	(1,872.92)	(2,095.92)	(1,608.00)	(3,241.00)
001.2.3.4000.4881	MISC SVC REV - CREDIT CRD	(9,702.28)	(20,840.04)	11,137.76	(2,350.62)	(565.70)	(789.84)	(1,783.90)	(514.50)	(2,012.31)
001.2.3.4000.4882	MISC SERVICE REV-CHECK CH	(12,085.46)	(10,256.75)	(1,828.71)	(800.00)	(760.00)	(988.11)	(850.52)	(1,060.00)	(720.00)
001.2.3.4000.4884	MISC SVC REV-CHANGE OF AC	(19,994.00)	(25,050.00)	5,056.00	(1,501.00)	(833.00)	(1,602.08)	(2,042.38)	(1,617.00)	(1,741.00)
001.2.3.4000.4885	MISC SVC REV-RECONNECT CH	(137,673.00)	(156,129.00)	18,456.00	(12,332.00)	(9,970.00)	(11,357.15)	(12,958.54)	(15,666.00)	(14,708.00)
001.2.3.4000.4886	MISC SVC REV-RECONNECT NO	(136,299.00)	(122,986.00)	(13,313.00)	(10,329.00)	(13,157.00)	(11,496.62)	(10,255.00)	(10,221.00)	(12,476.00)
001.2.3.4000.4887	MISC SVC REV-BILL COLLECT	(61,971.50)	(36,176.00)	(25,795.50)	(5,424.00)	(5,056.00)	(5,155.96)	(3,200.00)	(3,600.00)	(4,096.00)
001.2.3.4000.4888	MISC SVC REV-ALLOWANCES &	2,778.74	2,694.33	84.41	636.96	105.00	221.83	256.25	119.19	152.31
001.2.3.4000.48901	BASE REVENUE TRANSPORTATI	(46,957.53)	(40,967.24)	(5,990.29)	(4,722.78)	(6,312.93)	(4,097.73)	(3,514.62)	(5,690.62)	(4,350.32)
001.2.3.4000.48903	GR REC- RES TRANSPORTATIO	(4,235.62)	(24.82)	(4,210.80)	(375.40)	(592.47)	(371.39)	(30.79)	(522.65)	(24.82)
001.2.3.4000.48905	CONSERVATION REVENUE TRAN	(5,046.36)	(3,877.41)	(1,168.95)	(526.35)	(688.19)	(441.12)	(338.75)	(621.34)	(420.60)
001.2.3.4000.48911	BASE REVENUE-CL TRANSPORT	(1,024,473.45)	(1,325,069.30)	300,595.85	(100,660.66)	(86,393.72)	(85,451.32)	(109,671.54)	(85,155.60)	(94,586.13)
001.2.3.4000.48913	GR REC- COMM LG TRANSPORT	(105,365.71)	(6,575.47)	(98,790.24)	1,387.41	(9,192.09)	(8,812.14)	(399.08)	(9,028.86)	(6,575.47)
001.2.3.4000.48915	CONSERV.REVENUE-CL TRANSP	(109,539.68)	(132,720.61)	23,180.93	(11,259.92)	(8,171.78)	(9,054.73)	(11,075.43)	(8,166.20)	(9,397.05)
001.2.3.4000.48921	BASE REVENUE - INTERR TRA	(83,131.81)	(86,272.23)	3,140.42	(7,907.98)	(9,947.92)	(7,159.98)	(7,244.63)	(6,845.81)	(7,750.83)
001.2.3.4000.48923	GR REC- INTRDPT TRANSPORT	(21,631.12)	(1,899.95)	(19,731.17)	(18.05)	(2,583.10)	(1,862.63)	(147.54)	(1,896.97)	(1,899.95)
001.2.3.4000.48933	GR REC- LRG VOL TRANSPORT	-	-	-	(4,771.67)	-	-	(367.05)	-	-
001.2.3.4000.4951	OVER REC;FUEL ADJ- PURCHA	(353,653.93)	(697,128.00)	343,474.07	-	(22,745.53)	(28,953.80)	(53,625.23)	(136,807.00)	-
001.2.3.4000.4952	MISC.GAS REVENUE	(33,616.82)	(16,492.54)	(17,124.28)	(452.36)	(1,711.91)	(2,717.59)	(1,303.45)	(6,968.58)	132.35
001.2.3.4000.4953	UNBILLED REVENUES	(9,090.00)	(15,135.00)	6,045.00	6,129.00	(82,872.00)	(7,074.00)	(692.77)	(42,628.00)	(139,695.00)
001.2.3.4000.4956	OTHER GAS REVENUE - AEP	(298,257.32)	(280,434.19)	(17,823.13)	(44,477.73)	(31,809.82)	(25,389.78)	(24,993.22)	(34,356.76)	(34,565.43)
001.2.3.4000.49561	OTHER GAS REV-STORM SURCH	(61,801.48)	(6,407.19)	(55,394.29)	(7,502.62)	(5,640.78)	(5,187.87)	(1,069.99)	(5,775.71)	(5,573.82)
001.2.3.4000.4957	OVERRECOVERY:GAS CONSERVA	(533,390.00)	-	(533,390.00)	(367,651.00)	33,437.00	(38,457.92)	(28,280.85)	8,462.00	-
001.2.3.4000.496	RATE REFUND PENDING ACCOU	-	9,060.00	(9,060.00)	-	-	-	696.92	-	-
009.9.1.4000.480	RESIDENTIAL SALES-GENERAL	(2,651,819.09)	(2,629,322.11)	(22,496.98)	(293,353.84)	(291,384.07)	(226,400.24)	(224,821.23)	(238,808.50)	(265,857.10)
009.9.1.4000.4802	RESIDENTIAL BULK SALES	(1,278,313.33)	(927,822.04)	(350,491.29)	(123,830.16)	(166,510.49)	(111,140.29)	(80,896.32)	(134,307.89)	(100,459.26)
009.9.1.4000.481	COMMERCIAL AND INDUSTRIAL	(1,847,293.35)	(1,792,727.96)	(54,565.39)	(195,323.75)	(169,268.73)	(155,120.16)	(152,927.05)	(152,363.10)	(178,350.63)
009.9.1.4000.4812	COMM.& INDUS. SALES BULK	(2,390,008.94)	(2,172,195.45)	(217,813.49)	(274,289.02)	(227,256.69)	(201,328.13)	(188,191.11)	(223,440.46)	(288,317.98)
009.9.1.4000.4821	FORK LIFT CYLINDER EXCHAN	-	(67.85)	67.85	-	-	-	(5.22)	-	-
009.9.1.4000.483	UNBILLED REVENUES	18,190.88	7,611.58	10,579.30	25,071.32	(5,051.37)	1,010.73	2,514.07	19,481.26	(32,850.16)
009.9.1.4000.487	LATE FEES	(118,109.57)	(107,941.74)	(10,167.83)	(12,841.16)	(11,194.47)	(9,946.46)	(9,290.99)	(10,449.22)	(11,224.70)
009.9.1.4000.4880	MISC SERV REV-OTHER CHARG	(17,266.00)	(12,379.00)	(4,887.00)	(1,254.00)	(1,646.00)	(1,454.77)	(1,048.69)	(1,566.00)	(1,176.00)
009.9.1.4000.4881	MISC SVC REV - CREDIT CRD	(154.00)	(3,393.00)	3,239.00	-	(24.50)	(13.73)	(261.00)	(14.00)	-
009.9.1.4000.4882	MISC SERV REV-CHECK CHARG	(2,578.00)	(2,384.37)	(193.63)	(60.00)	(134.00)	(208.62)	(188.03)	(215.00)	(110.00)
009.9.1.4000.4884	MISC SERV REV-CHANGE OF A	(3,241.00)	(3,537.00)	296.00	(214.00)	(228.00)	(266.85)	(288.54)	(185.00)	(271.00)
009.9.1.4000.4885	MISC SERV REV-RECONNECT C	(20,525.00)	(22,667.00)	2,142.00	(1,764.00)	(1,906.00)	(1,725.46)	(1,879.31)	(2,875.00)	(2,762.00)
009.9.1.4000.4886	MISC SERV REV-RECONNECT N	(9,917.00)	(11,799.00)	1,882.00	(328.00)	(1,132.00)	(849.92)	(932.85)	(1,676.00)	(942.00)
009.9.1.4000.4887	MISC SERV REV-BILL COLLEC	(1,248.00)	(976.00)	(272.00)	(32.00)	(272.00)	(116.92)	(77.54)	(352.00)	-
009.9.1.4000.4888	MISC SVC REV_ALLOWANCES &	19,789.23	10,218.12	9,571.11	2,885.95	190.92	1,536.93	1,008.01	1,925.62	2,364.13
009.9.1.4000.495	OTHER GAS REVENUE	(7,801.90)	(958.03)	(6,843.87)	(60.00)	(11,637.00)	(1,495.30)	(78.31)	(6,341.90)	(60.00)
009.9.1.4000.4952	OTHER GAS REV-DOCK CYLNDE	(259.49)	(309.30)	49.81	(15.92)	-	(19.96)	(25.02)	-	(142.54)
009.9.1.4000.4954	REGULATORY COMPLIANCE FEE	(116,910.78)	(116,562.23)	(348.55)	(10,519.20)	(12,535.11)	(9,957.38)	(9,775.49)	(12,285.96)	(10,255.43)
009.9.3.4000.480	RESIDENTIAL SALES-GENERAL	(891,523.50)	(869,513.98)	(22,009.52)	(122,901.95)	(88,826.20)	(75,411.52)	(76,339.69)	(90,083.98)	(85,700.07)
009.9.3.4000.4802	RESIDENTIAL SALES - BULK	(663,349.55)	(564,514.01)	(98,835.54)	(84,801.74)	(61,125.83)	(55,728.88)	(49,947.37)	(82,481.43)	(72,859.73)
009.9.3.4000.481	COMMERCIAL AND INDUSTRIAL	(81,096.09)	(80,649.63)	(446.46)	(10,615.78)	(8,531.59)	(6,894.44)	(7,020.42)	(11,691.38)	(12,062.62)
009.9.3.4000.4812	COMM & INDUS. SALES - BUL	(366,915.89)	(281,415.79)	(85,500.10)	(50,584.44)	(23,025.93)	(29,995.52)	(25,538.48)	(35,898.06)	(29,966.14)

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IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06		
009.9.3.4000.482	CYLINDER SALES	-	(645.00)	645.00	-	-	-	(49.62)	-	(84.00)
009.9.3.4000.4821	FORK LIFT CYLINDER EXCHAN	(173,368.31)	(126,602.55)	(46,765.76)	(10,710.25)	(10,542.92)	(14,147.02)	(10,562.52)	(9,451.30)	(6,915.20)
009.9.3.4000.483	UNBILLED REVENUES	19,811.04	(41,409.31)	61,220.35	16,865.72	(8,724.55)	852.81	(1,887.97)	11,773.54	(23,967.78)
009.9.3.4000.484	INTERDEPARTMENTAL REVENUE	(6,653.15)	(3,097.35)	(3,555.80)	(3,391.20)	-	(511.78)	(499.12)	-	-
009.9.3.4000.487	LATE FEES	(31,257.72)	(32,661.56)	1,403.84	(3,255.87)	(3,090.74)	(2,642.19)	(2,762.88)	(2,651.29)	(3,390.75)
009.9.3.4000.4880	MISC SERV REV-OTHER CHARG	(1,934.00)	(1,425.00)	(509.00)	(126.00)	(210.00)	(164.92)	(119.31)	(558.00)	-
009.9.3.4000.4881	MISC SVC REV - CREDIT CRD	(3.50)	(906.01)	902.51	-	(17.50)	(1.62)	(69.69)	(3.50)	(3.50)
009.9.3.4000.4882	MISC SERV REV-CHECK CHARG	(1,040.00)	(840.00)	(200.00)	(125.00)	(85.00)	(86.54)	(74.23)	(65.00)	(60.00)
009.9.3.4000.4884	MISC SERV REV-CHANGE OF A	(1,675.00)	(2,152.00)	477.00	(14.00)	(138.00)	(139.46)	(166.62)	(176.00)	(176.00)
009.9.3.4000.4885	MISC SERV REV-RECONNECT C	(17,505.00)	(21,137.00)	3,632.00	(1,580.00)	(770.00)	(1,405.77)	(1,747.46)	(2,020.00)	(2,342.00)
009.9.3.4000.4886	MISC SERV REV-RECONNECT N	(13,484.00)	(11,646.00)	(1,838.00)	(448.00)	(1,150.00)	(1,125.69)	(930.31)	(1,640.00)	(1,390.00)
009.9.3.4000.4887	MISC SERV REV-BILL COLLEC	(9,319.50)	(4,640.00)	(4,679.50)	(720.00)	(592.00)	(762.42)	(412.31)	(624.00)	(624.00)
009.9.3.4000.4888	MISC SVC REV-ALLOWANCES &	972.43	1,151.18	(178.75)	150.00	83.44	81.22	100.09	106.00	218.58
009.9.3.4000.495	OTHER GAS REVENUE	(3,467.16)	(1,399.52)	(2,067.64)	(131.64)	(461.82)	(302.23)	(117.78)	(243.86)	(122.24)
009.9.3.4000.4952	OTHER GAS REV-DOCK CYLNDE	(5,089.25)	(7,895.63)	2,806.38	(767.99)	(600.90)	(437.70)	(666.43)	(604.31)	(551.97)
009.9.3.4000.4954	REGULATORY COMPLIANCE FEE	(44,250.37)	(43,518.43)	(731.94)	(4,352.51)	(4,657.10)	(3,762.11)	(3,682.38)	(5,002.99)	(4,108.90)
009.9.3.4000.4955	OTHER GAS REV-ACCESS FEE	-	(22,322.20)	22,322.20	-	-	-	(1,717.09)	-	-
009.9.5.4000.480	RESIDENTIAL SALES-GENERAL	(112,528.87)	(84,798.14)	(27,730.73)	(14,382.47)	(12,951.98)	(9,652.37)	(7,629.28)	(15,332.98)	(9,783.54)
009.9.5.4000.4802	RESIDENTIAL BULK SALES	(434,584.07)	(435,250.87)	666.80	(64,843.67)	(42,871.29)	(36,727.34)	(38,468.81)	(45,664.91)	(62,678.47)
009.9.5.4000.481	COMMERCIAL AND INDUSTRIAL	(336,426.02)	(272,913.34)	(63,512.68)	(27,142.33)	(26,708.12)	(27,933.40)	(23,081.21)	(23,676.05)	(30,804.82)
009.9.5.4000.4812	COMM.& INDUS. SALES BULK	(1,222,412.22)	(1,053,107.81)	(169,304.41)	(128,147.23)	(117,499.85)	(103,070.16)	(90,865.77)	(122,420.34)	(113,914.20)
009.9.5.4000.4814	COMMERCIAL BULK - WHOLESA	(294,700.19)	(337,094.81)	42,394.62	(22,625.87)	(22,673.49)	(24,413.36)	(27,670.82)	(26,645.65)	(23,112.24)
009.9.5.4000.482	CYLINDER SALES	(2,380.72)	(9,374.33)	6,993.61	(476.00)	(131.78)	(193.27)	(757.72)	(65.18)	(612.00)
009.9.5.4000.4821	FORK LIFT CYLINDER EXCHAN	(296,981.45)	(267,833.75)	(29,147.70)	(14,121.13)	(19,166.80)	(24,319.10)	(21,688.84)	(21,445.31)	(36,551.66)
009.9.5.4000.483	UNBILLED REVENUES	18,166.24	11,780.15	6,386.09	16,721.83	(43,228.56)	(1,927.87)	2,192.46	25,363.36	(575.75)
009.9.5.4000.484	INTERDEPARTMENTAL REVENUE	(177.09)	(558.97)	381.88	(57.15)	(56.01)	(17.93)	(47.39)	-	(185.98)
009.9.5.4000.487	LATE FEES	(25,325.00)	(22,675.47)	(2,649.53)	(2,494.14)	(2,886.33)	(2,170.10)	(1,936.12)	(2,786.84)	(1,900.42)
009.9.5.4000.4880	MISC SERV REV-OTHER CHARG	(6,673.00)	(2,144.00)	(4,529.00)	(630.00)	(1,218.00)	(607.00)	(213.38)	(798.00)	(504.00)
009.9.5.4000.4881	MISC SVC REV - CREDIT CRD	(3.50)	(99.36)	95.86	-	-	(0.27)	(7.64)	-	-
009.9.5.4000.4882	MISC SERV REV-CHECK CHARG	(206.00)	(345.00)	139.00	-	-	(15.85)	(26.54)	(70.00)	-
009.9.5.4000.4884	MISC SERV REV-CHANGE OF A	(19.00)	(70.00)	51.00	-	-	(1.46)	(5.38)	-	-
009.9.5.4000.4885	MISC SERV REV-RECONNECT C	(7,182.00)	(7,849.00)	667.00	(630.00)	(714.00)	(607.38)	(652.23)	(588.00)	(294.00)
009.9.5.4000.4886	MISC SERV REV-RECONNECT N	(532.00)	(1,333.00)	801.00	-	(74.00)	(46.62)	(102.54)	-	(60.00)
009.9.5.4000.4887	MISC SERV REV-BILL COLLEC	(432.00)	(2,496.00)	2,064.00	-	(176.00)	(46.77)	(192.00)	(48.00)	-
009.9.5.4000.4888	MISC SVC REV-ALLOWANCES &	1,202.26	1,194.12	8.14	22.83	582.81	137.31	93.61	218.22	60.00
009.9.5.4000.495	OTHER GAS REVENUE	(1,507.61)	(360.00)	(1,147.61)	(30.00)	4,455.00	226.72	(30.00)	(1,177.61)	(30.00)
009.9.5.4000.4954	REGULATORY COMPLIANCE FEE	(14,567.95)	(12,306.03)	(2,261.92)	(1,503.99)	(1,323.64)	(1,222.43)	(1,062.31)	(1,734.91)	(1,420.80)
009.9.6.4000.480	RESIDENTIAL SALES-GENERAL	(277,089.20)	(215,493.67)	(61,595.53)	(57,727.28)	(30,330.28)	(23,647.65)	(21,017.00)	(32,354.66)	(22,681.56)
009.9.6.4000.4802	RESIDENTIAL SALES - BULK	(457,558.14)	(414,225.80)	(43,332.34)	(60,852.09)	(40,154.63)	(38,285.60)	(36,544.45)	(57,724.40)	(60,930.51)
009.9.6.4000.481	COMMERCIAL AND INDUSTRIAL	(52,146.77)	(6,888.63)	(45,258.14)	(789.32)	(10,814.85)	(4,843.20)	(590.61)	(13,288.77)	(464.05)
009.9.6.4000.4812	COMM. & INDUS. SALES - BU	(426,120.07)	(383,544.57)	(42,575.50)	(49,684.56)	(29,076.71)	(35,015.14)	(33,325.32)	(37,231.84)	(42,320.70)
009.9.6.4000.483	UNBILLED REVENUES	(6,262.31)	(9,123.62)	2,861.31	9,163.90	(13,731.74)	(1,538.00)	3.10	(5,477.45)	(10,518.88)
009.9.6.4000.484	INTERDEPARTMENTAL REVENUE	(678.51)	(5,436.98)	4,758.47	(230.73)	-	(52.19)	(435.98)	(106.02)	(268.98)
009.9.6.4000.487	LATE FEES	(11,796.64)	(11,060.35)	(736.29)	(1,161.11)	(1,309.86)	(1,008.19)	(940.11)	(1,244.71)	(1,162.66)
009.9.6.4000.4880	MISC SERV REV-OTHER CHARG	(10,125.00)	(1,215.50)	(8,909.50)	(630.00)	(1,008.00)	(856.38)	(141.96)	(1,190.00)	(532.00)
009.9.6.4000.4881	MISC SVC REV - CREDIT CRD	-	(241.50)	241.50	-	-	-	(18.58)	-	-
009.9.6.4000.4882	MISC SERV REV-CHECK CHARG	(330.00)	(235.00)	(95.00)	(30.00)	-	(25.38)	(20.38)	(60.00)	-
009.9.6.4000.4884	MISC SERV REV-CHANGE OF A	(887.00)	(1,023.51)	136.51	(87.50)	(190.00)	(82.85)	(85.46)	(95.00)	(130.50)
009.9.6.4000.4885	MISC SERV REV-RECONNECT C	(4,313.88)	(7,781.80)	3,467.92	(713.50)	(504.00)	(370.61)	(653.48)	(280.00)	(812.50)
009.9.6.4000.4886	MISC SERV REV-RECONNECT N	(144.00)	(132.00)	(12.00)	-	-	(11.08)	(10.15)	-	-
009.9.6.4000.4887	MISC SERV REV-BILL COLLEC	(1,802.17)	(1,165.00)	(637.17)	(80.00)	(288.00)	(160.78)	(95.77)	(144.00)	(48.00)
009.9.6.4000.4888	MISC SVC REV-ALLOWANCES &	2,894.55	395.19	2,499.36	321.73	1,313.36	323.69	55.15	572.79	26.52
009.9.6.4000.495	OTHER GAS REVENUE	(360.00)	(360.00)	-	(30.00)	(1,599.76)	(150.75)	(30.00)	(30.00)	(30.00)
009.9.6.4000.4952	OTHER GAS REV-DOCK CYL SA	(4,490.56)	(4,398.89)	(91.67)	(519.77)	(811.27)	(407.83)	(378.36)	(485.94)	(355.14)
009.9.6.4000.4954	REGULATORY COMPLIANCE FEE	(19,236.29)	(14,893.81)	(4,342.48)	(1,872.46)	(2,491.82)	(1,671.39)	(1,289.71)	(2,852.00)	(1,946.95)
TOTAL		(134,234,782.94)	(130,022,920.33)	(4,211,862.61)	(15,590,764.80)	###########	(11,296,794.05)	(11,201,052.69)	(12,201,384.32)	(13,418,434.07)

6

IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06

Pg. 1 of 2

REPORT NAME: AUDIT_10K
DATE: 2/28/2007
USER: STARRJ
10k Audit IS Info

FLORIDA PUBLIC UTILITIES
10 Q&K STATISTICAL

	Current QTR	Prior Yr QTF	Inc (Dec)	Current YTD	Prior Yr YTD	Inc (Dec)	Current QTF	Prior QTR	Inc (Dec)
Revenues									
Natural Gas	16872776	21854268	-4981492	70981240	69094450	1886790	16872776	12521806	4350970
Electric	11119945	11310819	-190874	48527213	47449557	1077656	11119945	13896369	-2776424
Propane	3600632	3901249	-300617	14726330	13478913	1247417	3600632	2996899	603733
Total Revenues	31593353	37066336	-5472983	34234783	30022920	4211863	31593353	29415074	2178279
Cost of Fuel & Tax									
Natural Gas	9982974	14932095	-4949121	43909296	42815337	1093959	9982974	6969354	3013620
Electric	7820620	7939063	-118443	34260016	33351757	908259	7820620	9923045	-2102425
Propane	1930710	1938650	-7940	7802030	6637032	1164998	1930710	1655613	275097
Total Fuel&Pass thro	19734304	24809808	-5075504	85971342	82804126	3167216	19734304	18548012	1186292
Gross Profit									
Natural Gas	6889802	6922173	-32371	27071944	26279113	792831	6889802	5552452	1337350
Electric	3299325	3371756	-72431	14267197	14097800	169397	3299325	3973324	-673999
Propane	1669922	1962599	-292677	6924300	6841881	82419	1669922	1341286	328636
Total Gross Profit	11859049	12256528	-397479	48263441	47218794	1044647	11859049	10867062	991987
Operations & Maint									
Natural Gas	3604066	4365357	-761291	14602930	14169773	433157	3604066	3632335	-28269
Electric	2049409	1829969	219440	7623845	7275983	347862	2049409	1856232	193177
Propane	1308588	1383082	-74494	4982363	5000816	-18453	1308588	1221322	87266
Total Op & Maint Exp	6962063	7578408	-616345	27209138	26446572	762566	6962063	6709889	252174
Depreciation & Amort									
Natural Gas	1080927	1049240	31687	4299397	4125165	174232	1080927	1036820	44107
Electric	655928	648587	7341	2722495	2520504	201991	655928	696571	-40643
Propane	186920	160823	26097	719625	620866	98759	186920	181609	5311
Total Dep & Amort	1923775	1858650	65125	7741517	7266535	474982	1923775	1915000	8775
TOTI (exc. GR&FT)									
Natural Gas	505761	465743	40018	2051684	1935498	116186	505761	504735	1026
Electric	174395	161176	13219	784753	799552	-14799	174395	214186	-39791
Propane	46230	33717	12513	148386	134322	14064	46230	35355	10875
Total TOTI(ex GR&FT)	726386	660636	65750	2984823	2869372	115451	726386	754276	-27890
Op Inc Before Taxes									
Natural Gas	1699048	1041833	657215	6117933	6048677	69256	1699048	378562	1320486
Electric	419594	732023	-312429	3136104	3501761	-365657	419594	1206336	-786742
Propane	-70997	221073	-292070	330820	626366	-295546	-70997	-290161	219164
Op Inc before Tax	2047645	1994929	52716	9584857	10176804	-591947	2047645	1294737	752908
Other Income & (Ded)									
M & S Income	1020681	1125750	-105069	4321693	4590403	-268710	1020681	984660	36021
M & S Expenses	-1003326	-1228483	225157	-4070925	-4663593	592668	-1003326	-875768	-127558
Other Income	154950	165776	-10826	587820	539486	48334	154950	149044	5906
Interest Expense	-1139284	-1176430	37146	-4608544	-4567936	-40608	-1139284	-1137207	-2077
Total Oth Inc&(Ded)	-966979	-1113387	146408	-3769956	-4101640	331684	-966979	-879271	-87708
Income Taxes									
Natural Gas	410995	104054	306941	1336415	1282732	53683	410995	-113486	524481
Electric	17426	80452	-63026	576276	666437	-90161	17426	272493	-255067
Propane	-22360	84268	-106628	130778	228437	-97659	-22360	-112867	90507

Other	44300	-6591	50891	251045	109255	141790	44300	87842	-43542
Total Income Tax	450361	262183	188178	2294514	2286861	7653	450361	133982	316379
Preferred Stock Div	7125	7125	0	28500	28500	0	7125	7125	0
Earnings for CS	822360	776139	46221	4234993	4219314	15679	822360	467519	354841

REPORT NAME: AUDIT_STAT FLORIDA PUBLIC UTILITIES
DATE: 2/28/2007 10 Q&K STATISTICAL
USER: STARRJ
10k Audit Stat Info

	Current QTR	Prior Yr QTR	Inc (Dec)	Current YTD	Prior Yr YTD	Inc (Dec)	Current QTR	Prior QTR	Inc (Dec)
Natural Gas									
Units Sold	1641672	1640862	810	6229995	6223562	6433	1641672	1240223	401449
Customers total	153882	151403	2479	614526	602952	11574	153882	153120	762
Electric									
Units Sold excl. G	152675847	160113604	-7437757	689343616	679562781	9780835	152675847	210459069	-57783222
Total Units Sold	185395847	193823604	-8427757	849123616	814352781	34770835	185395847	250109069	-64713222
Customers total	92329	91190	1139	367615	362911	4704	92329	92052	277
Propane									
Units Sold	150098	162049	-11951	620873	640292	-19419	150098	123590	26508
Customers Total	39687	37657	2030	156572	148506	8066	39687	39099	588

BS Account	Responsibility
101	Construction Acct
104	Construction Acct
107	Construction Acct
108	Construction Acct
114	Construction Acct
115	Construction Acct
118	Construction Acct
119	Construction Acct
121	Construction Acct
122	Construction Acct
1860.4	Construction Acct
253	Construction Acct
271	Construction Acct
272	Construction Acct
173	Fin. Acct
236	Fin. Acct
	Fin. Acct
165	Reporting Acct
182	Reporting Acct
228	Reporting Acct
232	Reporting Acct
242	Reporting Acct
123	GL Acct.
124	GL Acct.
128	GL Acct.
132	GL Acct.
133	GL Acct.
134	GL Acct.
141	GL Acct.
144	GL Acct.
146	GL Acct.
165	GL Acct.
171	GL Acct.
181	GL Acct.
182	GL Acct.
184	GL Acct.
186	GL Acct.
189	GL Acct.
201	GL Acct.
204	GL Acct.
207	GL Acct.
211	GL Acct.
213	GL Acct.
214	GL Acct.
215	GL Acct.
216	GL Acct.
217	GL Acct.

IS Account	Responsibility
001.1.4	Claudette
001.1.5	Claudette
001.2.1	Melanie
001.2.3	Melanie
009.9.1	Cindy
009.9.3	Cindy
009.9.5	Cindy
009.9.6	Cindy
001.4.1	Cindy
001.4.3	Cindy
009.4.5	Cindy
009.4.6	Cindy
4010.92	Audra and Nadira
4010.93	Audra and Nadira
001.0.0	Audra and Nadira
009.0.0	Audra and Nadira

221	GL Acct.
224	GL Acct.
229	GL Acct.
231	GL Acct.
234	GL Acct.
236	GL Acct.
237	GL Acct.
238	GL Acct.
	GL Acct.
242	GL Acct.
253	GL Acct.
104	Inventory Analyst
143	Inventory Analyst
151	Inventory Analyst
154	Inventory Analyst
155	Inventory Analyst
156	Inventory Analyst
163	Inventory Analyst
184	Inventory Analyst
232	Inventory Analyst
252	Inventory Analyst
143	Rec. Analyst
1860.1	Rec. Analyst
	Rec. Analyst
253	Rec. Analyst
	Rec. Analyst
1860.21	Regulatory Acct.
1860.61	Regulatory Acct.
2530.21	Regulatory Acct.
2530.61	Regulatory Acct.
190	Tax Acct.
236	Tax Acct.
241	Tax Acct.
255	Tax Acct.
282	Tax Acct.
283	Tax Acct.
184	A/P Analyst
185	A/P Analyst
232	A/P Analyst
131	Cash Acct.
135	Cash Acct.
136	Cash Acct.
142	Cash Acct.
172	Cash Acct.
235	Cash Acct.
237	Cash Acct.
253	Cash Acct.

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Name	Size	Type	Date Modified	Location
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

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Thursday, Apr 10, 2008 03:47 PM

From: Cox Doreen
Sent: Monday, February 05, 2007 11:58 AM
To: 'dbuschmann@bdo.com'
Cc: Bachman George; Khojasteh Mehrdad; Martin Cheryl
Subject: ANALYTICAL 12.31.06.xls

Attachments: ANALYTICAL 12.31.06.xls

ANALYTICAL
12.31.06.xls

Variance explanations attached as requested.

Florida Public Utilities
Balance Sheet and Profit & Loss
Analytical Comments
Y/e 12.31.2006

Variances $77,250 & 10%

	Account	2006	2005	Amount Changed	%	EXPLANATION
Doreen	991-4000.4802 RESIDENTIAL BULK SAL	(1,278,314.00)	(927,821.00)	(350,493.00)	38%	The increase in residential bulk sales is attributable to customer growth of 31% (Community Gas Systems being built-out), which contributed to an increase in units sold of 27% over prior year. The customer growth and increase sales were sufficient to offset the decrease in usage per customer (3%) resulting from milder weather.
Doreen	991-4000.4812 COMM.& INDUS. SALES	(2,390,010.00)	(2,172,193.00)	(217,817.00)	10%	Customer growth (3%) and margin increases (12%) were sufficient to counter the reduction in usage due to warmer weather.
Doreen	993-4000.4802 RESIDENTIAL SALES -	(663,348.00)	(564,514.00)	(98,834.00)	18%	Customer growth (21%) and margin increases (8%) were sufficient to counter the reduction in usage per customer (10%) due to warmer weather.
Doreen	993-4000.4812 COMM & INDUS. SALES	(366,915.00)	(281,415.00)	(85,500.00)	30%	Customer growth (15%) and margin increases (12%).
Doreen	995-4000.4812 COMM.& INDUS. SALES	(1,222,412.00)	(1,053,109.00)	(169,303.00)	16%	The increase in customers (8%) and margin (19%) were sufficient to offset the decrease in usage per customer (10%) and units sold (2%). The decrease in customer usage is attributable to milder weather. For bulk customers the timing of deliveries is also a contributing factor to variances.
	12 Propane revenue	(5,920,999.00)	(4,999,052.00)	(921,947.00)	18%	Customer growth and margin increases contributed to the increase in revenues, even with warmer weather than the prior year.

Florida Public Utilities
Balance Sheet and Profit & Loss
Analytical Comments **Variances $77,250 & 10%**
Y/e 12.31.2006

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Name	Size	Type	Date Modified	Location
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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Friday, Apr 11, 2008 08:56 AM

Clara Leider

From: Wilson Audra
Sent: Saturday, February 03, 2007 12:19 PM
To: 'dbuschmann@bdo.com'; 'jgibbons@bdo.com'
Cc: Khojasteh Mehrdad
Subject: Analytical Comments
Attachments: ANALYTICAL 12.31.06.xls

Thank you,

Audra N. Wilson
General Ledger Accountant
Florida Public Utilities Company
401 S. Dixie Hwy.
West Palm Beach, FL 33401
Tel: 561-838-1732
Fax: 561-366-1597
E-mail: awilson@fpuc.com

Florida Public Utilities
Balance Sheet and Profit & Loss
Analytical Comments
Y/e 12.31.2006

Variances $77,250 & 10%

name	Account	2006	2005	Amount Changed	%	
Audra	100-2310.1 NOTES PAYABLE	(3,466,000.00)	(9,558,000.00)	6,092,000.00	-64%	Decrease caused for fuel bills being paid off from December 2005.
Audra	100-2110.1 MISCELLANEOUS PAID I	(938,906.00)	(1,052,760.87)	113,854.87	-11%	The company's treasury stock was undervalued because of the 1998, 2002, and 2005 stock splits. therefore an adjustment was made in December 2005 to correct the treasury shares, common stock and paid in capital from 2000 thru 2005. There were 400,141 shares canceled as a result of this error.
Audra	100-2170.1 COMMON STOCK REACQUI	2,841,531.00	3,349,120.87	(507,589.87)	-15%	The company's treasury stock was undervalued because of the 1998, 2002, and 2005 stock splits. therefore an adjustment was made in December 2005 to correct the treasury shares, common stock and paid in capital from 2000 thru 2005. There were 400,141 shares canceled as a result of this error.
Audra	900-2160.1 UNAPPROPRIATED RETD	(2,229,013.00)	(1,831,084.00)	(397,929.00)	22%	Increase due to Year end adjustment in December 2005 for $397,929.84
Audra	121-4080.2 STATE GROSS RECEIPTS	1,488,116.00	1,080,694.00	407,422.00	38%	The large variances in South Florida and Central Florida are due to the D.O.R gross receipts tax changes. These variances will be corrected in Jan-06.
Audra	123-4080.2 STATE GROSS RECEIPTS	559,800.00	465,383.00	94,417.00	20%	The large variances in South Florida and Central Florida are due to the D.O.R gross receipts tax changes. These variances will be corrected in Jan-06.
Audra	100-4300.1 INTEREST ON DEBT TO	(746,566.00)	(499,438.00)	(247,128.00)	49%	A/R Balance from Assoc Companies increased by $242,419.49. Interst Rate increased from 5.24188% to 6.23594%
Audra	900-4300.1 INTEREST ON DEBT TO	746,566.00	499,438.00	247,128.00	49%	A/R Balance from Assoc Companies increased by $242,419.49. Interst Rate increased from 5.24188% to 6.23594%
Audra	100-2370.1 INTEREST ACCRUED-LON	(426,308.00)	(683,183.00)	256,875.00	-38%	Quarterly Interest payment of $256,875 paid in Dec '06

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Friday, Apr 11, 2008 09:15 AM

Clara Leider

From: Grimeson Bill
Sent: Saturday, February 03, 2007 3:13 PM
To: Dale Buschmann
Cc: Khojasteh Mehrdad
Subject: ANALYTICS
Attachments: ANALYTICAL 12 31 06.xls

Dale,

Please find attached analytics for construction.

Bill

Florida Public Utilities
Balance Sheet and Profit & Loss
Analytical Comments **Variances $77,250 & 10%**
Y/e 12.31.2006

	Account	2006	2005	Amount Changed	%	
Melanie	100-1310.13 CASH -BANK OF AMERIC	38,779.00	645,566.37	(606,787.37)	-94%	
	A Cash	38,779.00	645,566.37	(606,787.37)	-94%	
Caludette	114-1430.2 OTHER A/R - MISCELLA	20,607.00	169,620.00	(149,013.00)	-88%	
Melanie	121-1420.1 CUSTOMER A/R - UTILI	4,114,637.00	6,361,756.00	(2,247,119.00)	-35%	
Melanie	123-1420.1 CUSTOMER A/R - UTILI	1,458,945.00	2,075,854.00	(616,909.00)	-30%	
Melanie	991-1420.1 CUSTOMER A/R - UTILI	978,098.00	1,167,954.00	(189,856.00)	-16%	
Melanie	115-1420.21 CUSTOMER A/R--BILLED	29,224.00	110,433.00	(81,209.00)	-74%	
	C Sales, shipping and trade rec.	6,601,511.00	9,885,617.00	(3,284,106.00)	-33%	
Melanie	121-1440.2 PROV FOR UNCOL ACC-M	(92,462.00)	(10,901.00)	(81,561.00)	748%	
	C1 Allowance for Uncollectables	(92,462.00)	(10,901.00)	(81,561.00)	748%	
Nadira	121-1730.1 UNBILLED REVENUES	796,384.00	706,499.00	89,885.00	13%	
	C2 Unbilled Receivables	796,384.00	706,499.00	89,885.00	13%	
Cindy	115-1540.1 PLANT MAT & OPERATIN	713,646.00	562,556.00	151,090.00	27%	
Cindy	123-1540.1 PLANT MAT & OPERATIN	185,578.00	282,047.00	(96,469.00)	-34%	
Cindy	900-1540.5 PROPANE - CUSTOMER P	1,518,472.00	1,317,027.00	201,445.00	15%	
	F Inventories and production	2,417,696.00	2,161,630.00	256,066.00	12%	
Beth	100-2360.8 FEDERAL INCOME TAX	(1,136,663.00)	(89,947.00)	(1,046,716.00)	1164%	
Beth	100-2360.9 STATE INCOME TAX	(231,331.00)	(37,844.00)	(193,487.00)	511%	
Beth	900-2360.8 FEDERAL INCOME TAX	1,259,024.00	1,100,587.00	158,437.00	14%	
	G Ppd. exp., nontrade notes rec., deferred charg	(108,970.00)	972,796.00	(1,081,766.00)	-111%	
Nadira	121-1820.32 REGULATORY ASSETS-ST	270,039.00	452,327.00	(182,288.00)	-40%	
	J Regulatory asset - environmental	270,039.00	452,327.00	(182,288.00)	-40%	
Cindy	123-1040.1 MERCH PLANT-LEASED T	878,033.00	564,865.00	313,168 00	55%	
Bill	100-1070.376 ACCRUAL - CAPITAL IT	(85,071.00)	21,145.00	(106,216 00)	-502%	Additional accruals.
Bill	115-1010.362 STATION EQUIPMENT	4,895,950.00	4,226,471.00	669,479.00	16%	Closed projects $625,922 & $43,557.
Bill	115-1010.396 POWER OPERATED EQUIP	190,403.00	107,686.00	82,717.00	77%	Misc adjustment for diesel gen. $82,717.
Bill	115-1070.362 STATION EQUIPMENT	8,995.00	629,480.00	(620,485.00)	-99%	$669,479 from 1070 to 1010, add'l costs $48,507.
Bill	121-1010.381 METERS	4,024,935.00	3,509,376.00	515,559.00	15%	Meter costs closed from 1070.
Bill	121-1010.382 METER INSTALLATIONS	1,431,162.00	1,221,991.00	209,171.00	17%	Meter install. costs closed from 1070.
Bill	121-1010.383 HOUSE REGULATORS	1,337,431.00	1,184,908.00	152,523.00	13%	House reg. install costs closed from 1070.
Bill	991-1010.311 PROPANE STORAGE FACI	330,223.00	233,560.00	96,663.00	41%	$14,520 storage tank transf. and completed project $82,14
Bill	991-1010.386 CONSUMERS' SYSTEM IN	2,812,989.00	2,494,749.00	318,240.00	13%	U/G tank install closed from 1070.
Bill	991-1010.392 TRANSPORTATION EQUIP	990,642.00	692,815.00	297,827.00	43%	Vehicles closed to plant and transfers.
Bill	991-1070.311 PROPANE STORAGE FACI	-	82,143.00	(82,143.00)	-100%	See above 991.1010.311
Bill	991-1070.392 TRANSPORTATION EQUIP	11,812.00	215,272.00	(203,460.00)	-95%	Vehicles closed to plant.
Bill	993-1010.386 CONSUMERS' SYSTEM IN	547,442.00	458,451.00	88,991.00	19%	U/G tank install closed from 1070.
Bill	993-1070.376 MAINS	-	95,060.00	(95,060.00)	-100%	Block system project closed to plant.
Bill	996-1070.392 TRANSPORTATION EQUIP	173,665.00	94,881.00	78,784.00	83%	Additional vehicle costs.
Bill	100-1180.3913 EDP EQUIPMENT	492,102.00	753,806.00	(261,704.00)	-35%	Add. $156,354, ret $(374,608) trans. (45,919)
Bill	114-1010.3693 UNDERGRD SERVICES- B	1,173,846.00	1,062,572.00	111,274.00	10%	U/G services closed from 1070.
Bill	115-1010.3672 UNDERGRD CONDUCT/DEV	4,053,517.00	3,683,923.00	369,594.00	10%	U/G conductor/devices closed from 1070.
Bill	115-1010.3713 INSTAL ON CUST PREMI	601,350.00	447,692.00	153,658.00	34%	Cust. Premises install. closed from 1070.
Bill	115-1010.3923 TRANS - HEAVY TRUCKS	755,791.00	862,552.00	(106,761.00)	-12%	Retirement ($106,761)
Bill	115-1070.3657 O/H CONDUCTR-LINE EX	-	107,269.00	(107,269.00)	-100%	Project closed ($107,518)
Bill	115-1070.3662 UNDERGROUND CONDUIT-	118,244.00	40,951.00	77,293.00	189%	Various projects and blanket IR's
Bill	115-1070.3713 INSTAL ON CUST PREMI	1,470.00	101,664.00	(100,194.00)	-99%	Various projects and blanket IR's closed to plant.
Bill	115-1070.3923 TRANS - HEAVY TRUCKS	199,277.00	-	199,277.00	100%	Derrick truck.
Bill	121-1010.3761 MAINS- PLASTIC	15,357,567.00	13,568,592.00	1,788,975.00	13%	Various projects and blanket IR's closed to plant.
Bill	121-1010.3922 TRANS-LIGHT TRUCK,VA	2,257,770.00	1,945,704.00	312,066.00	16%	Various vehicles closed to plant.
Bill	123-1010.3761 MAINS- PLASTIC	6,526,969.00	5,769,851.00	757,118.00	13%	Various projects and blanket IR's closed to plant.
Bill	123-1010.3922 TRANS-LIGHT TRUCK,VA	949,575.00	860,608.00	88,967.00	10%	Additions $229,268, Ret. ($86,112), Tran.($54,799)
Bill	114-1070.391305 CWIP-SOFTWARE	70,376.00	445,776.00	(375,400.00)	-84%	Project for $70,376.
Bill	121-1070.376112 MAINS- PLASTIC - 1 1	156,324.00	58,442.00	97,882.00	167%	Continued projects requiring 1 1/4" pipe.
Bill	121-1070.376120 MAINS- PLASTIC - 2 "	141,052.00	363,945.00	(222,893.00)	-61%	Various projects closed to plant.
Bill	121-1070.376140 MAINS- PLASTIC - 4 "	213,625.00	327,394.00	(113,769.00)	-35%	Various projects closed to plant.
Bill	121-1070.376160 MAINS- PLASTIC - 6 "	193,660.00	(3,036 00)	196,696.00	-6479%	Various projects requiring 6" pipe
Bill	121-1070.376260 MAINS -OTHER- 6 "	(23,246.00)	455,612.00	(478,858.00)	-105%	Various projects closed to plant.
Bill	121-1070.391305 CWIP-SOFTWARE	250,448.00	151,468.00	98,980.00	65%	Additional software for division support.
Bill	123-1070.391305 CWIP-SOFTWARE	128,410.00	10,806.00	117,604.00	1088%	Additional software for division support.
	M Property, plant and equipment	51,166,738.00	46,848,444.00	4,318,294.00	9%	

2

Jim	100-1080-1 Cost of removal reclass	-	8,256,355.00	(8,256,355.00)	-100%	
Bill	115-1080.355 POLES AND FIXTURES	(835,078.00)	(739,611.00)	(95,467.00)	13%	Continued depreciation, transfer ($6,822)
Bill	115-1080.362 STATION EQUIPMENT	(773,755.00)	(641,561.00)	(132,194.00)	21%	Continued depreciation .
Bill	115-1080.396 POWER OPERATED EQUIP	(175,709.00)	(85,777.00)	(89,932.00)	105%	Continued depreciation, adj. for generator ($82,716)
Bill	121-1080.390 STRUCTURES AND IMPRO	(15,823.00)	(203,124.00)	187,301.00	-92%	Adj. to reverse deprc study entry to Div 123 $182,322.
Bill	123-1080.390 STRUCTURES AND IMPRO	(290,050.00)	(75,714.00)	(214,336.00)	283%	Adj. to reverse deprc study entry from Div 121 ($182,322).
Bill	991-1080.386 CONSUMERS' SYSTEM IN	(860,751.00)	(755,184.00)	(105,567.00)	14%	Continued depreciation, retirements $13,668.
Bill	100-1190.3913 ACC.DEP/EDP EQUIPMEN	(146,783.00)	(429,486.00)	282,703.00	-66%	Continued depreciation, ret. $374,610, trans. ($31,837)
Bill	121-1080.3761 MAINS-	(2,758,327.00)	(2,392,618.00)	(365,709.00)	15%	Continued depreciation.
Bill	123-1080.3761 MAINS- PLASTIC	(1,213,740.00)	(1,062,296.00)	(151,444.00)	14%	Continued depreciation.
	N Accumulated depreciation	(7,070,016.00)	1,870,984.00	(8,941,000.00)	-478%	
Jim	114-1010.391305 SOFTWARE	360,744.00	-	360,744.00	10000%	
	S Other intangible assets	360,744.00	-	360,744.00	10000%	
Claudette	100-1860.1 OTHER W I P -DEF'D D	475,117.00	688,676.00	(213,559.00)	-31%	
	V Other deferred charges	475,117.00	688,676.00	(213,559.00)	-31%	
Curtis	114-2530.61 OTHER DF CR-OVERRECO	99,522.00	13,344.00	86,178.00	646%	
Curtis	121-1860.61 MISC DEF DEBIT-UNDER	-	(298,804.00)	298,804.00	-100%	
Curtis	121-2530.61 OTHER DEF CREDIT-OVE	(844,063.00)	-	(844,063.00)	10000%	
Curtis	123-1860.61 MISC DEF DEBIT-UNDER	-	381,735.00	(381,735.00)	-100%	
Curtis	123-2530.61 OTHER DEF CREDIT-OVE	533,505.00	-	533,505.00	10000%	
	W Under recovery of conservation & unbundling	(211,036.00)	96,275.00	(307,311.00)	-319%	
Audra	100-2310.1 NOTES PAYABLE	(3,466,000.00)	(9,558,000.00)	6,092,000.00	-64%	
	BB Notes payable	(3,466,000.00)	(9,558,000.00)	6,092,000.00	-64%	
Tan	100-2320.1 A/P - GENERAL	(5,808,219.00)	(9,317,985.00)	3,509,766.00	-38%	
Tan	100-2320.8 A/P - PAYROLL	(823,254.00)	(558,482.00)	(264,772.00)	47%	
	CC Purchases, receiving and accounts payable	(6,631,473.00)	(9,876,467.00)	3,244,994.00	-33%	
Nadira	100-2280.201 ACCR'D LIABILITY INS	(181,443.00)	(296,132.00)	114,689.00	-39%	
	EE Accrued insurance	(181,443.00)	(296,132.00)	114,689.00	-39%	
Beth	100-2820.1 L/T LIBERALIZED DEPR	(829,500.00)	(2,657,517.00)	1,828,017.00	-69%	
Beth	100-2820.2 L/T LIBERALIZED DEPR	(141,994.00)	(454,913.00)	312,919.00	-69%	
Beth	115-2820.1 LONG-TERM LIBERALIZE	(2,828,340.00)	(2,407,322.00)	(421,018.00)	17%	
Beth	123-2820.1 LONG-TERM LIBERALIZE	(2,916,800.00)	(2,647,081.00)	(269,719.00)	10%	
Beth	991-2820.1 LONG-TERM LIBERALIZE	(1,403,653.00)	(1,229,985.00)	(173,668.00)	14%	
Beth	993-2820.1 LONG-TERM LIBERALIZE	(1,040,298.00)	(873,556.00)	(166,742.00)	19%	
Beth	995-2820.1 LONG-TERM LIBERALIZE	(406,365.00)	(299,106.00)	(107,259.00)	36%	
Beth	115-2830.111 ACC FED DEF EL-UNDER	(350,249.00)	(193,945.00)	(156,304.00)	81%	
Beth	121-2830.111 ACC FED DEF-GAS-UNDE	-	(423,929.00)	423,929.00	-100%	
Beth	121-2830.113 ACCUM DEF TAX-CONSV	271,197.00	96,006.00	175,191.00	182%	
Beth	121-2830.114 ACCUM DEF TAXES-PENS	269,751.00	141,617.00	128,134.00	90%	
Beth	123-2830.111 ACC FED DEF-GAS-UNDE	-	(512,949.00)	512,949.00	-100%	
Beth	123-2830.221 ACC DEF UNDERREC PUR	-	(87,806.00)	87,806.00	-100%	
	JJ Deferred income taxes	(9,376,251.00)	(11,550,486.00)	2,174,235.00	-19%	
Claudette	100-2530.31 ENVIRON COSTS NET OF	(149,051.00)	60,218.00	(209,269.00)	-348%	
	KK Environmental liabilities and other	(149,051.00)	60,218.00	(209,269.00)	-348%	
Melanie	114-2350.1 CUSTOMER DEPOSITS	(1,123,687.00)	(915,320.00)	(208,367.00)	23%	
Melanie	123-2350.1 CUSTOMER DEPOSITS	(1,706,854.00)	(1,458,188.00)	(248,666.00)	17%	
	LL Customer Deposits	(2,830,541.00)	(2,373,508.00)	(457,033.00)	19%	
Curtis	114-2530.21 OVER RECOVERY-FUEL A	(556,017.00)	(266,046.00)	(289,971.00)	109%	
Curtis	115-1860.21 MISC DEF-DR.-UNDERRE	1,090,101.00	603,627.00	486,474.00	81%	
Curtis	115-2530.21 OVER RECOVERY-FUEL A	(289,447.00)	(886,848.00)	597,401.00	-67%	
Jim	121-1860.21 MISC DEF-DR.-UNDERRE	-	1,319,418.00	(1,319,418.00)	-100%	
Jim	121-2530.21 OVER REC-FUEL ADJ-PU	(4,009,675.00)	-	(4,009,675.00)	100%	
Jim	123-1860.21 MISC DEF-DR.-UNDERRE	-	1,596,481.00	(1,596,481.00)	-100%	
Jim	123-2530.21 OVER REC-FUEL ADJ-PU	353,654.00	-	353,654.00	100%	
	MM Overrecovery of fuel costs	(3,411,384.00)	2,366,632.00	(5,778,016.00)	-244%	

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Cindy	115-2520.1 CUSTOMER ADVANCES FO	(757,417.00)	(592,204.00)	(165,213.00)	28%	
Cindy	121-2520.1 CUSTOMER ADVANCES FO	(1,292,802.00)	(1,017,792.00)	(275,010.00)	27%	
Cindy	996-2520.1 CUSTOMER ADVANCES FO	(258,750.00)	(350,700.00)	91,950.00	-26%	
	NN Over recovery of conservation and unbundling	(2,308,969.00)	(1,960,696.00)	(348,273.00)	18%	
Beth	100-2420.1 VACATION PAY-MISC CU	(1,198,162.00)	(1,075,748.00)	(122,414.00)	11%	
Bill	121-2530.4 OTHER DEFERRED CREDI	(22,194.00)	(110,970.00)	88,776.00	-80%	Continued amortization.
Claudette	100-2410.401 WEST PALM BE-FRANCHI	21,521.00	(74,427.00)	95,948.00	-129%	
	OO Other accruals and payables	(1,198,835.00)	(1,261,145.00)	62,310.00	-5%	
Jim	100-2800-1 Deferred Credit Cost of Removal	-	(8,256,355.00)	8,256,355.00	-100%	
	QQ Cost of Removal Deferred Cridt	-	(8,256,355.00)	8,256,355.00	-100%	
Nadira	100-2280.31 PENSIONS RESERVE	(1,760,783.00)	(721,331.00)	(1,039,452.00)	144%	
	SS Storm Reserve	(1,760,783.00)	(721,331.00)	(1,039,452.00)	144%	
Audra	100-2110.1 MISCELLANEOUS PAID I	(938,906.00)	(1,052,760.87)	113,854.87	-11%	
Audra	100-2170.1 COMMON STOCK REACQUI	2,841,531.00	3,349,120.87	(507,589.87)	-15%	
Audra	900-2160.1 UNAPPROPRIATED RETD	(2,229,013.00)	(1,831,084.00)	(397,929.00)	22%	
	WW Stockholders' equity	(326,388.00)	465,276.00	(791,664.00)	-170%	
Curtis	121-4000.496 RATE REFUND PENDING	-	722,649.00	(722,649.00)	-100%	
Jim	121-4000.4951 OVER REC;FUEL ADJ- P	4,009,675.00	(411,003.00)	4,420,678.00	-1076%	
Nadira	121-4000.4953 UNBILLED REVENUES	(89,885.00)	248,994.00	(338,879.00)	-136%	
Curtis	121-4000.4957 OVERRECOVERY:GAS CON	844,063.00	-	844,063.00	100%	
Jim	123-4000.4951 OVER REC;FUEL ADJ- P	(353,654.00)	(697,128.00)	343,474.00	-49%	
Curtis	123-4000.4957 OVERRECOVERY:GAS CON	(533,505.00)	-	(533,505.00)	100%	
Jim	121-4000.48002 FUEL REVENUE-RESIDEN	(8,281,260.00)	(7,302,886.00)	(978,374.00)	13%	
Melanie	121-4000.48004 FRANCHISE TAX REV-RE	(479,923.00)	(326,994.00)	(152,929.00)	47%	
Jim	121-4000.48102 C/S FUEL REVENUES-CO	(9,211,422.00)	(7,998,557.00)	(1,212,865.00)	15%	
Melanie	121-4000.48104 FRANCHISE TAX REV-CO	(352,857.00)	(211,694.00)	(141,163.00)	67%	
Melanie	121-4000.48114 FRANCHISE TAX REV-CO	(340,886.00)	(191,035.00)	(149,851.00)	78%	
Jim	121-4000.48122 FUEL REV.-INTERRUPTI	-	(287,378.00)	287,378.00	-100%	
Melanie	121-4000.48913 GR REC- COMM LRG TRA	(251,148.00)	(11,856.00)	(239,292.00)	2018%	
Melanie	121-4000.48923 GR REC- INTRDPT TRAN	(128,221.00)	(12,658.00)	(115,563.00)	913%	
Jim	121-4000.48982 POOLMANAGER SVC FUEL	737,020.00	369,312.00	367,708.00	100%	
Curtis	121-4000.49561 OTHER GAS REV-STORM	(142,140.00)	(16,833.00)	(125,307.00)	744%	
Jim	123-4000.48002 FUEL REVENUE-RESIDEN	(3,997,083.00)	(3,469,698.00)	(527,385.00)	15%	
Jim	123-4000.48102 C/S FUEL REVENUE-COM	(2,526,351.00)	(2,078,142.00)	(448,209.00)	22%	
Melanie	123-4000.48111 C/L BASE REVENUE-COM	(1,830,699.00)	(1,536,700.00)	(293,999.00)	19%	
Jim	123-4000.48112 C/L FUEL REVENUE-COM	(6,698,501.00)	(5,154,636.00)	(1,543,865.00)	30%	
Melanie	123-4000.48911 BASE REVENUE-CL TRAN	(1,024,474.00)	(1,325,069.00)	300,595.00	-23%	
Melanie	123-4000.48913 GR REC- COMM LG TRAN	(105,365.00)	(6,575.00)	(98,790.00)	1503%	
	10 Natural gas revenue	(30,756,616.00)	(29,697,887.00)	(1,058,729.00)	4%	
Curtis	115-4000.4561 OVER-RECOVRY:FUEL AD	(597,401.00)	585,741.00	(1,183,142.00)	-202%	
Nadira	115-4000.4563 UNBILLED REVENUES	(11,649.00)	86,435.00	(98,084.00)	-113%	
Curtis	114-4000.44222 FUEL REV- LARGE COMM	(2,689,872.00)	(2,281,893.00)	(407,979.00)	18%	
Curtis	115-4000.44002 FUEL REVENUE-RESIDEN	(6,535,958.00)	(7,338,169.00)	802,211.00	-11%	
Curtis	115-4000.44202 C/S FUEL REVENUE-COM	(955,585.00)	(1,069,049.00)	113,464.00	-11%	
Curtis	115-4000.44212 C/L FUEL REV.-COMM L	(2,661,169.00)	(2,977,644.00)	316,475.00	-11%	
Curtis	115-4000.44222 FUEL REVENUE- LARGE	(812,949.00)	(911,192.00)	98,243.00	-11%	
	11 Electric revenue	(14,264,583.00)	(13,905,771.00)	(358,812.00)	3%	
Doreen	991-4000.4802 RESIDENTIAL BULK SAL	(1,278,314.00)	(927,821.00)	(350,493.00)	38%	
Doreen	991-4000.4812 COMM.& INDUS. SALES	(2,390,010.00)	(2,172,193.00)	(217,817.00)	10%	
Doreen	993-4000.4802 RESIDENTIAL SALES -	(663,348.00)	(564,514.00)	(98,834.00)	18%	
Doreen	993-4000.4812 COMM & INDUS. SALES	(366,915.00)	(281,415.00)	(85,500.00)	30%	
Doreen	995-4000.4812 COMM.& INDUS. SALES	(1,222,412.00)	(1,053,109.00)	(169,303.00)	16%	
	12 Propane revenue	(5,920,999.00)	(4,999,052.00)	(921,947.00)	18%	
Cindy	141-4150.2 GROSS SALES-MERCHAND	(264,046.00)	(360,503.00)	96,457.00	-27%	
Cindy	143-4150.1 GROSS SALES - MERCHA	(500,422.00)	(600,600.00)	100,178.00	-17%	
Cindy	945-4150.1 GROSS SALES - MERCHA	(249,594.00)	(399,254.00)	149,660.00	-37%	
Cindy	141-4150.391 FUEL LINE REVENUE	(214,584.00)	(315,174.00)	100,590.00	-32%	
	14 Sales M & J	(1,228,646.00)	(1,675,531.00)	446,885.00	-27%	

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Curtis	123-4010.908 CUSTOMER ASSISTANCE	557,192.00	718,147.00	(160,955.00)	-22%
Curtis	121-4010.9061 UNDERRECOVERY:CONSER	(298,804.00)	323,815.00	(622,619.00)	-192%
Curtis	123-4010.9061 UNDERRECOVERY:CONSER	381,735.00	(369,328.00)	751,063.00	-203%
	13 Conservation	640,123.00	672,634.00	(32,511.00)	-5%
Jim	121-4010.8011 COMMODITY OTHER-SYST	20,211,180.00	24,627,795.00	(4,416,615.00)	-18%
Jim	121-4010.8042 COMMODITY PIPELINE-S	299,309.00	406,242.00	(106,933.00)	-26%
Jim	121-4010.8051 UNDER RECOVERY PURCH	1,319,418.00	(1,319,418.00)	2,638,836.00	-200%
Jim	123-4010.8045 DEMAND - SYSTEM SUPP	1,294,113.00	1,144,557.00	149,556.00	13%
Jim	123-4010.8051 UNDER RECOVERY PURCH	1,596,481.00	(1,596,481.00)	3,192,962.00	-200%
	20 Cost of fuel & taxes based on revnue -natural	24,720,501.00	23,262,695.00	1,457,806.00	6%
Curtis	114-4010.557 OTHER EXPENSES	276,458.00	113,618.00	162,840.00	143%
Curtis	115-4010.557 OTHER EXPENSES	373,567.00	123,199.00	250,368.00	203%
Curtis	114-4010.5551 UNDER REC:FUEL ADJ,	86,191.00	(41,268.00)	127,459.00	-309%
Curtis	115-4010.5551 UNDER REC:FUEL ADJ,	(486,474.00)	112,543.00	(599,017.00)	-532%
	22 Cost of fuel & taxes based on revenue - elect	249,742.00	308,092.00	(58,350.00)	-19%
Cindy	991-4010.800 COST OF GAS SOLD	4,337,568.00	3,660,680.00	676,888.00	18%
Cindy	993-4010.800 COST OF GAS SOLD	977,084.00	840,480.00	136,604.00	16%
Cindy	995-4010.800 COST OF GAS SOLD	1,452,274.00	1,276,861.00	175,413.00	14%
Cindy	996-4010.800 COST OF GAS SOLD	651,543.00	521,852.00	129,691.00	25%
	23 Cost of fuel & taxes based on revenue - propa	7,418,469.00	6,299,873.00	1,118,596.00	18%
Claudette	114-4010.903 CUSTOMER RECORDS/COL	244,907.00	351,847.00	(106,940.00)	-30%
Claudette	114-4010.904 UNCOLLECTIBLE ACCOUN	84,740.00	1,182.00	83,558.00	7069%
Claudette	115-4010.903 CUSTOMER RECORDS/COL	252,392.00	393,914.00	(141,522.00)	-36%
Melanie	121-4010.878 METER & HOUSE REGULA	1,050,627.00	954,534.00	96,093.00	10%
Melanie	121-4010.903 CUSTOMER RECORDS & C	519,083.00	718,413.00	(199,330.00)	-28%
Melanie	123-4010.903 CUSTOMER RECORDS & C	342,642.00	461,930.00	(119,288.00)	-26%
Melanie	114-4010.9031 CUSTOMER RECORDS/COL	121,958.00	-	121,958.00	100%
Melanie	115-4010.9031 CUST RECORDS/COLLCTN	138,192.00	-	138,192.00	100%
Melanie	121-4010.9031 CUST RECORDS/CLLCTN	284,546.00	-	284,546.00	100%
Melanie	121-4010.9121 SELLING EXPENSES	855,831.00	625,253.00	230,578.00	37%
Melanie	121-4010.9162 MISC SALES EXP-PROMO	60,503.00	154,717.00	(94,214.00)	-61%
Melanie	123-4010.9031 CUST RECORDS/CLLCTN	154,464.00	-	154,464.00	100%
	24 Operating expenses	4,109,885.00	3,661,790.00	448,095.00	12%
Audra	121-4080.2 STATE GROSS RECEIPTS	1,488,116.00	1,080,694.00	407,422.00	38%
Audra	123-4080.2 STATE GROSS RECEIPTS	559,800.00	465,383.00	94,417.00	20%
Melanie	121-4080.11 FRANCHISE TAX	1,184,008.00	735,044.00	448,964.00	61%
	26 Gross Receipts and Franchise Taxes	3,231,924.00	2,281,121.00	950,803.00	42%
Beth	115-4090.2 I/T -STATE - UTIL O	11,405.00	155,644.00	(144,239.00)	-93%
Beth	121-4090.2 I/T-STATE-UTIL OPERA	332,536.00	161,229.00	171,307.00	106%
Beth	123-4090.2 I/T-STATE-UTIL OPERA	159,768.00	(91,651.00)	251,419.00	-274%
	86 I/T State Taxes	503,709.00	225,222.00	278,487.00	124%
Beth	114-4100.1 DEFERRED I/T-FEDERAL	(157,073.00)	(301,205.00)	144,132.00	-48%
Beth	115-4100.1 DEFERRED I/T-FEDERAL	134,532.00	(575,723.00)	710,255.00	-123%
Beth	115-4100.2 DEFERRED I/T-STATE	23,030.00	(98,553.00)	121,583.00	-123%
Beth	121-4100.1 DEFERRED I/T-FEDERAL	(1,114,004.00)	(174,223.00)	(939,781.00)	539%
Beth	121-4100.2 DEFERRED I/T-STATE-U	(190,698.00)	(29,836.00)	(160,862.00)	539%
Beth	123-4100.1 DEFERRED I/T-FEDERAL	(507,304.00)	929,665.00	(1,436,969.00)	-155%
Beth	123-4100.2 DEFERRED I/T-STATE-U	(86,837.00)	159,138.00	(245,975.00)	-155%
Beth	100-4269.4101 DEFERRED TAX FED-OTH	5,746.00	(96,245.00)	101,991.00	-106%
	82 Deferred income taxes	(1,892,608.00)	(186,982.00)	(1,705,626.00)	912%
Cindy	945-4160.1 COST OF MERCHANDISE	175,529.00	255,254.00	(79,725.00)	-31%
Cindy	141-4160.29 DIRECT COST INSTALL	346,422.00	667,504.00	(321,082.00)	-48%
Cindy	141-4160.42 UNCOLLECTIBLE ACCOUN	100,121.00	13,595.00	86,526.00	636%
Cindy	141-4160.391 FUEL LINE EXPENSE	166,939.00	441,403.00	(274,464.00)	-62%
	28 Cost and expenses - M & J	789,011.00	1,377,756.00	(588,745.00)	-43%

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Nadira	115-4010.920 ADM & GENERAL SALARI	557,490.00	477,814.00	79,676.00	17%
Nadira	121-4010.920 ADMINISTRATIVE & GEN	896,832.00	747,881.00	148,951.00	20%
Nadira	121-4010.924 PROPERTY INSURANCE	173,990.00	47,726.00	126,264.00	265%
	50 General and administrative expenses	1,628,312.00	1,273,421.00	354,891.00	28%
Claudette	115-4020.592 MAINT OF DIST STATIO	70,208.00	164,428.00	(94,220.00)	-57%
Melanie	121-4020.892 MAINTENANCE OF SERVI	(4,982.00)	85,353.00	(90,335.00)	-106%
Melanie	121-4020.935 MAINTENANCE OF GENER	192,164.00	100,115.00	92,049.00	92%
Claudette	114-4020.5932 MAINT OF OVERHEAD CO	605,618.00	709,158.00	(103,540.00)	-15%
Claudette	115-4020.5932 MAINT OF OVERHEAD CO	337,951.00	255,720.00	82,231.00	32%
	52 Maintenance distribution expense	1,200,959.00	1,314,774.00	(113,815.00)	-9%
Beth	121-4080.1 AD VALOREM TAXES	752,322.00	668,416.00	83,906.00	13%
	55 Taxes other than income taxes	752,322.00	668,416.00	83,906.00	13%
Jim	115-4030.1 DEPRECIATION EXPENSE	1,504,419.00	1,318,759.00	185,660.00	14%
	60 Depreciation expense	1,504,419.00	1,318,759.00	185,660.00	14%
Audra	100-4300.1 INTEREST ON DEBT TO	(746,566.00)	(499,438.00)	(247,128.00)	49%
Audra	900-4300.1 INTEREST ON DEBT TO	746,566.00	499,438.00	247,128.00	49%
	72 Interest expenses	-	-		
Beth	114-4090.1 I/T -FEDERAL- UTIL O	478,743.00	602,209.00	(123,466.00)	-21%
Beth	115-4090.1 I/T -FEDERAL- UTIL O	68,329.00	909,347.00	(841,018.00)	-92%
Beth	121-4090.1 I/T-FEDERAL-UTIL OPE	1,945,476.00	941,868.00	1,003,608.00	107%
Beth	123-4090.1 I/T-FEDERAL-UTIL OPE	933,743.00	(534,936.00)	1,468,679.00	-275%
Beth	991-4090.1 I/T-FEDERAL-UTIL OPE	132,166.00	278,089.00	(145,923.00)	-52%
	80 Income tax expense (benefit)	3,558,457.00	2,196,577.00	1,361,880.00	62%
Audra	100-2370.1 INTEREST ACCRUED-LON	(426,308.00)	(683,183.00)	256,875.00	-38%
	II Accrued Interest expense	(426,308.00)	(683,183.00)	256,875.00	-38%
		18,821,479.00	15,068,643.37	3,752,835.63	25%

D:\Exhibit 2.8\KHOJASTEH

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Folders	Name	Size	Type	Date Modified	Location
	Files Currently on the CD				
nents	Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
:	RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
19	Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Jser Files	10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
.ink	10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ɔoks	10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ısic	10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
tures	2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
k	ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
uter	Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ɔppy (A:)	ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
14 (C:)	ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
)122 (D:)	AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ıibit 2.8	Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BACHMAN	BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
COX	BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
KHOJASTEH	Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
MARTIN	expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
MESITE	FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ɹr on 'fp2\hor	FW 10K.msg	1,592 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ı 'Fp1\Data\Ps	FW Analytical Comments.msg	139 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
on 'FP3 (fp3)	FW Balance Sheet (12).msg	43 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
'Fp1\Data\Ps	FW Balance Sheet.msg	46 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
'Fp1\Data\Ps	FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ı 'Fp1\Data\P	FW JE999.msg	158 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ın 'Fp1' (S:)	FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ɹr on 'fp1\dat	FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
os on 'fp1\Da	FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
'fp1\data\Pul	Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
on 'fp1\Data'	JE999.msg	1,067 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ıl Panel	MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
ɹrk Places	Propane Projections - Impairme...	32 KB	HTML Document	10/16/2007 9:25 AM	Files Currently on the...
in	RE 10q redline and clean versio...	408 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
	RE 10K (2).msg	1,593 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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	RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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Friday, Apr 11, 2008 09:20 AM

Clara Leider

From:	Martin Cheryl
Sent:	Tuesday, January 16, 2007 9:47 AM
To:	Starr Jennifer
Cc:	Khojasteh Mehrdad; Bhatia Nadira
Subject:	ARP-04 Common Size BS 12-06.xls
Attachments:	ARP-04 Common Size BS 12-06.xls

Jennifer, once you run the data for these that you have automated, send to Nadira and Mehrdad to summarize the analytics with comments. Thanks Cheryl Martin

1

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(dollars in thousands)

	September 30, 2006	%	December 31, 2005	%	Comments	December 30, 2006	%	September 30, 2006	%	12/31/06 to 9/30/06 Change	Comments
ASSETS											
Utility Plant											
Less accumulated depreciation											
Net utility plant											
Current Assets											
Cash											
Acounts receivable											
Notes Receivable											
Unbilled receivable											
Allowance for Uncollectible Accounts											
Inventories (at average or unit cost)											
Prepayments and Deferrals											
Under recovery of fuel costs											
Income tax prepayments											
Total current assets											
Other Assets											
Investments held for environmental costs											
Other regulatory assets - storm reserve											
Other regulatory assets - environmental											
Other long term investments											
Deferred charges											
Unamortized debt discounts											
Goodwill											
Intangible assets (net)											
Total other assets											
Total											
CAPITALIZATION AND LIABILITIES											
Capitalization											
Common shareholders' equity											
Preferred stock											
Long-term debt											
Total capitalization											
Current Liabilities											
Line of credit											
Accounts payable											
Insurance accrued											
Interest accrued											
Other accruals and payables											
Taxes accrued											
Deferred income tax											
Over recovery of fuel costs											

Over recovery of conservation		
Customer deposits		
Liabilities held for sale - water division		
Total current liabilities		
Other Liabilities		
Regulatory liabilities - storm reserve		
Regulatory liabilities - other		
Deferred income taxes		
Deferred income taxes - total (current and noncurrent)		
Environmental liabilities		
Other liabilities		
Total other liabilities		
Total		

(2)

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

Pg. 1 of 2

	Three Months Ended December 31, 2006	%	2005	%	% change	Comments
Revenues						
Natural gas						
Electric						
Propane gas						
Total revenues						
Cost of fuel and other pass through costs						
Gross Profit						
Operating Expenses		% of GP		% of GP		
Operations and Maintenance						
Depreciation and Amortization						
Taxes other than income taxes						
Total operating expenses						
Operating income						
Other Income and (Deductions)						
Merchandise and service revenue						
Merchandise and service expenses						
Gain from sale of property						
Other income						
Short-term borrowings						
Interest expense						
Total other deductions - net						
Earnings before income taxes						
Income taxes						
Earnings from continuing operations						
Preferred Stock Dividends						
Earnings for Common Stock						

Pg. 2 of 2

Nine Months Ended December 31, 2006	%	2005	%	% change	Comments
	% of GP		% of GP		

Three Months Ended December 31, 2006	%	Three Months Ended September 30, 2006	%	% change	Comments
	% of GP		% of GP		

D:\Exhibit 2.8\KHOJASTEH

Back · Search · Folders

Address D:\Exhibit 2.8\KHOJASTEH

Folders	Name	Size	Type	Date Modified	Location
	Files Currently on the CD				
nents	Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
:	RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
19	Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Jser Files	10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
.ink	10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ooks	10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
isic	10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
tures	2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
k	ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
uter	Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
oppy (A:)	ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
14 (C:)	ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
)122 (D:)	AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ibit 2.8	Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BACHMAN	BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
COX	BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
KHOJASTEH	Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
MARTIN	expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
MESITE	FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
r on 'fp2\hor	FW 10K.msg	1,592 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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'Fp1\Data\Ps	FW Balance Sheet.msg	46 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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Friday, Apr 11, 2008 09:26 AM

Clara Leider

From: Cox Doreen
Sent: Wednesday, February 21, 2007 4:58 PM
To: 'dbuschmann@bdo.com'
Cc: Bachman George; Khojasteh Mehrdad; Martin Cheryl
Subject: AUDIT_10k.xls
Attachments: AUDIT_10k.xls

Dale:
Audit variance analyses as requested. Please let me know if you have any questions, or need any additional information.
Thanks
Doreen
(561) 838-1797

Florida Public Utilities Company
Consolidated Balance Sheet
Dec-06
AUDIT_10K

	Change $	%
Scope:	75,000	5%

	2006 Current YTD	%	2005 31-Dec	%	Inc (Dec)	% Change	2006 Current YTD	%	2005 Prior Yr YTD	%	Inc (Dec)	% Change	2006 Current YTD	%	2006 Prior QTR	%	Inc (Dec)	% Change	Explanation Needed
Plant																			
Natural Gas	95,392,634	53%	89,835,239	49%	5,557,395	4%	95,392,634	53%	89,835,239	49%	5,557,395	4%	95,392,634	53%	94,285,537	54%	1,107,097	-1%	FALSE
Electric	72,776,298	41%	70,084,258	39%	2,692,040	2%	72,776,298	41%	70,084,258	39%	2,692,040	2%	72,776,298	41%	72,259,139	41%	517,159	0%	FALSE
Propane	17,153,448	10%	15,500,385	9%	1,653,063	1%	17,153,448	10%	15,500,385	9%	1,653,063	1%	17,153,448	10%	16,885,446	9%	268,002	1%	FALSE
Common	3,646,424	2%	3,859,023	2%	(212,599)	0%	3,646,424	2%	3,859,023	2%	(212,599)	0%	3,646,424	2%	3,611,522	2%	34,902	0%	FALSE
Total Utility Plant	188,968,804		179,278,905		9,902,498		188,968,804		179,278,905		9,902,498		188,968,804		187,041,644		1,892,258		
Less Accum. Dep.	(59,757,072)	-33%	(56,217,445)	-31%	(3,539,627)	-2%	(59,757,072)	-33%	(56,217,445)	-31%	(3,539,627)	-2%	(59,757,072)	-33%	(58,944,362)	-33%	(812,710)	0%	FALSE
Net Utility Plant	129,211,732		123,061,460		6,150,272		129,211,732		123,061,460		6,150,272		129,211,732		128,097,282		1,114,450		
Current Assets																			
Cash	83,638	0%	695,115	0%	(611,477)	0%	83,638	0%	695,115	0%	(611,477)	0%	83,638	0%	743,307	0%	(659,669)	0%	FALSE
Accounts Receivable	12,199,327	7%	14,997,150	8%	(2,797,823)	-1%	12,199,327	7%	14,997,150	8%	(2,797,823)	-1%	12,199,327	7%	11,202,732	6%	996,595	1%	FALSE
Notes Rec	297,940	0%	298,411	0%	(471)	0%	297,940	0%	298,411	0%	(471)	0%	297,940	0%	319,948	0%	(22,008)	0%	FALSE
Unbilled	1,956,839	1%	1,917,994	1%	38,845	0%	1,956,839	1%	1,917,994	1%	38,845	0%	1,956,839	1%	1,542,268	1%	414,571	0%	FALSE
Allowance for Uncoll	(429,379)	0%	(271,998)	0%	(157,381)	0%	(429,379)	0%	(271,998)	0%	(157,381)	0%	(429,379)	0%	(313,801)	0%	(115,578)	0%	FALSE
Inventories	4,120,378	2%	3,781,138	2%	339,240	0%	4,120,378	2%	3,781,138	2%	339,240	0%	4,120,378	2%	4,031,323	2%	89,055	0%	FALSE
Prepay & Deferrals	961,438	1%	950,750	1%	10,688	0%	961,438	1%	950,750	1%	10,688	0%	961,438	1%	1,076,364	1%	(114,926)	0%	FALSE
Under recovery of fuel	-	0%	3,374,851	2%	(3,374,851)	-2%	-	0%	3,374,851	2%	(3,374,851)	-2%	-	0%	-	0%	-	0%	FALSE
Prepay IT	98,153	0%	1,159,283	1%	(1,061,130)	-1%	98,153	0%	1,159,283	1%	(1,061,130)	-1%	98,153	0%	-	0%	98,153	0%	FALSE
Total Current Assets	19,288,334		26,902,694		(7,614,360)		19,288,334		26,902,694		(7,614,360)		19,288,334		18,602,141		686,193		
Other Assets																			
Environmental	3,364,143	2%	3,257,814	2%	106,329	0%	3,364,143	2%	3,257,814	2%	106,329	0%	3,364,143	2%	3,635,240	2%	(271,097)	0%	FALSE
Reg Assets-Storm	270,039	0%	452,327	0%	(182,288)	0%	270,039	0%	452,327	0%	(182,288)	0%	270,039	0%	312,701	0%	(42,662)	0%	FALSE
Reg Assets-Env	8,283,991	5%	8,867,652	5%	(583,661)	0%	8,283,991	5%	8,867,652	5%	(583,661)	0%	8,283,991	5%	8,521,078	5%	(237,087)	0%	FALSE
Other LT Investments	5,739,506	3%	5,793,830	3%	(54,324)	0%	5,739,506	3%	5,793,830	3%	(54,324)	0%	5,739,506	3%	5,664,018	3%	75,488	0%	FALSE
Deferred Charges	6,177,867	3%	6,751,217	4%	(573,350)	-1%	6,177,867	3%	6,751,217	4%	(573,350)	-1%	6,177,867	3%	6,454,028	4%	(276,161)	-1%	FALSE
Goodwill	2,405,238	1%	2,405,238	1%	-	0%	2,405,238	1%	2,405,238	1%	-	0%	2,405,238	1%	2,405,238	1%	-	0%	FALSE
Intang. Assets	4,405,170	2%	4,390,764	2%	14,406	0%	4,405,170	2%	4,390,764	2%	14,406	0%	4,405,170	2%	4,343,923	2%	61,247	0%	FALSE
Total Other Assets	30,645,954		31,918,842		(1,272,888)		30,645,954		31,918,842		(1,272,888)		30,645,954		31,336,226		(690,272)		
Total Assets	**179,146,020**	**100%**	**181,882,996**	**100%**	**(2,736,976)**	**0%**	**179,146,020**	**100%**	**181,882,996**	**100%**	**(2,736,976)**	**0%**	**179,146,020**	**100%**	**178,035,649**	**100%**	**1,110,371**	**0%**	
Cap & Liab																			
Capitalization																			
Common SH Equity	47,770,580	29%	45,503,271	25%	2,267,309	4%	47,770,580	29%	45,503,271	25%	2,267,309	4%	47,770,580	29%	47,526,863	29%	243,717	0%	FALSE
Preferred Stock	600,000	0%	600,000	0%	-	0%	600,000	0%	600,000	0%	-	0%	600,000	0%	600,000	0%	-	0%	FALSE
LT Debt	50,702,281	28%	50,619,960	28%	82,321	0%	50,702,281	28%	50,619,960	28%	82,321	0%	50,702,281	28%	50,681,701	28%	20,580	0%	FALSE
Total Capitalization	99,072,861		96,723,231		2,349,630		99,072,861		96,723,231		2,349,630		99,072,861		98,808,564		264,297		
Current Liabilities																			
Line of Credit	3,466,000	2%	9,558,000	5%	(6,092,000)	-3%	3,466,000	2%	9,558,000	5%	(6,092,000)	-3%	3,466,000	2%	1,687,000	1%	1,779,000	1%	FALSE
Accounts Payable	10,278,572	6%	13,165,662	7%	(2,887,090)	-1%	10,278,572	6%	13,165,662	7%	(2,887,090)	-1%	10,278,572	6%	7,883,674	4%	2,394,898	2%	FALSE
Insurance Accrued	181,443	0%	296,132	0%	(114,689)	0%	181,443	0%	296,132	0%	(114,689)	0%	181,443	0%	219,355	0%	(37,912)	0%	FALSE
Interest Accrued	789,063	0%	1,013,931	1%	(224,868)	-1%	789,063	0%	1,013,931	1%	(224,868)	-1%	789,063	0%	1,670,381	1%	(881,318)	-1%	FALSE
Oth Accruals & Pay	2,034,221	1%	1,984,300	1%	49,921	0%	2,034,221	1%	1,984,300	1%	49,921	0%	2,034,221	1%	1,379,275	1%	654,946	0%	FALSE
Taxes Accrued	1,157,645	1%	1,512,068	1%	(354,423)	0%	1,157,645	1%	1,512,068	1%	(354,423)	0%	1,157,645	1%	2,957,025	2%	(1,799,380)	-1%	FALSE
Deferred IT	698,000	0%	1,066,000	1%	(368,000)	-1%	698,000	0%	1,066,000	1%	(368,000)	-1%	698,000	0%	624,000	0%	74,000	0%	FALSE
Over Rec Fuel	2,475,276	1%	-	0%	2,475,276	1%	2,475,276	1%	-	0%	2,475,276	1%	2,475,276	1%	3,804,162	2%	(1,328,886)	-1%	FALSE
Over Rec Cons	355,325	0%	24,103	0%	331,222	0%	355,325	0%	24,103	0%	331,222	0%	355,325	0%	264,126	0%	91,199	0%	FALSE
Earnings obligation	879,500	0%	700,000	0%	179,500	0%	879,500	0%	700,000	0%	179,500	0%	879,500	0%	700,000	0%	179,500	0%	FALSE
Cust Deposit	9,607,526	5%	8,067,561	4%	1,539,965	1%	9,607,526	5%	8,067,561	4%	1,539,965	1%	9,607,526	5%	9,383,444	5%	224,082	0%	FALSE
Total Current Liab	31,922,571		37,387,757		(5,465,186)		31,922,571		37,387,757		(5,465,186)		31,922,571		30,572,442		1,350,129		
Other Liabilities																			
Deferred IT	16,224,448	9%	17,567,985	10%	(1,343,537)	-1%	16,224,448	9%	17,567,985	10%	(1,343,537)	-1%	16,224,448	9%	16,691,392	9%	(466,944)	0%	FALSE
Unamortized ITC	335,146	0%	410,529	0%	(75,383)	0%	335,146	0%	410,529	0%	(75,383)	0%	335,146	0%	353,982	0%	(18,836)	0%	FALSE
Environ Liab	13,753,006	8%	14,000,745	8%	(247,739)	0%	13,753,006	8%	14,000,745	8%	(247,739)	0%	13,753,006	8%	13,993,126	8%	(240,120)	0%	FALSE
Cost of Removal	8,799,830	5%	8,256,355	5%	543,475	0%	8,799,830	5%	8,256,355	5%	543,475	0%	8,799,830	5%	8,665,917	5%	133,913	0%	FALSE
Regulatory Liability	876,346	0%	990,879	1%	(114,533)	-1%	876,346	0%	990,879	1%	(114,533)	-1%	876,346	0%	876,346	0%	-	0%	FALSE
LT Med & Pen Res	3,818,616	2%	2,662,982	1%	1,155,634	1%	3,818,616	2%	2,662,982	1%	1,155,634	1%	3,818,616	2%	3,477,606	2%	341,010	0%	FALSE
Cust. Adv on Con	2,707,078	2%	2,346,388	1%	360,690	1%	2,707,078	2%	2,346,388	1%	360,690	1%	2,707,078	2%	3,007,320	2%	(300,242)	0%	FALSE
Reg Liab Storm	1,636,118	1%	1,536,145	1%	99,973	0%	1,636,118	1%	1,536,145	1%	99,973	0%	1,636,118	1%	1,588,954	1%	47,164	0%	FALSE
Total Oth Liablilities	48,150,588		47,772,008		378,580		48,150,588		47,772,008		378,580		48,150,588		48,654,643		(504,055)	0%	
Total Liabilities	**179,146,020**	**100%**	**181,882,996**	**100%**	**(2,736,976)**	**0%**	**179,146,020**	**100%**	**181,882,996**	**100%**	**(2,736,976)**	**0%**	**179,146,020**	**100%**	**178,035,649**	**100%**	**1,110,371**	**0%**	

Florida Public Utilities Company
Consolidated Statement of Income
Dec-06
AUDIT_10K

	Change $	%
Scope:	75,000	5%

	2006 Current QTR	%	2005 Prior Yr QTR	%	Inc (Dec)	% Change	2006 Current YTD	%	2005 Prior Yr YTD	%	Inc (Dec)	% Change	2006 Current QTR	%	2006 Prior QTR	%	Inc (Dec)	% Change	Explanation Needed	Explanation needed if TRUE
Revenues																				
Natural Gas	16,872,776	54%	21,854,268	58%	(4,981,492)	-4%	70,981,240	53%	69,094,450	54%	1,886,790	-1%	16,872,776	54%	12,521,806	43%	4,350,970	11%	TRUE	Seasonality - winter peaks
Electric	11,119,945	35%	11,310,819	31%	(190,874)	4%	48,527,213	36%	47,449,557	36%	1,077,656	0%	11,119,945	35%	13,896,369	47%	(2,776,424)	-12%	TRUE	Seasonality - summer peaks
Propane	3,600,632	11%	3,901,249	11%	(300,617)	0%	14,726,330	11%	13,478,913	10%	1,247,417	1%	3,600,632	11%	2,996,899	10%	603,733	1%	FALSE	
Total Revenues	31,593,353		37,066,336		(5,472,983)		134,234,783		130,022,920		4,211,863		31,593,353		29,415,074		2,178,279			
Cost of Fuel & Tax																				
Natural Gas	9,982,974	50%	14,932,095	60%	(4,949,121)	-10%	43,909,296	51%	42,815,337	52%	1,093,959	-1%	9,982,974	50%	6,969,354	38%	3,013,620	12%	TRUE	Higher fuel costs in 2005 / Seasonality
Electric	7,819,925	40%	7,939,063	32%	(119,138)	8%	34,259,321	40%	33,351,757	40%	907,564	0%	7,819,925	40%	9,923,045	53%	(2,103,120)	-13%	TRUE	Higher sales in 2005 / Seasonality
Propane	1,930,710	10%	1,938,650	8%	(7,940)	2%	7,802,030	9%	6,637,032	8%	1,164,998	1%	1,930,710	10%	1,655,613	9%	275,097	1%	FALSE	
Total Fuel&Pass thro	19,733,609		24,809,808		(5,076,199)		85,970,647		82,804,126		3,166,521		19,733,609		18,548,012		1,185,597			
Gross Profit																				
Natural Gas	6,889,802	58%	6,922,173	56%	(32,371)	2%	27,071,944	56%	26,279,113	56%	792,831	0%	6,889,802	58%	5,552,452	51%	1,337,350	7%	TRUE	Seasonality - winter peaks
Electric	3,300,020	28%	3,371,756	28%	(71,736)	0%	14,267,892	30%	14,097,800	30%	170,092	0%	3,300,020	28%	3,973,324	37%	(673,304)	-9%	TRUE	Seasonality - summer peaks
Propane	1,669,922	14%	1,962,599	16%	(292,677)	-2%	6,924,300	14%	6,841,881	14%	82,419	0%	1,669,922	14%	1,341,286	12%	328,636	2%	FALSE	
Total Gross Profit	11,859,744		12,256,528		(396,784)		48,264,136		47,218,794		1,045,342		11,859,744		10,867,062		992,682			
Operations & Maint																				
Natural Gas	3,604,066	52%	4,365,357	58%	(761,291)	-6%	14,602,930	54%	14,169,773	53%	433,157	1%	3,604,066	52%	3,632,335	54%	(28,269)	-2%	TRUE	Less maintenance, sales exp
Electric	2,049,409	29%	1,829,969	24%	219,440	5%	7,623,845	28%	7,275,983	28%	347,862	0%	2,049,409	29%	1,856,232	28%	193,177	1%	FALSE	
Propane	1,308,588	19%	1,383,082	18%	(74,494)	1%	4,982,363	18%	5,000,816	19%	(18,453)	-1%	1,308,588	19%	1,221,322	18%	87,266	1%	FALSE	
Total Op & Maint Exp	6,962,063		7,578,408		(616,345)		27,209,138		26,446,572		762,566		6,962,063		6,709,889		252,174			
Depreciation & Amort																				
Natural Gas	1,080,927	56%	1,049,240	56%	31,687	0%	4,299,397	56%	4,125,165	56%	174,232	0%	1,080,927	56%	1,036,820	55%	44,107	1%	FALSE	
Electric	655,928	34%	648,587	35%	7,341	-1%	2,722,495	35%	2,520,504	35%	201,991	0%	655,928	34%	696,571	36%	(40,643)	-2%	FALSE	
Propane	186,920	10%	160,823	9%	26,097	1%	719,625	9%	620,866	9%	98,759	0%	186,920	10%	181,609	9%	5,311	1%	FALSE	
Total Dep & Amort	1,923,775		1,858,650		65,125		7,741,517		7,266,535		474,982		1,923,775		1,915,000		8,775			
TOTI (exc. GR&FT)																				
Natural Gas	505,761	70%	465,743	71%	40,018	-1%	2,051,684	69%	1,935,498	67%	116,186	2%	505,761	70%	504,735	67%	1,026	3%	FALSE	
Electric	174,395	24%	161,176	24%	13,219	0%	784,753	26%	799,552	28%	(14,799)	-2%	174,395	24%	214,186	28%	(39,791)	-4%	FALSE	
Propane	46,230	6%	33,717	5%	12,513	1%	148,386	5%	134,322	5%	14,064	0%	46,230	6%	35,355	5%	10,875	1%	FALSE	
Total TOTI(ex GR&FT	726,386		660,636		65,750		2,984,823		2,869,372		115,451		726,386		754,276		(27,890)			
Op Inc Before Taxes																				
Natural Gas	1,699,048	75%	1,041,833	48%	657,215	27%	6,117,933	60%	6,048,677	57%	69,256	3%	1,699,048	75%	378,562	26%	1,320,486	49%	TRUE	Lower Op & Mtnce costs / Seasonality
Electric	420,288	19%	732,024	34%	(311,736)	-15%	3,136,799	30%	3,501,761	33%	(364,962)	-3%	420,288	19%	1,206,335	81%	(786,047)	-62%	TRUE	Lower sales and higher costs / Seasonality
Propane	128,184	6%	384,977	18%	(256,793)	-12%	1,073,926	10%	1,085,877	10%	(11,951)	0%	128,184	6%	(97,000)	-7%	225,184	13%	TRUE	Inc fuel costs not passed to cust / Seasonality
Op Inc before Tax	2,247,520		2,158,834		88,686		10,328,658		10,636,315		(307,657)		2,247,520		1,487,897		759,623			
Other Income & (Ded)																				
M & S Income	1,020,681		1,125,750		(105,069)	-9%	4,321,693		4,590,403		(268,710)	-6%	1,020,681		984,660		36,021	4%	TRUE	Lower sales in SF - No generator only sales
M & S Expenses	(1,003,326)		(1,228,483)		225,157	-18%	(4,070,925)		(4,663,593)		592,668	-13%	(1,003,326)		(875,768)		(127,558)	15%	FALSE	Lower expenses due to focus group cost rdn implementation
Other Income	154,950		165,776		(10,826)	-7%	587,820		539,486		48,334	9%	154,950		149,044		5,906	4%	FALSE	
Interest Expense	(1,139,284)		(1,176,430)		37,146	-3%	(4,608,544)		(4,567,936)		(40,608)	1%	(1,139,284)		(1,137,207)		(2,077)	0%	FALSE	
Total Oth Inc&(Ded)	(966,979)		(1,113,387)		146,408	-13%	(3,769,956)		(4,101,640)		331,684	-8%	(966,979)		(879,271)		(87,708)	10%	FALSE	
Income Taxes																				
Natural Gas	410,995		104,054		306,941	295%	1,336,415		1,282,732		53,683	4%	410,995		(113,486)		524,481	-462%	TRUE	
Electric	17,790		80,452		(62,662)	-78%	576,640		666,437		(89,797)	-13%	17,790		272,493		(254,703)	-93%	TRUE	
Propane	(22,360)		84,268		(106,628)	-127%	130,778		228,437		(97,659)	-43%	(22,360)		(112,867)		90,507	-80%	TRUE	
Other	44,300		(6,591)		50,891	-772%	251,045		109,255		141,790	130%	44,300		87,842		(43,542)	-50%	TRUE	
Total Income Tax	450,725		262,183		188,542	72%	2,294,878		2,286,861		8,017	0%	450,725		133,982		316,743	236%	TRUE	
Net Income	829,816		783,264		46,552		4,263,824		4,247,814		16,010		829,816		474,644		355,172		FALSE	
Preferred Stock Div	7,125		7,125		-	0%	28,500		28,500		-	0%	7,125		7,125		-	0%	FALSE	
Earnings for CS	822,691		776,139		46,552	6%	4,235,324		4,219,314		16,010	0%	822,691		467,519		355,172	76%	TRUE	Seasonality

Florida Public Utilities Company
Statistical Information
Dec-06 **Month** 12
AUDIT STAT

	Change	%
Scope:	-	3%

	2006 Current QTR	2005 Prior Yr QTR	Inc (Dec)	% Change	2006 Current YTD	2005 Prior Yr YTD	Inc (Dec)	% Change	2006 Current QTR	2006 Prior QTR	Inc (Dec)	% Change	Explanation Needed	Explanation needed if TRUE	Initials
Natural Gas															
Units Sold	1.641.672	1.640.862	810	0%	6.229.995	6.223.562	6.433	0%	1.641.672	1.240.223	401,449	32%	TRUE	Seasonality - winter peaks	DC
Average Customers	51.294	50.468	826	2%	51.211	50.246	965	2%	51.294	51.040	254	0%	FALSE		
Usage per Cust	32	33	(1)	-3%	122	124	(2)	-2%	32	24	8	33%	TRUE	Colder Winter / Seasonality - winter peaks	DC
Electric (ex. GSLD)															
Total Units Sold	185.395.847	193.823.604	(8.427.757)	-4%	849.123.616	814.352.781	34.770.835	4%	185.395.847	250.109.069	(64,713,222)	-26%	TRUE	Milder weather / Seasonality - summer peaks	DC
Less GSLD Units	32.720.000	33.710.000	(990.000)	-3%	159.780.000	134.790.000	24.990.000	19%	32.720.000	39.650,000	(6,930,000)	-17%	TRUE	Milder weather / Seasonality - summer peaks	DC
Units Sold (ex GSLD)	152.675.847	160.113.604	(7.437.757)	-5%	689.343.616	679.562.781	9.780,835	1%	152.675.847	210.459,069	(57,783,222)	-27%	TRUE	Milder weather / Seasonality - summer peaks	DC
Average Cust(ex GSLD)	30.776	30.397	379	1%	30.635	30.243	392	1%	30.776	30.684	92	0%	FALSE		
Usage per Cust	4.961	5,267	(306)	-6%	22.502	22.470	32	0%	4.961	6.859	(1,898)	-28%	TRUE	Milder weather / Seasonality - summer peaks	DC
Propane															
Units Sold	150.098	162.049	(11.951)	-7%	620.873	640.292	(19.419)	-3%	150.098	123.590	26,508	21%	TRUE	Warmer Winter / Seasonality - winter peaks	DC
Average Customers	13.229	12.552	677	5%	13.048	12.376	672	5%	13.229	13.033	196	2%	TRUE	Customer Growth due to Community Gas Systems turn-ons	DC
Usage per Cust	11	13	(2)	-15%	48	52	(4)	-8%	11	9	2	22%	TRUE	Warmer Winter / Customer conserving due to inc costs / Seasonality - winter peaks	DC
Revenues	3.600.632	3.901.249	(300,617)	-8%	14.726.330	13.478.913	1,247,417	9%	3.600.632	2.996.899	603,733	20%	TRUE	Warmer Winter/Cust Growth & Higher Fuel Costs/Seasonality	DC
Cost	1.930.710	1.938.650	(7.940)	0%	7.802.030	6.637.032	1,164,998	18%	1.930.710	1,655.613	275,097	17%	TRUE	Higher fuel costs	DC
Cost per Unit	13	12	1	8%	13	10	3	30%	13	13	-	0%	TRUE	Higher fuel costs	DC
Revenue per Unit	24	24	-	0%	24	21	3	14%	24	24	-	0%	TRUE	Higher fuel costs	DC

Florida Public Utilties Company
Ratio Analysis
4th qtr ended 12/31/06

	Quarter ended 12/31/2006	Quarter ended 12/31/2005	Variance	Initials	Comments
Revenue					
Natural Gas:	16.872.776	21,854,268	(4,981,492)	DC	Milder weather & significant reduction in Fuel Costs (36%).
Electric:	11.119.945	11.310,819	(190,874)	DC	Usage per customer, excluding GSLD, declined 7% due to milder weather.
Propane Gas:	3.600.632	3,901,249	(300,617)	DC	Decrease in units sold (7%) due to weather. Dec 2006 significantly warmer than Dec 2005 - 66% less heating degree days for SF & CF
	31.593.353	37,066,336	(5,472,983)		
Net Income (continuing ops)	829.816	783,264	46,552		
Net income percentage	**2.63%**	**2.11%**			

	As of 12/31/2006	As of 12/31/2005	variance		
Inventory	4.120.378	3.781,138	339,240		
Current Assets	19.288.334	26,902,694	(7,614,360)	DC	Less Receivables ($2.8M), under-recovery 2005 ($3.4M, Pre-paid Tax 2005 ($1.1M)
Current Liabilities	(31.922.571)	(37,387,757)	5,465,186	DC	Lower Acc Pay ($2.9M), less dependence on LOC due to over-recovery in 2006.
Working Capital	(12.634.237)	(10,485,063)	(2,149,174)		
Inventory to Working Capital	**-32.61%**	**-36.06%**			

		12/31/2006	12/31/2005	
Depreciation		1.923.775	1.858,650	65,125
Fixed Assets	12/31/2005 →	123.061.460	117,191,000 ←	12/31/2004
	12/31/2006 →	129.211.732	123,061,460 ←	12/31/2005
Avg Fixed assets		126.136.596	120.126,230	
Depreciation to Avg Fixed Assets		**1.53%**	**1.55%**	

Florida Public Utilties Company
Ratio Analysis
4th qtr ended 12/31/06

		Quarter ended 12/31/2006	Quarter ended 9/30/2006	Variance	Initials	Comments
Revenue						
Natural Gas:		16.872.776	12.521.806	4,350,970	DC	Seasonality - winter peaks.
Electric:		11,119,945	13.896,369	(2,776,424)	DC	Seasonality - Summer peaks
Propane Gas:		3,600.632	2.996.899	603,733	DC	Seasonality - winter peaks.
		31,593,353	29,415,074	2,178,279		
Net Income (continuing ops)		829.816	474,644	355,172		
Net income percentage		**2.63%**	**1.61%**		DC	Seasonality - winter peaks.
		As of 12/31/2006	**As of 9/30/2006**	**variance**		
Inventory		4.120.378	4.031,000	89,378		
Current Assets		19,288.334	18.724.000	564,334		
Current Liabilities		(31.922.571)	(30.620.000)	(1,302,571)		
Working Capital		(12,634,237)	(11,896,000)	(738,237)		
Inventory to Working Capital		**-32.61%**	**-33.89%**			
		12/31/2006	**9/30/2006**			
Depreciation		1,923.775	1.858.650	65,125		
Fixed Assets	12/31/2005 →	123.061.460	117.191,000	← 9/30/2006		
	12/31/2006 →	129,211,732	123.061.460	← 12/31/2005		
Avg Fixed assets		126.136.596	120.126,230			
Depreciation to Avg Fixed Assets		**1.53%**	**1.55%**			

Florida Public Utilties Company
Ratio Analysis
YTD ended 12/31/06

	YTD ended 12/31/2006	YTD ended 12/31/2005	Variance	Initials	Comments	
Revenue						
Natural Gas:	70,981,240	69,094,450	1,886,790	DC	Change in legislature Jan 1, 2006 for Gross Receipts Tax	$ 500,000
					Increase in Franchise Fees collected due to increased rates and area expansion	$ 500,000
					Higher Fuel costs (8%) and Customer Growth (2%)	
Electric:	48,527,213	47,449,557	1,077,656	DC	Cost of Fuel increases	$ 900,000
					Customer Growth (1%)	
Propane Gas:	14,726,330	13,478,913	1,247,417	DC	Customer Growth (5%) and increased margins.	
	134,234,783	130,022,920	4,211,863			
Net Income (continuing ops)	4,263,824	4,247,814	16,010			
Net income percentage	**3.18%**	**3.27%**			Increased Revenues (3%) and M&J Costs Rdn (13%) were offset by increased Op Exp (4%) due mainly as a result of higher Depn & Amort (7%) resulting from additional plant assets.	

	As of 12/31/2006	As of 12/31/2005	variance	Comments
Inventory	4,120,378	3,781,138	339,240	
Current Assets	19,288,334	26,902,694	(7,614,360)	Large under-recovery in 2005 due to rising fuel prices
Current Liabilities	(31,922,571)	(37,387,757)	5,465,186	Over-recovery in 2006 and more dependency on ST Debt in 2005 due to prior year under-recovery.
Working Capital	(12,634,237)	(10,485,063)	(2,149,174)	
Inventory to Working Capital	**-32.61%**	**-36.06%**		

		12/31/2006	12/31/2005	
Depreciation		7,741,517	7,266,535	474,982
Fixed Assets	12 31 2005 →	123,061,460	117,191,008	← 12 31 2004
	12 31 2006 →	129,211,732	123,061,460	← 12 31 2005
Avg Fixed assets		126,136,596	120,126,230	
Depreciation to Avg Fixed Assets		**6.14%**	**6.05%**	

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Florida Public Utility Company
December Revenue Variance
December 31, 2006

Not Available

Purpose: Reasonableness of revenue accounts variance during the year.

Procedure: Obtained 13 month financial statements in Excel for both 2005 and 2006.
Using auto filter, all the revenue accounts were filtered (account numbers with 4000)
Compared activity 12/06 to activity 12/05 and investigated increases >77,250.

Scope: >77,250

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	January '07	December '06	13 mths Avg	Diff Dec '06 & Jan '07	Diff 13 Mo Ave & Dec 06
001.1.4.4000.44001	BASE REVENUE-RESIDENTIAL	(282,518.37)	(281,423.37)	(275,634.20)	1,095.00	5,789.17
001.1.4.4000.44002	FUEL REVENUE-RESIDENTIAL	(578,736.24)	(590,233.02)	(570,875.49)	(11,496.78)	19,357.53
001.1.4.4000.44003	GROSS RECEIPT REV-RESIDEN	(23,669.18)	(23,809.18)	(23,169.28)	(140.00)	639.90
001.1.4.4000.44004	FRANCHISE TAX REV-RESIDEN	(47,195.06)	(47,183.96)	(45,976.60)	11.10	1,207.36
001.1.4.4000.44005	CONSRV REVENUE-RESIDENTL	(7,856.69)	(5,994.51)	(5,950.67)	1,862.18	43.84
001.1.4.4000.44201	C/S BASE REVENUE-COMM. SM	(63,349.60)	(61,231.93)	(64,537.81)	2,117.67	(3,305.88)
001.1.4.4000.44202	C/S FUEL REVENUE-COMM. SM	(104,044.44)	(101,148.64)	(110,917.20)	2,895.80	(9,768.56)
001.1.4.4000.44203	GROSS RECEIPT REV-COMM SM	(11,013.24)	(11,012.57)	(12,042.41)	0.67	(1,029.84)
001.1.4.4000.44204	FRANCHISE TAX REV-COMM SM	(22,955.95)	(22,895.16)	(25,230.42)	60.79	(2,335.26)
001.1.4.4000.44205	C/S CONSRV REVENUE-COMM.	(1,429.12)	(1,040.33)	(1,168.32)	388.79	(127.99)
001.1.4.4000.44211	C/L BASE REV.-COMM LG/IND	(102,443.38)	(100,795.77)	(102,940.52)	1,647.61	(2,144.75)
001.1.4.4000.44212	C/L FUEL REV.-COMM LG/IND	(292,652.45)	(298,891.34)	(327,617.58)	(6,238.89)	(28,726.24)
001.1.4.4000.44213	GROSS RECEIPTS REV-COMM L	(7,849.66)	(7,824.38)	(8,442.78)	25.28	(618.40)
001.1.4.4000.44214	FRANCHISE TAX REV-COMM LA	(15,884.15)	(15,863.39)	(17,401.09)	20.76	(1,537.70)
001.1.4.4000.44215	C/L CONSRV REV-COM LG/IND	(4,202.70)	(3,213.86)	(3,604.01)	988.84	(390.15)
001.1.4.4000.44221	BASE REVENUE- LARGE COMMI	(32,488.61)	(36,763.36)	(35,951.33)	(4,274.75)	812.03
001.1.4.4000.44222	FUEL REV- LARGE COMMERCIA	(198,362.22)	(232,542.39)	(222,172.01)	(34,180.17)	10,370.38
001.1.4.4000.44223	GROSS RECEIPTS REV- LG CO	(3,347.97)	(4,346.09)	(3,609.14)	(998.12)	736.95
001.1.4.4000.44224	FRANCHISE TAX REV- LG COM	(7,390.81)	(9,594.29)	(7,962.83)	(2,203.48)	1,631.46
001.1.4.4000.44225	CONSERV REV- LARGE COMME	(2,974.69)	(2,607.74)	(2,549.16)	366.95	58.58
001.1.4.4000.44301	BASE REV-OUTDOOR LIGHTS	(44,150.56)	(43,410.15)	(42,834.31)	740.41	575.84
001.1.4.4000.44302	FUEL REV-OUTDOOR LIGHTS	(11,874.76)	(11,968.57)	(11,783.30)	(93.81)	185.27
001.1.4.4000.44303	GROSS RCPT REV-OUTDOOR LI	(1,127.23)	(1,111.00)	(1,092.56)	16.23	18.44
001.1.4.4000.44304	FRAN TAX REV-OUTDOOR LIGH	(3,089.26)	(3,039.85)	(2,789.73)	49.41	250.12
001.1.4.4000.44305	CONSRV REV-OUTDOOR LIGHTS	(197.20)	(157.43)	(158.15)	39.77	(0.72)
001.1.4.4000.44401	BASE REV-PUBLIC ST & HWY	(10,481.86)	(10,466.25)	(10,410.07)	15.61	56.18
001.1.4.4000.44402	FUEL REV-PUBLIC ST & HWY	(3,270.74)	(3,360.37)	(3,371.83)	(89.63)	(11.46)
001.1.4.4000.44403	GROSS RCPT REV-PUB ST&HWY	(90.31)	(91.46)	(88.62)	(1.15)	2.84
001.1.4.4000.44404	FRAN TAX REV-PUB ST & HWY	(401.08)	(398.16)	(296.35)	2.92	101.81
001.1.4.4000.44405	CONSRV REV-PUBLIC ST&HWY	(56.66)	(43.49)	(44.74)	13.17	(1.25)
001.1.4.4000.44802	FUEL REV-INTERDEPARTMNTL	(820.89)	(989.31)	(837.31)	(168.42)	152.00
001.1.4.4000.44803	GROSS RCPT REV-INTRDPTMNL	(22.31)	(26.88)	(22.76)	(4.57)	4.12
001.1.4.4000.44804	FRAN TAX REV-INTRDPTMNTL	(49.26)	(59.36)	(50.24)	(10.10)	9.12
001.1.4.4000.450	LATE FEES	(18,143.71)	(16,630.89)	(16,094.92)	1,512.82	535.97
001.1.4.4000.451	MISC SVC REV-INTL EST OF	(880.00)	(1,181.00)	(1,053.13)	(301.00)	127.87
001.1.4.4000.4511	MISC SVC REV-RE-EST/CHG S	(3,912.00)	(4,066.00)	(4,109.77)	(154.00)	(43.77)
001.1.4.4000.4512	MISC SVC REV-COLLECTION C	(1,978.00)	(2,127.50)	(1,805.04)	(149.50)	322.46
001.1.4.4000.4513	MISC SVC REV-ALLOWANCES &	30.00	40.00	6.60	10.00	(33.40)
001.1.4.4000.4514	MISC SVC REV-RECNCT RULE	(1,997.00)	(2,645.00)	(2,124.23)	(648.00)	520.77
001.1.4.4000.4516	MISC SVC REV-RTN CHECK CH	(795.00)	(775.00)	(848.46)	20.00	(73.46)
001.1.4.4000.4517	MISC SVC REV-TMP DSCNCT/R	(162.00)	(216.00)	(245.08)	(54.00)	(29.08)
001.1.4.4000.4518	MISC REV-CREDIT CARD FEES	(70.00)	(38.50)	(112.54)	31.50	(74.04)
001.1.4.4000.454	RENT FROM ELECTRIC PROPER	-	-	(5,854.28)	-	(5,854.28)
001.1.4.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	(46,332.00)	(22,171.00)	18,741.46	24,161.00	40,912.46
001.1.4.4000.4562	MISC.ELECTRIC REVENUE	(322.59)	(178.30)	(526.09)	144.29	(347.79)
001.1.4.4000.4563	UNBILLED REVENUES	189,471.00	19,856.00	17,314.69	(169,615.00)	(2,541.31)
001.1.4.4000.4566	OVERRECOVERY: CONSERVATI	1,383.00	(8,185.00)	(6,522.69)	(9,568.00)	1,662.31
001.1.5.4000.44001	BASE REVENUE-RESIDENTIAL	(327,186.60)	(320,273.35)	(355,385.11)	6,913.25	(35,111.76)
001.1.5.4000.44002	FUEL REVENUE-RESIDENTIAL	(736,679.32)	(453,171.33)	(559,433.66)	283,507.99	(106,262.33)
001.1.5.4000.44003	GROSS RECEIPT REV-RESIDEN	(28,303.77)	(20,599.11)	(24,372.03)	7,704.66	(3,772.92)
001.1.5.4000.44004	FRANCHISE TAX REV-RESIDEN	(29,891.83)	(21,675.48)	(25,868.78)	8,216.35	(4,193.30)
001.1.5.4000.44005	CONSRV REVENUE-RESIDENTL	(8,547.83)	(6,344.49)	(7,693.88)	2,203.34	(1,349.39)
001.1.5.4000.44201	C/S BASE REVENUE-COMM. SM	(52,505.81)	(50,222.83)	(55,822.61)	2,282.98	(5,599.78)
001.1.5.4000.44202	C/S FUEL REVENUE-COMM. SM	(111,924.98)	(69,189.64)	(82,116.07)	42,735.34	(12,926.43)
001.1.5.4000.44203	GROSS RECEIPT REV-COMM SM	(6,319.89)	(4,674.65)	(5,370.32)	1,645.24	(695.67)
001.1.5.4000.44204	FRANCHISE TAX REV-COMM SM	(9,215.43)	(6,581.09)	(7,747.67)	2,634.34	(1,166.58)
001.1.5.4000.44205	C/S CONSRV REVENUE-COMM S	(1,328.19)	(989.88)	(1,153.76)	338.31	(163.88)
001.1.5.4000.44211	C/L BASE REV.-COMM LG/IND	(75,745.84)	(77,774.76)	(80,632.68)	(2,028.92)	(2,857.92)

001.1.5.4000.44212	C/L FUEL REV.-COMM LG/IND	(313,481.54)	(193,514.70)	(228,819.29)	119,966.84	(35,304.59)
001.1.5.4000.44213	GROSS RECEIPTS REV-COMM L	(8,785.20)	(6,010.39)	(6,869.89)	2,774.81	(859.50)
001.1.5.4000.44214	FRANCHISE TAX REV-COMM LA	(9,295.88)	(6,567.69)	(7,544.44)	2,728.19	(976.75)
001.1.5.4000.44215	C/L CONSRV REV-COM LG/IND	(3,912.41)	(2,877.95)	(3,345.42)	1,034.46	(467.47)
001.1.5.4000.44221	BASE REV- LARGE COMMERCIA	(17,088.98)	(17,094.78)	(17,347.89)	(5.80)	(253.11)
001.1.5.4000.44222	FUEL REVENUE- LARGE COMMI	(106,864.90)	(65,212.50)	(70,754.88)	41,652.40	(5,542.38)
001.1.5.4000.44223	GROSS RECEIPTS REV-LG COM	(3,060.04)	(2,010.89)	(2,134.10)	1,049.15	(123.21)
001.1.5.4000.44224	FRANCHISE TAX REV- LG COM	(2,380.31)	(1,460.40)	(1,560.91)	919.91	(100.51)
001.1.5.4000.44225	CONSERV REV- LARGE COMMEI	(1,322.05)	(1,000.61)	(1,061.20)	321.44	(60.59)
001.1.5.4000.44231	BASE REVENUE-INDUSTRIAL G	(34,128.00)	(38,950.16)	(44,621.83)	(4,822.16)	(5,671.67)
001.1.5.4000.44232	FUEL REVENUE-INDUSTRIAL G	(496,259.40)	(295,040.76)	(369,067.18)	201,218.64	(74,026.42)
001.1.5.4000.44233	GROSS RECEIPT REV-INDST G	(14,607.99)	(9,219.87)	(11,411.91)	5,388.12	(2,192.04)
001.1.5.4000.44234	FRANCHISE TAX REV-INDST G	(32,249.12)	(20,354.10)	(25,193.33)	11,895.02	(4,839.23)
001.1.5.4000.44235	CONSRV REVENUE-INDUSTRL C	(7,098.00)	(5,244.00)	(6,199.75)	1,854.00	(955.75)
001.1.5.4000.44301	BASE REV-OUTDOOR LIGHTS	(28,718.05)	(28,506.18)	(28,386.66)	211.87	119.52
001.1.5.4000.44302	FUEL REV-OUTDOOR LIGHTS	(3,960.76)	(2,379.57)	(2,460.14)	1,581.19	(80.57)
001.1.5.4000.44303	GROSS RCPT REV-OUTDOOR LI	(814.28)	(810.64)	(797.60)	3.64	13.04
001.1.5.4000.44304	FRAN TAX REV-OUTDOOR LIGH	(473.22)	(442.42)	(412.48)	30.80	29.94
001.1.5.4000.44305	CONSRV REV-OUTDOOR LIGHTS	(63.14)	(48.17)	(48.78)	14.97	(0.61)
001.1.5.4000.44401	BASE REV-PUBLIC ST & HWY	(7,476.30)	(7,473.87)	(7,336.18)	2.43	137.69
001.1.5.4000.44402	FUEL REV-PUBLIC ST & HWY	(2,488.71)	(1,548.44)	(1,605.02)	940.27	(56.58)
001.1.5.4000.44403	GROSS RCPT REV-PUB ST&HWY	(123.46)	(97.63)	(98.79)	25.83	(1.16)
001.1.5.4000.44404	FRAN TAX REV-PUB ST & HWY	(738.60)	(681.53)	(677.84)	57.07	3.69
001.1.5.4000.44405	CONSRV REV-PUBLIC ST&HWY	(40.38)	(30.95)	(31.36)	9.43	(0.41)
001.1.5.4000.44802	FUEL REV-INTERDPARTMENTL	(1,384.14)	(1,027.66)	(1,386.60)	356.48	(358.94)
001.1.5.4000.44803	GROSS RCPT REV-INTRDPTMNL	(36.94)	(27.32)	(38.57)	9.62	(11.25)
001.1.5.4000.44804	FRAN TAX REV-INTRDPTMNTL	(56.75)	(37.92)	(48.70)	18.83	(10.78)
001.1.5.4000.450	LATE FEES	(15,673.21)	(15,027.88)	(13,790.72)	645.33	1,237.16
001.1.5.4000.451	MISC SVC REV-INTL EST OF	(2,112.00)	18,429.84	(228.24)	20,541.84	(18,658.08)
001.1.5.4000.4511	MISC SVC REV-RE-EST/CHG S	(3,572.00)	(3,895.00)	(4,375.62)	(323.00)	(480.62)
001.1.5.4000.4512	MISC SVC REV-COLLECTION C	(1,932.00)	(1,713.50)	(1,573.73)	218.50	139.77
001.1.5.4000.4513	MISC SVC REV-ALLOWANCES &	155.96	96.91	271.69	(59.05)	174.78
001.1.5.4000.4514	MISC SVC REV-RCNCT RULE V	(1,022.00)	(1,156.00)	(1,242.46)	(134.00)	(86.46)
001.1.5.4000.4516	MISC SVC REV-RTN CHECK CH	(841.60)	(245.00)	(548.01)	596.60	(303.01)
001.1.5.4000.4517	MISC SVC REV-TMP DSCNCT/R	(270.00)	(162.00)	(182.77)	108.00	(20.77)
001.1.5.4000.4518	MISC REV- CREDIT CARD FEE	(276.50)	(350.00)	(253.87)	(73.50)	96.13
001.1.5.4000.454	RENT FROM ELECTRIC PROPER	(3,252.37)	(2,797.48)	(3,171.45)	454.89	(373.97)
001.1.5.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	(24,116.00)	(73,904.00)	(47,809.00)	(49,788.00)	26,095.00
001.1.5.4000.4562	MISC.ELECTRIC REVENUE	(2,103.48)	47.45	(264.11)	2,150.93	(311.56)
001.1.5.4000.4563	UNBILLED REVENUES	234,666.00	(12,206.00)	14,667.15	(246,872.00)	26,873.15
001.1.5.4000.4566	OVERRECOVERY: CONSERVATI	10,643.00	(4,732.00)	2,649.15	(15,375.00)	7,381.15
001.2.1.4000.48001	BASE REVENUE-RESIDENTIAL	(750,537.94)	(633,076.04)	(575,685.49)	117,461.90	57,390.55
001.2.1.4000.48002	FUEL REVENUE-RESIDENTIAL	(854,776.80)	(672,654.37)	(702,772.28)	182,122.43	(30,117.91)
001.2.1.4000.48003	GROSS RECEIPT REV-RESIDEN	(55,719.45)	(43,413.07)	(36,303.83)	12,306.38	7,109.24
001.2.1.4000.48004	FRANCHISE TAX REV-RESIDEN	(62,148.58)	(47,683.29)	(41,697.82)	14,465.29	5,985.47
001.2.1.4000.48005	CONSERVATION REVENUE-RES	(95,934.42)	(72,669.88)	(62,170.48)	23,264.54	10,499.40
001.2.1.4000.48101	C/S BASE REVENUE-COMM. SM	(409,514.71)	(346,515.46)	(291,170.85)	62,999.25	55,344.61
001.2.1.4000.48102	C/S FUEL REVENUES-COMM. S	(926,315.70)	(774,533.34)	(779,826.06)	151,782.36	(5,292.72)
001.2.1.4000.48103	GROSS RECEIPT REV-COMM SM	(42,337.32)	(35,951.80)	(27,489.80)	6,385.52	8,462.00
001.2.1.4000.48104	FRANCHISE TAX REV-COMM SM	(45,055.54)	(38,616.70)	(30,608.62)	6,438.84	8,008.08
001.2.1.4000.48105	CONSERVATION REV-COMM. SM	(45,593.69)	(38,602.03)	(31,807.03)	6,991.66	6,795.00
001.2.1.4000.48111	C/L BASE REVENUE-COMM. LA	(312,624.92)	(272,134.48)	(273,134.36)	40,490.44	(999.88)
001.2.1.4000.48112	C/L FUEL REVENUE-COMM. LA	(938,615.01)	(803,577.90)	(938,598.88)	135,037.11	(135,020.98)
001.2.1.4000.48113	GROSS RECEIPTS REV-COMM L	(37,802.74)	(32,214.57)	(29,618.14)	5,588.17	2,596.43
001.2.1.4000.48114	FRANCHISE TAX REV-COMM LA	(35,866.66)	(30,461.54)	(28,981.00)	5,405.12	1,480.54
001.2.1.4000.48115	CONSERVATION REV-COMM. LA	(32,296.83)	(28,435.12)	(27,942.40)	3,861.71	492.72
001.2.1.4000.48121	BASE REV.-INTERRUPTIBLE	-	-	-	-	-
001.2.1.4000.48122	FUEL REV.-INTERRUPTIBLE	-	-	-	-	-
001.2.1.4000.48123	GROSS RECEIPT REV-INTERRU	-	-	-	-	-
001.2.1.4000.48141	BASE REVENUE - OUTDOOR LI	(4,982.95)	(4,982.95)	(4,562.97)	-	419.98
001.2.1.4000.48142	FUEL REVENUE - OUTDOOR LI	(18,804.81)	(18,804.81)	(19,235.49)	-	(430.68)
001.2.1.4000.48143	GROSS REVENUE - OUTDOOR L	(783.96)	(783.96)	(734.12)	-	49.84
001.2.1.4000.48144	FRANCH TAX REV-OUTDOOR LI	(810.26)	(801.90)	(762.17)	8.36	39.73
001.2.1.4000.48402	FUEL REV-INTERDEPARTMNTL	(3,484.32)	(3,643.92)	(4,525.36)	(159.60)	(881.44)
001.2.1.4000.48403	GROSS REC REV-INTRDPTMTL	(107.24)	(112.16)	(125.34)	(4.92)	(13.18)
001.2.1.4000.48404	FRANCH TAX REV-INTRDPMTL	(132.83)	(138.91)	(105.75)	(6.08)	33.16
001.2.1.4000.487	LATE FEES	(54,840.74)	(50,709.81)	(49,341.10)	4,130.93	1,368.71
001.2.1.4000.4880	MISC SERVICE REV-OTHER CH	(4,076.00)	(3,504.00)	(3,620.85)	572.00	(116.85)
001.2.1.4000.4881	MISC SVC REV - CREDIT CRD	(549.50)	(532.00)	(889.13)	17.50	(357.13)
001.2.1.4000.4882	MISC SERVICE REV-CHECK CH	(1,665.00)	(1,464.74)	(1,608.78)	200.26	(144.04)
001.2.1.4000.4884	MISC SVC REV-CHANGE OF AC	(1,739.00)	(1,653.00)	(2,155.04)	86.00	(502.04)
001.2.1.4000.4885	MISC SVC REV-RECONNECT CH	(12,694.00)	(16,434.00)	(12,491.00)	(3,740.00)	3,943.00
001.2.1.4000.4886	MISC SVC REV-RECONNECT NO	(13,771.00)	(10,601.00)	(8,089.85)	3,170.00	2,511.15

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001.2.1.4000.4887	MISC SVC REV-BILL COLLECT	(1,872.00)	(2,384.00)	(694.15)	(512.00)	1,689.85
001.2.1.4000.4888	MISC SVC REV-ALLOWANCES &	988.39	453.69	1,204.55	(534.70)	750.86
001.2.1.4000.48901	BASE REVENUE-TRANSPORTAT	(28,681.93)	(24,620.86)	(21,458.92)	4,061.07	3,161.94
001.2.1.4000.48903	GR REC-COMM SM TRANSPORT.	(2,791.71)	(2,372.24)	(1,893.48)	419.47	478.76
001.2.1.4000.48905	CONSERVATION REVENUE TRA	(3,305.54)	(2,846.22)	(2,442.67)	459.32	403.55
001.2.1.4000.48911	BASE REVENUE-CL TRANSPORT	(208,652.11)	(184,093.03)	(189,941.23)	24,559.08	(5,848.20)
001.2.1.4000.48913	GR REC- COMM LRG TRANSPOR	(25,326.93)	(22,134.08)	(21,267.32)	3,192.85	866.76
001.2.1.4000.48915	CONSERVATION REVENUE-CL T	(22,086.08)	(19,865.27)	(20,228.38)	2,220.81	(363.11)
001.2.1.4000.48921	BASE REVENUE - INTERR. TR	(45,134.51)	(46,208.87)	(44,377.86)	(1,074.36)	1,831.01
001.2.1.4000.48923	GR REC- INTRDPT TRANSPORT	(11,674.18)	(11,727.38)	(10,761.15)	(53.20)	966.23
001.2.1.4000.48933	GR REC- LRG VOL TRANSPORT	-	-	-	-	-
001.2.1.4000.48981	BASE REV-POOL MANAGER SVC	(500.00)	(600.00)	(400.00)	(100.00)	200.00
001.2.1.4000.48982	POOLMANAGER SVC FUELREV	163,511.93	82,150.02	69,271.67	(81,361.91)	(12,878.35)
001.2.1.4000.4951	OVER REC;FUEL ADJ- PURCHA	335,604.64	(711,990.07)	334,252.27	(1,047,594.71)	1,046,242.34
001.2.1.4000.4952	MISC.GAS REVENUE	(2,022.06)	(3,698.63)	(2,858.70)	(1,676.57)	839.93
001.2.1.4000.4953	UNBILLED REVENUES	796,384.00	(111,537.00)	54,346.08	(907,921.00)	165,883.08
001.2.1.4000.49551	BASE RVENUE-L WORTH GENEI	(61,509.66)	(61,509.66)	(61,923.03)	-	(413.37)
001.2.1.4000.4956	OTHER GAS REVENUE - AEP	(26,870.65)	(22,881.10)	(20,675.92)	3,989.55	2,205.18
001.2.1.4000.49561	OTHER GAS REV-STORM SURCH	(16,408.49)	(13,550.01)	(12,195.98)	2,858.48	1,354.03
001.2.1.4000.4957	OVERRECOVERY:GAS CONSER\	146,207.00	90,156.00	76,174.62	(56,051.00)	(13,981.38)
001.2.1.4000.496	RATE REFUND PENDING ACCOL	-	179,500.00	13,807.69	179,500.00	(165,692.31)
001.2.3.4000.48001	BASE REVENUE-RESIDENTIAL	(326,139.53)	(336,079.01)	(294,163.95)	(9,939.48)	41,915.06
001.2.3.4000.48002	FUEL REVENUE-RESIDENTIAL	(314,314.46)	(332,231.78)	(331,645.86)	(17,917.32)	585.92
001.2.3.4000.48003	GROSS RECEIPT REV-RESIDEN	(20,653.13)	(21,850.42)	(16,575.57)	(1,197.29)	5,274.85
001.2.3.4000.48004	FRANCHISE TAX REV-RESIDEN	(19,688.32)	(19,913.95)	(18,226.48)	(225.63)	1,687.47
001.2.3.4000.48005	CONSERVATION REVENUE-RES	(35,236.70)	(35,907.30)	(28,442.27)	(670.60)	7,465.03
001.2.3.4000.48101	C/S BASE REVENUE-COMM. SM	(96,528.45)	(93,795.46)	(82,087.87)	2,732.99	11,707.59
001.2.3.4000.48102	C/S FUEL REVENUE-COMM. SM	(206,712.49)	(200,170.30)	(210,235.65)	6,542.19	(10,065.35)
001.2.3.4000.48103	GROSS RECEIPT REV-COMM SM	(8,884.49)	(8,577.30)	(6,882.16)	307.19	1,695.14
001.2.3.4000.48104	FRANCHISE TAX REV-COMM SM	(7,286.00)	(6,409.69)	(7,010.19)	876.31	(600.50)
001.2.3.4000.48105	CONSERVATION REV-COMM. SN	(10,175.03)	(9,974.91)	(8,472.02)	200.12	1,502.89
001.2.3.4000.48111	C/L BASE REVENUE-COMM. LA	(149,924.95)	(150,750.48)	(152,355.64)	(825.53)	(1,605.16)
001.2.3.4000.48112	C/L FUEL REVENUE-COMM. LA	(457,193.75)	(460,173.20)	(550,438.06)	(2,979.45)	(90,264.86)
001.2.3.4000.48113	GROSS RECEIPTS REV-COMM L	(12,273.10)	(12,686.54)	(11,832.31)	(413.44)	854.23
001.2.3.4000.48114	FRANCHISE TAX REV-COMM LA	(10,857.56)	(9,834.56)	(11,707.32)	1,023.00	(1,872.76)
001.2.3.4000.48115	CONSERVATION REV-COMM. L/	(15,727.49)	(16,284.39)	(16,404.51)	(556.90)	(120.12)
001.2.3.4000.48121	BASE REVENUE-INTERRUPTIBL	(30.00)	(2,655.37)	(2,445.70)	(2,625.37)	209.67
001.2.3.4000.48122	FUEL REVENUE-INTERRUPTIBL	-	(19,008.80)	(21,041.54)	(19,008.80)	(2,032.74)
001.2.3.4000.48123	GROSS RECEIPT REV-INTERRU	-	(585.11)	(513.18)	(585.11)	71.93
001.2.3.4000.48141	BASE REV - OUTDOOR LIGHTS	(2,412.67)	(2,392.84)	(2,054.68)	19.83	338.16
001.2.3.4000.48142	FUEL REVENUE- OUTDOOR LIG	(2,112.80)	(2,112.80)	(2,288.82)	-	(176.02)
001.2.3.4000.48143	GROSS REC REV-OUTDOOR LIG	(358.31)	(354.58)	(287.97)	3.73	66.61
001.2.3.4000.48402	FUEL REV-INTERDEPARTMNTL	(699.68)	(721.78)	(900.00)	(22.10)	(178.22)
001.2.3.4000.48403	GROSS REC REV-INTRDPMNTL	(21.54)	(22.22)	(25.08)	(0.68)	(2.86)
001.2.3.4000.487	LATE FEES	(22,401.04)	(21,965.63)	(21,266.79)	435.41	698.84
001.2.3.4000.4880	MISC SERVICE REV-OTHER CH	(1,346.00)	(1,608.00)	(1,872.92)	(262.00)	(264.92)
001.2.3.4000.4881	MISC SVC REV - CREDIT CRD	(565.70)	(514.50)	(789.84)	51.20	(275.34)
001.2.3.4000.4882	MISC SERVICE REV-CHECK CH	(760.00)	(1,060.00)	(988.11)	(300.00)	71.89
001.2.3.4000.4884	MISC SVC REV-CHANGE OF AC	(833.00)	(1,617.00)	(1,602.08)	(784.00)	14.92
001.2.3.4000.4885	MISC SVC REV-RECONNECT CH	(9,970.00)	(15,666.00)	(11,357.15)	(5,696.00)	4,308.85
001.2.3.4000.4886	MISC SVC REV-RECONNECT NO	(13,157.00)	(10,221.00)	(11,496.62)	2,936.00	(1,275.62)
001.2.3.4000.4887	MISC SVC REV-BILL COLLECT	(5,056.00)	(3,600.00)	(5,155.96)	1,456.00	(1,555.96)
001.2.3.4000.4888	MISC SVC REV-ALLOWANCES &	105.00	119.19	221.83	14.19	102.64
001.2.3.4000.48901	BASE REVENUE TRANSPORTAT	(6,312.93)	(5,690.62)	(4,097.73)	622.31	1,592.89
001.2.3.4000.48903	GR REC- RES TRANSPORTATIO	(592.47)	(522.65)	(371.39)	69.82	151.26
001.2.3.4000.48905	CONSERVATION REVENUE TRA	(688.19)	(621.34)	(441.12)	66.85	180.22
001.2.3.4000.48911	BASE REVENUE-CL TRANSPORT	(86,393.72)	(85,155.60)	(85,451.32)	1,238.12	(295.72)
001.2.3.4000.48913	GR REC- COMM LG TRANSPORT	(9,192.09)	(9,028.86)	(8,812.14)	163.23	216.72
001.2.3.4000.48915	CONSERV.REVENUE-CL TRANSI	(8,171.78)	(8,166.20)	(9,054.73)	5.58	(888.53)
001.2.3.4000.48921	BASE REVENUE - INTERR TRA	(9,947.92)	(6,845.81)	(7,159.98)	3,102.11	(314.17)
001.2.3.4000.48923	GR REC- INTRDPT TRANSPORT	(2,583.10)	(1,896.97)	(1,862.63)	686.13	34.34
001.2.3.4000.48933	GR REC- LRG VOL TRANSPORT	-	-	-	-	-
001.2.3.4000.4951	OVER REC;FUEL ADJ- PURCHA	(22,745.53)	(136,807.00)	(28,953.80)	(114,061.47)	107,853.20
001.2.3.4000.4952	MISC.GAS REVENUE	(1,711.91)	(6,968.58)	(2,717.59)	(5,256.67)	4,250.99
001.2.3.4000.4953	UNBILLED REVENUES	397,145.00	(42,628.00)	29,850.38	(439,773.00)	72,478.38
001.2.3.4000.4956	OTHER GAS REVENUE - AEP	(31,809.82)	(34,356.76)	(25,389.78)	(2,546.94)	8,966.98
001.2.3.4000.49561	OTHER GAS REV-STORM SURCI	(5,640.78)	(5,775.71)	(5,187.87)	(134.93)	587.84
001.2.3.4000.4957	OVERRECOVERY:GAS CONSER\	33,437.00	8,462.00	(38,457.92)	(24,975.00)	(46,919.92)
001.2.3.4000.496	RATE REFUND PENDING ACCOL	-	-	-	-	-
009.9.1.4000.480	RESIDENTIAL SALES-GENERAL	(291,384.07)	(238,808.50)	(226,400.24)	52,575.57	12,408.26
009.9.1.4000.4802	RESIDENTIAL BULK SALES	(166,510.49)	(134,307.89)	(111,140.29)	32,202.60	23,167.60
009.9.1.4000.481	COMMERCIAL AND INDUSTRIAI	(169,268.73)	(152,363.10)	(155,120.16)	16,905.63	(2,757.06)
009.9.1.4000.4812	COMM.& INDUS. SALES BULK	(227,256.69)	(223,440.46)	(201,328.13)	3,816.23	22,112.33

009.9.1.4000.4821	FORK LIFT CYLINDER EXCHAN	-	-	-	-	-
009.9.1.4000.483	UNBILLED REVENUES	(5,051.37)	19,481.26	1,010.73	24,532.63	(18,470.53)
009.9.1.4000.487	LATE FEES	(11,194.47)	(10,449.22)	(9,946.46)	745.25	502.76
009.9.1.4000.4880	MISC SERV REV-OTHER CHARG	(1,646.00)	(1,566.00)	(1,454.77)	80.00	111.23
009.9.1.4000.4881	MISC SVC REV - CREDIT CRD	(24.50)	(14.00)	(13.73)	10.50	0.27
009.9.1.4000.4882	MISC SERV REV-CHECK CHARG	(134.00)	(215.00)	(208.62)	(81.00)	6.38
009.9.1.4000.4884	MISC SERV REV-CHANGE OF A	(228.00)	(185.00)	(266.85)	43.00	(81.85)
009.9.1.4000.4885	MISC SERV REV-RECONNECT C	(1,906.00)	(2,875.00)	(1,725.46)	(969.00)	1,149.54
009.9.1.4000.4886	MISC SERV REV-RECONNECT N	(1,132.00)	(1,676.00)	(849.92)	(544.00)	826.08
009.9.1.4000.4887	MISC SERV REV-BILL COLLEC	(272.00)	(352.00)	(116.92)	(80.00)	235.08
009.9.1.4000.4888	MISC SVC REV_ALLOWANCES &	190.92	1,925.62	1,536.93	1,734.70	(388.69)
009.9.1.4000.495	OTHER GAS REVENUE	(11,637.00)	(6,341.90)	(1,495.30)	5,295.10	4,846.60

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009.9.1.4000.4952	OTHER GAS REV-DOCK CYLNDI	-	-	(19.96)	-	(19.96)
009.9.1.4000.4954	REGULATORY COMPLIANCE FEI	(12,535.11)	(12,285.96)	(9,957.38)	249.15	2,328.58
009.9.3.4000.480	RESIDENTIAL SALES-GENERAL	(88,826.20)	(90,083.98)	(75,411.52)	(1,257.78)	14,672.46
009.9.3.4000.4802	RESIDENTIAL SALES - BULK	(61,125.83)	(82,481.43)	(55,728.88)	(21,355.60)	26,752.55
009.9.3.4000.481	COMMERCIAL AND INDUSTRIAI	(8,531.59)	(11,691.38)	(6,894.44)	(3,159.79)	4,796.94
009.9.3.4000.4812	COMM & INDUS. SALES - BUL	(23,025.93)	(35,898.06)	(29,995.52)	(12,872.13)	5,902.54
009.9.3.4000.482	CYLINDER SALES	-	-	-	-	-
009.9.3.4000.4821	FORK LIFT CYLINDER EXCHAN	(10,542.92)	(9,451.30)	(14,147.02)	1,091.62	(4,695.72)
009.9.3.4000.483	UNBILLED REVENUES	(8,724.55)	11,773.54	852.81	20,498.09	(10,920.73)
009.9.3.4000.484	INTERDEPARTMENTAL REVENI	-	-	(511.78)	-	(511.78)
009.9.3.4000.487	LATE FEES	(3,090.74)	(2,651.29)	(2,642.19)	439.45	9.10
009.9.3.4000.4880	MISC SERV REV-OTHER CHARG	(210.00)	(558.00)	(164.92)	(348.00)	393.08
009.9.3.4000.4881	MISC SVC REV - CREDIT CRD	(17.50)	(3.50)	(1.62)	14.00	1.88
009.9.3.4000.4882	MISC SERV REV-CHECK CHARG	(85.00)	(65.00)	(86.54)	20.00	(21.54)
009.9.3.4000.4884	MISC SERV REV-CHANGE OF A	(138.00)	(176.00)	(139.46)	(38.00)	36.54
009.9.3.4000.4885	MISC SERV REV-RECONNECT C	(770.00)	(2,020.00)	(1,405.77)	(1,250.00)	614.23
009.9.3.4000.4886	MISC SERV REV-RECONNECT N	(1,150.00)	(1,640.00)	(1,125.69)	(490.00)	514.31
009.9.3.4000.4887	MISC SERV REV-BILL COLLEC	(592.00)	(624.00)	(762.42)	(32.00)	(138.42)
009.9.3.4000.4888	MISC SVC REV-ALLOWANCES &	83.44	106.00	81.22	22.56	(24.78)
009.9.3.4000.495	OTHER GAS REVENUE	(461.82)	(243.86)	(302.23)	217.96	(58.37)
009.9.3.4000.4952	OTHER GAS REV-DOCK CYLNDI	(600.90)	(604.31)	(437.70)	(3.41)	166.61
009.9.3.4000.4954	REGULATORY COMPLIANCE FEI	(4,657.10)	(5,002.99)	(3,762.11)	(345.89)	1,240.88
009.9.3.4000.4955	OTHER GAS REV-ACCESS FEE	-	-	-	-	-
009.9.5.4000.480	RESIDENTIAL SALES-GENERAL	(12,951.98)	(15,332.98)	(9,652.37)	(2,381.00)	5,680.61
009.9.5.4000.4802	RESIDENTIAL BULK SALES	(42,871.29)	(45,664.91)	(36,727.34)	(2,793.62)	8,937.57
009.9.5.4000.481	COMMERCIAL AND INDUSTRIAI	(26,708.12)	(23,676.05)	(27,933.40)	3,032.07	(4,257.35)
009.9.5.4000.4812	COMM.& INDUS. SALES BULK	(117,499.85)	(122,420.34)	(103,070.16)	(4,920.49)	19,350.18
009.9.5.4000.4814	COMMERCIAL BULK - WHOLES/	(22,673.49)	(26,645.65)	(24,413.36)	(3,972.16)	2,232.29
009.9.5.4000.482	CYLINDER SALES	(131.78)	(65.18)	(193.27)	66.60	(128.09)
009.9.5.4000.4821	FORK LIFT CYLINDER EXCHAN	(19,166.80)	(21,445.31)	(24,319.10)	(2,278.51)	(2,873.79)
009.9.5.4000.483	UNBILLED REVENUES	(43,228.56)	25,363.36	(1,927.87)	68,591.92	(27,291.23)
009.9.5.4000.484	INTERDEPARTMENTAL REVENI	(56.01)	-	(17.93)	56.01	(17.93)
009.9.5.4000.487	LATE FEES	(2,886.33)	(2,786.84)	(2,170.10)	99.49	616.74
009.9.5.4000.4880	MISC SERV REV-OTHER CHARG	(1,218.00)	(798.00)	(607.00)	420.00	191.00
009.9.5.4000.4881	MISC SVC REV - CREDIT CRD	-	-	(0.27)	-	(0.27)
009.9.5.4000.4882	MISC SERV REV-CHECK CHARG	-	(70.00)	(15.85)	(70.00)	54.15
009.9.5.4000.4884	MISC SERV REV-CHANGE OF A	-	-	(1.46)	-	(1.46)
009.9.5.4000.4885	MISC SERV REV-RECONNECT C	(714.00)	(588.00)	(607.38)	126.00	(19.38)
009.9.5.4000.4886	MISC SERV REV-RECONNECT N	(74.00)	-	(46.62)	74.00	(46.62)
009.9.5.4000.4887	MISC SERV REV-BILL COLLEC	(176.00)	(48.00)	(46.77)	128.00	1.23
009.9.5.4000.4888	MISC SVC REV-ALLOWANCES &	582.81	218.22	137.31	(364.59)	(80.91)
009.9.5.4000.495	OTHER GAS REVENUE	4,455.00	(1,177.61)	226.72	(5,632.61)	1,404.33
009.9.5.4000.4954	REGULATORY COMPLIANCE FEI	(1,323.64)	(1,734.91)	(1,222.43)	(411.27)	512.48
009.9.6.4000.480	RESIDENTIAL SALES-GENERAL	(30,330.28)	(32,354.66)	(23,647.65)	(2,024.38)	8,707.01
009.9.6.4000.4802	RESIDENTIAL SALES - BULK	(40,154.63)	(57,724.40)	(38,285.60)	(17,569.77)	19,438.80
009.9.6.4000.481	COMMERCIAL AND INDUSTRIAI	(10,814.85)	(13,288.77)	(4,843.20)	(2,473.92)	8,445.57
009.9.6.4000.4812	COMM. & INDUS. SALES - BU	(29,076.71)	(37,231.84)	(35,015.14)	(8,155.13)	2,216.70
009.9.6.4000.483	UNBILLED REVENUES	(13,731.74)	(5,477.45)	(1,538.00)	8,254.29	3,939.45
009.9.6.4000.484	INTERDEPARTMENTAL REVENI	-	(106.02)	(52.19)	(106.02)	53.83
009.9.6.4000.487	LATE FEES	(1,309.86)	(1,244.71)	(1,008.19)	65.15	236.52
009.9.6.4000.4880	MISC SERV REV-OTHER CHARG	(1,008.00)	(1,190.00)	(856.38)	(182.00)	333.62
009.9.6.4000.4881	MISC SVC REV - CREDIT CRD	-	-	-	-	-
009.9.6.4000.4882	MISC SERV REV-CHECK CHARG	-	(60.00)	(25.38)	(60.00)	34.62
009.9.6.4000.4884	MISC SERV REV-CHANGE OF A	(190.00)	(95.00)	(82.85)	95.00	12.15
009.9.6.4000.4885	MISC SERV REV-RECONNECT C	(504.00)	(280.00)	(370.61)	224.00	(90.61)
009.9.6.4000.4886	MISC SERV REV-RECONNECT N	-	-	(11.08)	-	(11.08)
009.9.6.4000.4887	MISC SERV REV-BILL COLLEC	(288.00)	(144.00)	(160.78)	144.00	(16.78)
009.9.6.4000.4888	MISC SVC REV-ALLOWANCES &	1,313.36	572.79	323.69	(740.57)	(249.10)
009.9.6.4000.495	OTHER GAS REVENUE	(1,599.76)	(30.00)	(150.75)	1,569.76	(120.75)
009.9.6.4000.4952	OTHER GAS REV-DOCK CYL SA	(811.27)	(485.94)	(407.83)	325.33	78.11
009.9.6.4000.4954	REGULATORY COMPLIANCE FEI	(2,491.82)	(2,852.00)	(1,671.39)	(360.18)	1,180.61
TOTAL		(10,878,209.18)	(12,201,384.32)	(11,162,537.88)	(1,323,175.14)	1,038,846.44

Florida Public Utility Company
December Revenue Variance
December 31, 2005

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Purpose: Reasonableness of revenue accounts variance during the year.

Procedure: Obtained 13 month financial statements in Excel for both 2005 and 2006.
Using auto filter, all the revenue accounts were filtered (account numbers with 4000)
Compared activity 12/05 to activity 12/06 and investigated increases >81,750.

Scope: >81,750

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	January '06	December '05	13 mths Avg	Diff Dec '05 & Jan '06	Diff 13 Mo Ave & Dec 05
001.1.4.4000.44001	BASE REVENUE-RESIDENTIAL	(301,650.94)	(275,892.71)	(273,962.53)	25,758.23	1,930.18
001.1.4.4000.44002	FUEL REVENUE-RESIDENTIAL	(658,010.11)	(552,120.29)	(549,767.97)	105,889.82	2,352.32
001.1.4.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	125,111.00	-	30,089.00	(125,111.00)	30,089.00
001.1.4.4000.4563	UNBILLED REVENUES	48,614.00	(33,829.00)	7,698.62	(82,443.00)	41,527.62
001.1.5.4000.4563	UNBILLED REVENUES	42,035.00	(58,401.00)	9,882.31	(100,436.00)	68,283.31
001.2.1.4000.48001	BASE REVENUE-RESIDENTIAL	(762,227.87)	(656,785.64)	(584,868.00)	105,442.23	71,917.64
001.2.1.4000.48002	FUEL REVENUE-RESIDENTIAL	(1,437,744.10)	(1,011,702.17)	(672,356.10)	426,041.93	339,346.07
001.2.1.4000.48102	C/S FUEL REVENUES-COMM. S	(1,438,797.26)	(1,112,843.46)	(725,950.45)	325,953.80	386,893.01
001.2.1.4000.48112	C/L FUEL REVENUE-COMM. LA	(1,445,354.62)	(1,337,445.28)	(919,228.88)	107,909.34	418,216.40
001.2.1.4000.4957	OVERRECOVERY:GAS CONSERVA	421,797.00	-	32,445.92	(421,797.00)	32,445.92
001.2.1.4000.496	RATE REFUND PENDING ACCOU	-	182,000.00	55,588.38	182,000.00	(126,411.62)
001.2.3.4000.48001	BASE REVENUE-RESIDENTIAL	(439,773.56)	(347,688.18)	(307,961.04)	92,085.38	39,727.14
001.2.3.4000.48002	FUEL REVENUE-RESIDENTIAL	(818,035.61)	(505,291.39)	(329,825.70)	312,744.22	175,465.69
001.2.3.4000.48102	C/S FUEL REVENUE-COMM. SM	(414,229.87)	(266,538.97)	(191,721.00)	147,690.90	74,817.97
001.2.3.4000.48112	C/L FUEL REVENUE-COMM. LA	(874,126.27)	(626,219.72)	(463,750.89)	247,906.55	162,468.83
001.2.3.4000.4953	UNBILLED REVENUES	6,129.00	(139,695.00)	(692.77)	(145,824.00)	139,002.23
001.2.3.4000.4957	OVERRECOVERY:GAS CONSERVA	(367,651.00)	-	(28,280.85)	367,651.00	(28,280.85)
TOTAL		(15,590,764.80)	(13,418,434.07)	(11,201,052.69)	2,172,330.73	2,217,381.38

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Comments Dec '05 & Jan '06	Comments 13 Mo Ave & Dec 05
N/A	N/A
Increased Fuel Costs (3%) and Volume (15%)	N/A
Fuel Rev for NW inc 9% while fuel costs dec 10% (CY)	N/A
Timing of Billing Cycle	N/A
Dec 2005 there was a $52K adj to correct 2005 (NB)	N/A
Higher Fuel Cost (14%)	N/A
Increased Volume (24%) & Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Increased Volume (14%) & Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Included in $421K is a $299K bal trans from U/R. The remaining $122K is due to a 11% inc in rev fron Dec 05 to Jan 06 and a 4% dec in consv costs. (CY)	N/A
SF NG has an est $182K for the 4th Qrt of 2005 (booked in Dec). There were no O/E booked for Jan 06. (CY)	Rate Refund estimated and booked quarterly if necessary
Increased Volume (43%) due to weather, Higher Fuel Cost (14%)	N/A
Increased Volume (43%) due to weather, Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Increased Volume (38%) due to weather, Higher Fuel Cost (14%)	N/A
Increased Volume (24%) due to weather, Higher Fuel Cost (14%)	Seasonality & Higher Fuel costs (Avg = .91 v Dec 05 = 1.14334) 26%
Timing of Billing Cycle	
Includes a $382K bal trans from U/R. The remaining $15K in in O/R due to a 20% inc in Consv Rev offset partially by a 30% inc in Consv Costs. (CY)	N/A

REPORT NAME: AUDIT_IS
DATE: 2/20/2007
USER: STARRJ

IS Trial Balance for Audit

IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06		
001.1.4.4000.44001	BASE REVENUE-RESIDENTIAL	(3,300,726.29)	(3,259,861.94)	(40,864.35)	(301,650.94)	(282,518.37)	(275,634.20)	(273,962.53)	(281,423.37)	(275,892.71)
001.1.4.4000.44002	FUEL REVENUE-RESIDENTIAL	(6,842,645.13)	(6,488,973.55)	(353,671.58)	(658,010.11)	(578,736.24)	(570,875.49)	(549,767.97)	(590,233.02)	(552,120.29)
001.1.4.4000.44003	GROSS RECEIPT REV-RESIDEN	(277,531.51)	(266,542.07)	(10,989.44)	(26,213.34)	(23,669.18)	(23,169.28)	(22,519.65)	(23,809.18)	(22,539.82)
001.1.4.4000.44004	FRANCHISE TAX REV-RESIDEN	(550,500.77)	(516,803.70)	(33,697.07)	(52,709.69)	(47,195.06)	(45,976.60)	(43,808.72)	(47,183.96)	(44,305.81)
001.1.4.4000.44005	CONSRV REVENUE-RESIDENTL	(69,502.05)	(80,439.81)	10,937.76	(6,685.82)	(7,856.69)	(5,950.67)	(6,701.97)	(5,994.51)	(6,846.08)
001.1.4.4000.44201	C/S BASE REVENUE-COMM. SM	(775,641.89)	(769,206.77)	(6,435.12)	(63,632.88)	(63,349.60)	(64,537.81)	(64,064.59)	(61,231.93)	(60,807.88)
001.1.4.4000.44202	C/S FUEL REVENUE-COMM. SM	(1,337,879.18)	(1,274,008.11)	(63,871.07)	(108,650.49)	(104,044.44)	(110,917.20)	(106,358.35)	(101,148.64)	(96,131.19)
001.1.4.4000.44203	GROSS RECEIPT REV-COMM SM	(145,538.05)	(140,018.62)	(5,519.43)	(11,773.06)	(11,013.24)	(12,042.41)	(11,676.28)	(11,012.57)	(11,106.91)
001.1.4.4000.44204	FRANCHISE TAX REV-COMM SM	(305,039.56)	(284,792.40)	(20,247.16)	(24,448.62)	(22,955.95)	(25,230.42)	(23,787.77)	(22,895.16)	(23,007.17)
001.1.4.4000.44205	C/S CONSRV REVENUE-COMM.	(13,759.05)	(15,985.37)	2,226.32	(1,117.16)	(1,429.12)	(1,168.32)	(1,315.58)	(1,040.33)	(1,206.45)
001.1.4.4000.44211	C/L BASE REV.-COMM LG/IND	(1,235,783.37)	(1,289,598.86)	53,815.49	(100,818.88)	(102,443.38)	(102,940.52)	(106,955.21)	(100,795.77)	(97,454.08)
001.1.4.4000.44212	C/L FUEL REV.-COMM LG/IND	(3,966,376.03)	(4,027,771.83)	61,395.80	(307,900.16)	(292,652.45)	(327,617.58)	(333,513.23)	(298,891.34)	(278,995.87)
001.1.4.4000.44213	GROSS RECEIPTS REV-COMM L	(101,906.53)	(104,422.00)	2,515.47	(7,915.95)	(7,849.66)	(8,442.78)	(8,641.38)	(7,824.38)	(7,519.95)
001.1.4.4000.44214	FRANCHISE TAX REV-COMM LA	(210,330.02)	(215,230.15)	4,900.13	(16,413.39)	(15,884.15)	(17,401.09)	(17,818.73)	(15,863.39)	(15,410.45)
001.1.4.4000.44215	C/L CONSRV REV-COM LG/IND	(42,649.49)	(52,902.65)	10,253.16	(3,311.07)	(4,202.70)	(3,604.01)	(4,324.13)	(3,213.86)	(3,664.78)
001.1.4.4000.44221	BASE REVENUE- LARGE COMME	(434,878.70)	(376,763.93)	(58,114.77)	(34,602.81)	(32,488.61)	(35,951.33)	(31,643.60)	(36,763.36)	(37,875.30)
001.1.4.4000.44222	FUEL REV- LARGE COMMERCIA	(2,689,873.90)	(2,281,894.15)	(407,979.75)	(203,290.39)	(198,362.22)	(222,172.01)	(191,168.04)	(232,542.39)	(217,388.70)
001.1.4.4000.44223	GROSS RECEIPTS REV- LG CO	(43,570.79)	(35,157.35)	(8,413.44)	(3,188.69)	(3,347.97)	(3,609.14)	(2,949.70)	(4,346.09)	(3,445.35)
001.1.4.4000.44224	FRANCHISE TAX REV- LG COM	(96,126.02)	(78,915.47)	(17,210.55)	(7,039.18)	(7,390.81)	(7,962.83)	(6,611.90)	(9,594.29)	(7,605.79)
001.1.4.4000.44225	CONSERV REV- LARGE COMMER	(30,164.37)	(31,652.28)	1,487.91	(2,279.70)	(2,974.69)	(2,549.16)	(2,610.15)	(2,607.74)	(3,015.42)
001.1.4.4000.44301	BASE REV-OUTDOOR LIGHTS	(512,695.41)	(506,164.94)	(6,530.47)	(42,802.14)	(44,150.56)	(42,834.31)	(42,228.24)	(43,410.15)	(42,275.72)
001.1.4.4000.44302	FUEL REV-OUTDOOR LIGHTS	(141,308.17)	(130,331.77)	(10,976.40)	(11,677.26)	(11,874.76)	(11,783.30)	(10,923.77)	(11,968.57)	(10,944.66)
001.1.4.4000.44303	GROSS RCPT REV-OUTDOOR LI	(13,076.05)	(12,947.69)	(128.36)	(1,096.98)	(1,127.23)	(1,092.56)	(1,080.36)	(1,111.00)	(1,086.84)
001.1.4.4000.44304	FRAN TAX REV-OUTDOOR LIGH	(33,177.23)	(33,222.97)	45.74	(2,913.09)	(3,089.26)	(2,789.73)	(2,779.70)	(3,039.85)	(2,861.48)
001.1.4.4000.44305	CONSRV REV-OUTDOOR LIGHTS	(1,858.69)	(2,012.68)	153.99	(153.90)	(197.20)	(158.15)	(166.66)	(157.43)	(168.94)
001.1.4.4000.44401	BASE REV-PUBLIC ST & HWY	(124,849.01)	(128,466.85)	3,617.84	(10,762.70)	(10,481.86)	(10,410.07)	(10,709.97)	(10,466.25)	(10,762.70)
001.1.4.4000.44402	FUEL REV-PUBLIC ST & HWY	(40,563.01)	(41,159.00)	595.99	(3,549.54)	(3,270.74)	(3,371.83)	(3,439.12)	(3,360.37)	(3,422.77)
001.1.4.4000.44403	GROSS RCPT REV-PUB ST&HWY	(1,061.81)	(955.03)	(106.78)	(81.47)	(90.31)	(88.62)	(79.73)	(91.46)	(79.96)
001.1.4.4000.44404	FRAN TAX REV-PUB ST & HWY	(3,451.41)	(3,140.14)	(311.27)	(317.01)	(401.08)	(296.35)	(265.93)	(398.16)	(314.47)
001.1.4.4000.44405	CONSRV REV-PUBLIC ST&HWY	(524.96)	(648.29)	123.33	(45.94)	(56.66)	(44.74)	(53.40)	(43.49)	(53.91)
001.1.4.4000.44802	FUEL REV-INTERDEPARTMNTL	(10,064.14)	(9,840.70)	(223.44)	(929.61)	(820.89)	(837.31)	(828.49)	(989.31)	(1,020.93)
001.1.4.4000.44803	GROSS RCPT REV-INTRDPTMNL	(273.53)	(260.65)	(12.88)	(25.27)	(22.31)	(22.76)	(21.99)	(26.88)	(27.75)
001.1.4.4000.44804	FRAN TAX REV-INTRDPTMNTL	(603.83)	(546.64)	(57.19)	(55.78)	(49.26)	(50.24)	(46.34)	(59.36)	(61.26)
001.1.4.4000.450	LATE FEES	(191,090.19)	(187,936.11)	(3,154.08)	(19,135.54)	(18,143.71)	(16,094.92)	(15,928.59)	(16,630.89)	(17,104.91)
001.1.4.4000.451	MISC SVC REV-INTL EST OF	(12,810.71)	(12,735.00)	(75.71)	(1,056.71)	(880.00)	(1,053.13)	(1,060.90)	(1,181.00)	(1,188.00)
001.1.4.4000.4511	MISC SVC REV-RE-EST/CHG S	(49,515.00)	(53,010.21)	3,495.21	(3,834.00)	(3,912.00)	(4,109.77)	(4,372.63)	(4,066.00)	(5,973.21)
001.1.4.4000.4512	MISC SVC REV-COLLECTION C	(21,487.50)	(23,874.00)	2,386.50	(1,265.00)	(1,978.00)	(1,805.04)	(1,933.77)	(2,127.50)	(1,644.50)
001.1.4.4000.4513	MISC SVC REV-ALLOWANCES &	55.76	77.03	(21.27)	-	30.00	6.60	5.93	40.00	-
001.1.4.4000.4514	MISC SVC REV-RECNCT RULE	(25,618.00)	(20,661.00)	(4,957.00)	(1,133.00)	(1,997.00)	(2,124.23)	(1,676.46)	(2,645.00)	(1,304.00)
001.1.4.4000.4516	MISC SVC REV-RTN CHECK CH	(10,235.00)	(8,970.00)	(1,265.00)	(1,050.00)	(795.00)	(848.46)	(770.77)	(775.00)	(540.00)
001.1.4.4000.4517	MISC SVC REV-TMP DSCNCT/R	(3,024.00)	(3,024.00)	-	(243.00)	(162.00)	(245.08)	(251.31)	(216.00)	(405.00)
001.1.4.4000.4518	MISC REV-CREDIT CARD FEES	(1,393.08)	(1,934.07)	540.99	(449.56)	(70.00)	(112.54)	(183.36)	(38.50)	(366.00)
001.1.4.4000.454	RENT FROM ELECTRIC PROPER	(76,105.60)	(76,105.60)	-	(76,105.60)	-	(5,854.28)	(11,708.55)	-	-
001.1.4.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	289,971.00	266,046.00	23,925.00	125,111.00	(46,332.00)	18,741.46	30,089.00	(22,171.00)	-
001.1.4.4000.4562	MISC.ELECTRIC REVENUE	(6,516.62)	(5,609.65)	(906.97)	(100.60)	(322.59)	(526.09)	(439.25)	(178.30)	(840.02)
001.1.4.4000.4563	UNBILLED REVENUES	35,620.00	51,468.00	(15,848.00)	48,614.00	189,471.00	17,314.69	7,698.62	19,856.00	(33,829.00)
001.1.4.4000.4566	OVERRECOVERY: CONSERVATIO	(86,178.00)	(67,013.00)	(19,165.00)	(8,638.00)	1,383.00	(6,522.69)	(5,819.31)	(8,185.00)	(4,466.00)
001.1.5.4000.44001	BASE REVENUE-RESIDENTIAL	(4,292,819.77)	(4,299,363.95)	6,544.18	(358,847.87)	(327,186.60)	(355,385.11)	(358,323.99)	(320,273.35)	(319,507.93)
001.1.5.4000.44002	FUEL REVENUE-RESIDENTIAL	(6,535,958.31)	(7,338,168.37)	802,210.06	(549,331.54)	(736,679.32)	(559,433.66)	(606,730.76)	(453,171.33)	(504,780.79)
001.1.5.4000.44003	GROSS RECEIPT REV-RESIDEN	(288,532.65)	(310,195.74)	21,663.09	(24,196.36)	(28,303.77)	(24,372.03)	(25,722.47)	(20,599.11)	(21,930.40)
001.1.5.4000.44004	FRANCHISE TAX REV-RESIDEN	(306,402.31)	(326,285.18)	19,882.87	(25,934.79)	(29,891.83)	(25,868.78)	(27,093.84)	(21,675.48)	(22,391.40)
001.1.5.4000.44005	CONSRV REVENUE-RESIDENTL	(91,472.59)	(108,879.36)	17,406.77	(7,688.00)	(8,547.83)	(7,693.88)	(8,966.72)	(6,344.49)	(7,490.23)
001.1.5.4000.44201	C/S BASE REVENUE-COMM. SM	(673,188.12)	(677,990.42)	4,802.30	(53,392.43)	(52,505.81)	(55,822.61)	(56,260.22)	(50,222.83)	(51,840.49)
001.1.5.4000.44202	C/S FUEL REVENUE-COMM. SM	(955,583.89)	(1,069,049.30)	113,465.41	(73,660.08)	(111,924.98)	(82,116.07)	(87,900.72)	(69,189.64)	(76,796.02)
001.1.5.4000.44203	GROSS RECEIPT REV-COMM SM	(63,494.22)	(68,064.52)	4,570.30	(4,776.17)	(6,319.89)	(5,370.32)	(5,603.13)	(4,674.65)	(5,128.67)
001.1.5.4000.44204	FRANCHISE TAX REV-COMM SM	(91,504.23)	(98,448.15)	6,943.92	(6,770.80)	(9,215.43)	(7,747.67)	(8,093.77)	(6,581.09)	(7,220.58)
001.1.5.4000.44205	C/S CONSRV REVENUE-COMM S	(13,670.74)	(16,393.13)	2,722.39	(1,053.88)	(1,328.19)	(1,153.76)	(1,342.08)	(989.88)	(1,178.16)
001.1.5.4000.44211	C/L BASE REV.-COMM LG/IND	(972,479.05)	(994,911.02)	22,431.97	(75,542.83)	(75,745.84)	(80,632.68)	(82,342.60)	(77,774.76)	(76,269.78)
001.1.5.4000.44212	C/L FUEL REV.-COMM LG/IND	(2,661,169.19)	(2,977,644.63)	316,475.44	(192,427.69)	(313,481.54)	(228,819.29)	(243,851.72)	(193,514.70)	(214,693.35)
001.1.5.4000.44213	GROSS RECEIPTS REV-COMM L	(80,523.39)	(85,820.90)	5,297.51	(6,018.48)	(8,785.20)	(6,869.89)	(7,064.57)	(6,010.39)	(6,466.26)
001.1.5.4000.44214	FRANCHISE TAX REV-COMM LA	(88,781.90)	(95,287.68)	6,505.78	(6,438.13)	(9,295.88)	(7,544.44)	(7,825.06)	(6,567.69)	(7,077.33)
001.1.5.4000.44215	C/L CONSRV REV-COM LG/IND	(39,578.00)	(47,220.52)	7,642.52	(2,862.16)	(3,912.41)	(3,345.42)	(3,852.51)	(2,877.95)	(3,404.81)
001.1.5.4000.44221	BASE REV- LARGE COMMERCIA	(208,433.62)	(197,786.85)	(10,646.77)	(17,649.57)	(17,088.98)	(17,347.89)	(16,572.03)	(17,094.78)	(18,302.35)
001.1.5.4000.44222	FUEL REVENUE- LARGE COMME	(812,948.48)	(911,192.06)	98,243.58	(69,138.08)	(106,864.90)	(70,754.88)	(75,410.01)	(65,212.50)	(78,170.72)
001.1.5.4000.44223	GROSS RECEIPTS REV-LG COM	(24,683.20)	(29,506.69)	4,823.49	(2,135.13)	(3,060.04)	(2,134.10)	(2,433.99)	(2,010.89)	(2,322.59)

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IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06		
001.1.5.4000.44224	FRANCHISE TAX REV- LG COM	(17,911.50)	(21,098.53)	3,187.03	(1,486.76)	(2,380.31)	(1,560.91)	(1,737.33)	(1,460.40)	(1,746.49)
001.1.5.4000.44225	CONSERV REV- LARGE COMMER	(12,473.56)	(14,671.55)	2,197.99	(1,060.82)	(1,322.05)	(1,061.20)	(1,210.18)	(1,000.61)	(1,266.87)
001.1.5.4000.44231	BASE REVENUE-INDUSTRIAL G	(545,955.84)	(555,945.76)	9,989.92	(42,242.72)	(34,128.00)	(44,621.83)	(46,014.50)	(38,950.16)	(34,800.00)
001.1.5.4000.44232	FUEL REVENUE-INDUSTRIAL G	(4,301,613.96)	(4,005,152.20)	(296,461.76)	(305,018.16)	(496,259.40)	(369,067.18)	(331,551.57)	(295,040.76)	(229,818.84)
001.1.5.4000.44233	GROSS RECEIPT REV-INDST G	(133,746.79)	(125,941.56)	(7,805.23)	(9,585.77)	(14,607.99)	(11,411.91)	(10,425.18)	(9,219.87)	(7,325.03)
001.1.5.4000.44234	FRANCHISE TAX REV-INDST G	(295,264.13)	(279,317.61)	(15,946.52)	(21,161.88)	(32,249.12)	(25,193.33)	(23,113.81)	(20,354.10)	(16,171.00)
001.1.5.4000.44235	CONSRV REVENUE-INDUSTRL G	(73,498.80)	(72,786.60)	(712.20)	(5,437.20)	(7,098.00)	(6,199.75)	(6,017.22)	(5,244.00)	(4,897.80)
001.1.5.4000.44301	BASE REV-OUTDOOR LIGHTS	(340,308.52)	(317,998.12)	(22,310.40)	(28,420.85)	(28,718.05)	(28,386.66)	(26,647.61)	(28,506.18)	(27,796.93)
001.1.5.4000.44302	FUEL REV-OUTDOOR LIGHTS	(28,021.10)	(30,197.62)	2,176.52	(2,706.07)	(3,960.76)	(2,460.14)	(2,531.05)	(2,379.57)	(2,588.79)
001.1.5.4000.44303	GROSS RCPT REV-OUTDOOR LI	(9,554.57)	(8,829.76)	(724.81)	(783.20)	(814.28)	(797.60)	(739.46)	(810.64)	(778.13)
001.1.5.4000.44304	FRAN TAX REV-OUTDOOR LIGH	(4,888.96)	(5,974.66)	1,085.70	(444.10)	(473.22)	(412.48)	(493.75)	(442.42)	(450.80)
001.1.5.4000.44305	CONSRV REV-OUTDOOR LIGHTS	(570.95)	(632.08)	61.13	(46.51)	(63.14)	(48.78)	(52.20)	(48.17)	(54.19)
001.1.5.4000.44401	BASE REV-PUBLIC ST & HWY	(87,893.99)	(85,347.65)	(2,546.34)	(7,152.36)	(7,476.30)	(7,336.18)	(7,115.39)	(7,473.87)	(7,143.48)
001.1.5.4000.44402	FUEL REV-PUBLIC ST & HWY	(18,376.52)	(19,767.52)	1,391.00	(1,512.08)	(2,488.71)	(1,605.02)	(1,636.89)	(1,548.44)	(1,694.48)
001.1.5.4000.44403	GROSS RCPT REV-PUB ST&HWY	(1,160.81)	(1,172.91)	12.10	(95.86)	(123.46)	(98.79)	(97.60)	(97.63)	(100.85)
001.1.5.4000.44404	FRAN TAX REV-PUB ST & HWY	(8,073.37)	(8,068.72)	(4.65)	(663.05)	(738.60)	(677.84)	(671.67)	(681.53)	(673.69)
001.1.5.4000.44405	CONSRV REV-PUBLIC ST&HWY	(367.31)	(418.68)	51.37	(30.22)	(40.38)	(31.36)	(34.53)	(30.95)	(35.40)
001.1.5.4000.44802	FUEL REV-INTERDPARTMENTL	(16,641.65)	(19,287.44)	2,645.79	(1,227.58)	(1,384.14)	(1,386.60)	(1,578.08)	(1,027.66)	(4,039.17)
001.1.5.4000.44803	GROSS RCPT REV-INTRDPTMNL	(464.51)	(485.94)	21.43	(39.39)	(36.94)	(38.57)	(40.41)	(27.32)	(84.14)
001.1.5.4000.44804	FRAN TAX REV-INTRDPTMNTL	(576.37)	(624.73)	48.36	(54.05)	(56.75)	(48.70)	(52.21)	(37.92)	(142.80)
001.1.5.4000.450	LATE FEES	(163,606.18)	(168,777.13)	5,170.95	(17,032.93)	(15,673.21)	(13,790.72)	(14,293.08)	(15,027.88)	(14,685.89)
001.1.5.4000.451	MISC SVC REV-INTL EST OF	(855.16)	(8,683.00)	7,827.84	(1,804.00)	(2,112.00)	(228.24)	(806.69)	18,429.84	10,860.00
001.1.5.4000.4511	MISC SVC REV-RE-EST/CHG S	(53,311.00)	(60,692.00)	7,381.00	(4,579.00)	(3,572.00)	(4,375.62)	(5,020.85)	(3,895.00)	(5,016.00)
001.1.5.4000.4512	MISC SVC REV-COLLECTION C	(18,526.50)	(27,048.00)	8,521.50	(1,506.50)	(1,932.00)	(1,573.73)	(2,196.50)	(1,713.50)	(1,644.50)
001.1.5.4000.4513	MISC SVC REV-ALLOWANCES &	3,376.04	1,774.62	1,601.42	165.83	155.96	271.69	149.27	96.91	70.00
001.1.5.4000.4514	MISC SVC REV-RCNCT RULE V	(15,130.00)	(18,400.00)	3,270.00	(1,530.00)	(1,022.00)	(1,242.46)	(1,533.08)	(1,156.00)	(2,191.00)
001.1.5.4000.4516	MISC SVC REV-RTN CHECK CH	(6,282.50)	(5,539.00)	(743.50)	(455.00)	(841.60)	(548.01)	(461.08)	(245.00)	(205.00)
001.1.5.4000.4517	MISC SVC REV-TMP DSCNCT/R	(2,106.00)	(1,431.00)	(675.00)	(270.00)	(270.00)	(182.77)	(130.85)	(162.00)	(81.00)
001.1.5.4000.4518	MISC REV- CREDIT CARD FEE	(3,023.81)	(1,993.96)	(1,029.85)	(304.31)	(276.50)	(253.87)	(176.79)	(350.00)	(374.50)
001.1.5.4000.454	RENT FROM ELECTRIC PROPER	(37,976.42)	(40,096.56)	2,120.14	(2,797.48)	(3,252.37)	(3,171.45)	(3,299.54)	(2,797.48)	(2,762.48)
001.1.5.4000.4561	OVER-RECOVRY:FUEL ADJ-PUR	(597,401.00)	585,741.00	(1,183,142.00)	(73,904.00)	(24,116.00)	(47,809.00)	39,372.08	(73,904.00)	(25,092.00)
001.1.5.4000.4562	MISC.ELECTRIC REVENUE	(1,329.92)	(3,171.59)	1,841.67	(130.00)	(2,103.48)	(264.11)	(253.97)	47.45	(355.60)
001.1.5.4000.4563	UNBILLED REVENUES	(43,993.00)	86,435.00	(130,428.00)	42,035.00	234,666.00	14,667.15	9,882.31	(12,206.00)	(58,401.00)
001.1.5.4000.4566	OVERRECOVERY: CONSERVATIO	23,796.00	42,173.00	(18,377.00)	(3,538.00)	10,643.00	2,649.15	2,971.92	(4,732.00)	(2,364.00)
001.2.1.4000.48001	BASE REVENUE-RESIDENTIAL	(6,733,373.38)	(6,841,056.08)	107,682.70	(762,227.87)	(750,537.94)	(575,685.49)	(584,868.00)	(633,076.04)	(656,785.64)
001.2.1.4000.48002	FUEL REVENUE-RESIDENTIAL	(8,281,262.82)	(7,302,885.21)	(978,377.61)	(1,437,744.10)	(854,776.80)	(702,772.28)	(672,356.10)	(672,654.37)	(1,011,702.17)
001.2.1.4000.48003	GROSS RECEIPT REV-RESIDEN	(416,230.35)	(367,993.97)	(48,236.38)	(70,665.87)	(55,719.45)	(36,303.83)	(33,743.06)	(43,413.07)	(23,217.05)
001.2.1.4000.48004	FRANCHISE TAX REV-RESIDEN	(479,923.11)	(326,994.57)	(152,928.54)	(73,650.81)	(62,148.58)	(41,697.82)	(30,818.88)	(47,683.29)	(48,660.05)
001.2.1.4000.48005	CONSERVATION REVENUE-RESI	(712,281.87)	(642,726.52)	(69,555.35)	(95,618.56)	(95,934.42)	(62,170.48)	(56,795.78)	(72,669.88)	(66,644.54)
001.2.1.4000.48101	C/S BASE REVENUE-COMM. SM	(3,375,706.40)	(3,438,864.95)	63,158.55	(391,543.17)	(409,514.71)	(291,170.85)	(294,646.78)	(346,515.46)	(348,658.47)
001.2.1.4000.48102	C/S FUEL REVENUES-COMM. S	(9,211,423.07)	(7,998,558.58)	(1,212,864.49)	(1,438,797.26)	(926,315.70)	(779,826.06)	(725,950.45)	(774,533.34)	(1,112,843.46)
001.2.1.4000.48103	GROSS RECEIPT REV-COMM SM	(315,030.14)	(317,987.74)	2,957.60	(34,032.81)	(42,337.32)	(27,489.80)	(27,078.50)	(35,951.80)	(39,755.74)
001.2.1.4000.48104	FRANCHISE TAX REV-COMM SM	(352,856.47)	(211,694.67)	(141,161.80)	(47,984.13)	(45,055.54)	(30,608.62)	(19,975.29)	(38,616.70)	(36,930.56)
001.2.1.4000.48105	CONSERVATION REV-COMM. SM	(367,897.70)	(327,571.61)	(40,326.09)	(44,121.78)	(45,593.69)	(31,807.03)	(28,591.80)	(38,602.03)	(34,027.48)
001.2.1.4000.48111	C/L BASE REVENUE-COMM. LA	(3,238,121.70)	(3,286,657.01)	48,535.31	(298,869.23)	(312,624.92)	(273,134.36)	(275,809.71)	(272,134.48)	(311,825.83)
001.2.1.4000.48112	C/L FUEL REVENUE-COMM. LA	(11,263,170.37)	(10,504,620.83)	(758,549.54)	(1,445,354.62)	(938,615.01)	(938,598.88)	(919,228.88)	(803,577.90)	(1,337,445.28)
001.2.1.4000.48113	GROSS RECEIPTS REV-COMM L	(347,233.10)	(353,130.55)	5,897.45	(30,883.46)	(37,802.74)	(29,618.14)	(29,539.54)	(32,214.57)	(41,063.03)
001.2.1.4000.48114	FRANCHISE TAX REV-COMM LA	(340,886.38)	(191,035.35)	(149,851.03)	(34,863.79)	(35,866.66)	(28,981.00)	(17,376.86)	(30,461.54)	(32,711.86)
001.2.1.4000.48115	CONSERVATION REV-COMM. LA	(330,954.42)	(305,366.14)	(25,588.28)	(31,474.82)	(32,296.83)	(27,942.40)	(25,910.84)	(28,435.12)	(29,489.31)
001.2.1.4000.48121	BASE REV.-INTERRUPTIBLE	-	(39,760.67)	39,760.67	-	-	-	(3,058.51)	-	-
001.2.1.4000.48122	FUEL REV.-INTERRUPTIBLE	-	(287,379.34)	287,379.34	-	-	-	(22,106.10)	-	-
001.2.1.4000.48123	GROSS RECEIPT REV-INTERRU	-	(8,886.98)	8,886.98	-	-	-	(683.61)	-	-
001.2.1.4000.48141	BASE REVENUE - OUTDOOR LI	(54,335.68)	(58,849.72)	4,514.04	(4,864.51)	(4,982.95)	(4,562.97)	(4,901.09)	(4,982.95)	(4,864.51)
001.2.1.4000.48142	FUEL REVENUE - OUTDOOR LI	(231,256.62)	(243,993.20)	12,736.58	(29,907.81)	(18,804.81)	(19,235.49)	(21,069.31)	(18,804.81)	(26,303.67)
001.2.1.4000.48143	GROSS REVENUE - OUTDOOR L	(8,759.65)	(7,790.13)	(969.52)	(649.49)	(783.96)	(734.12)	(649.20)	(783.96)	(649.49)
001.2.1.4000.48144	FRANCH TAX REV-OUTDOOR LI	(9,097.95)	(5,319.98)	(3,777.97)	(1,035.85)	(810.26)	(762.17)	(488.91)	(801.90)	(951.86)
001.2.1.4000.48402	FUEL REV-INTERDEPARTMNTL	(55,345.33)	(54,339.34)	(1,005.99)	(3,777.13)	(3,484.32)	(4,525.36)	(4,470.50)	(3,643.92)	(3,289.77)
001.2.1.4000.48403	GROSS REC REV-INTRDPTMTL	(1,522.17)	(1,309.22)	(212.95)	(63.68)	(107.24)	(125.34)	(105.61)	(112.16)	-
001.2.1.4000.48404	FRANCH TAX REV-INTRDPMTL	(1,241.89)	-	(1,241.89)	(65.81)	(132.83)	(105.75)	(5.06)	(138.91)	-
001.2.1.4000.487	LATE FEES	(586,593.56)	(534,717.26)	(51,876.30)	(67,917.90)	(54,840.74)	(49,341.10)	(46,356.55)	(50,709.81)	(58,298.65)
001.2.1.4000.4880	MISC SERVICE REV-OTHER CH	(42,995.00)	(33,771.00)	(9,224.00)	(2,844.00)	(4,076.00)	(3,620.85)	(2,816.54)	(3,504.00)	(4,238.00)
001.2.1.4000.4881	MISC SVC REV - CREDIT CRD	(11,009.24)	(29,781.02)	18,771.78	(2,668.27)	(549.50)	(889.13)	(2,496.10)	(532.00)	(2,558.08)
001.2.1.4000.4882	MISC SERVICE REV-CHECK CH	(19,249.17)	(16,734.17)	(2,515.00)	(2,200.93)	(1,665.00)	(1,608.78)	(1,456.55)	(1,464.74)	(1,611.73)
001.2.1.4000.4884	MISC SVC REV-CHANGE OF AC	(26,276.50)	(32,702.00)	6,425.50	(1,910.00)	(1,739.00)	(2,155.04)	(2,662.46)	(1,653.00)	(2,339.00)
001.2.1.4000.4885	MISC SVC REV-RECONNECT CH	(149,689.00)	(177,126.00)	27,437.00	(13,081.00)	(12,694.00)	(12,491.00)	(14,631.31)	(16,434.00)	(16,618.00)
001.2.1.4000.4886	MISC SVC REV-RECONNECT NO	(91,397.00)	(112,141.00)	20,744.00	(7,036.00)	(13,771.00)	(8,089.85)	(9,167.46)	(10,601.00)	(8,695.00)
001.2.1.4000.4887	MISC SVC REV-BILL COLLECT	(7,152.00)	(10,631.00)	3,479.00	(496.00)	(1,872.00)	(694.15)	(855.92)	(2,384.00)	(368.00)
001.2.1.4000.4888	MISC SVC REV-ALLOWANCES &	14,670.77	5,587.30	9,083.47	756.78	988.39	1,204.55	488.01	453.69	118.72
001.2.1.4000.48901	BASE REVENUE-TRANSPORTATI	(250,284.06)	(244,157.24)	(6,126.82)	(27,869.36)	(28,681.93)	(21,458.92)	(20,925.12)	(24,620.86)	(26,512.64)
001.2.1.4000.48903	GR REC-COMM SM TRANSPORTA	(21,823.56)	(650.94)	(21,172.62)	(1,665.54)	(2,791.71)	(1,893.48)	(178.19)	(2,372.24)	(650.94)
001.2.1.4000.48905	CONSERVATION REVENUE TRAN	(28,449.12)	(24,148.70)	(4,300.42)	(3,228.84)	(3,305.54)	(2,442.67)	(2,105.96)	(2,846.22)	(2,682.62)
001.2.1.4000.48911	BASE REVENUE-CL TRANSPORT	(2,260,583.84)	(2,155,409.17)	(105,174.67)	(206,131.01)	(208,652.11)	(189,941.23)	(181,656.94)	(184,093.03)	(197,129.67)
001.2.1.4000.48913	GR REC- COMM LRG TRANSPOR	(251,148.25)	(11,856.16)	(239,292.09)	(8,259.89)	(25,326.93)	(21,267.32)	(1,547.39)	(22,134.08)	(11,856.16)
001.2.1.4000.48915	CONSERVATION REVENUE-CL T	(240,882.88)	(205,612.52)	(35,270.36)	(22,656.41)	(22,086.08)	(20,228.38)	(17,559.15)	(19,865.27)	(19,016.01)
001.2.1.4000.48921	BASE REVENUE - INTERR. TR	(531,777.68)	(504,678.58)	(27,099.10)	(52,398.98)	(45,134.51)	(44,377.86)	(42,852.12)	(46,208.87)	(48,405.92)

3

IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06		
001.2.1.4000.48923	GR REC- INTRDPT TRANSPORT	(128,220.81)	(12,658.30)	(115,562.51)	82.70	(11,674.18)	(10,761.15)	(967.35)	(11,727.38)	(12,658.30)
001.2.1.4000.48933	GR REC- LRG VOL TRANSPORT	-	-	-	(1,109.71)	-	-	(85.36)	-	-
001.2.1.4000.48981	BASE REV-POOL MANAGER SVC	(4,700.00)	(3,600.00)	(1,100.00)	(300.00)	(500.00)	(400.00)	(300.00)	(600.00)	(300.00)
001.2.1.4000.48982	POOLMANAGER SVC FUELREV T	737,019.78	369,311.86	367,707.92	30,739.94	163,511.93	69,271.67	30,773.22	82,150.02	36,263.29
001.2.1.4000.4951	OVER REC;FUEL ADJ- PURCHA	4,009,674.93	(411,003.00)	4,420,677.93	-	335,604.64	334,252.27	(31,615.62)	(711,990.07)	-
001.2.1.4000.4952	MISC.GAS REVENUE	(35,141.04)	(37,717.63)	2,576.59	(29.99)	(2,022.06)	(2,858.70)	(2,903.66)	(3,698.63)	(7,044.45)
001.2.1.4000.4953	UNBILLED REVENUES	(89,885.00)	248,994.00	(338,879.00)	(14,959.00)	796,384.00	54,346.08	18,002.69	(111,537.00)	(84,409.00)
001.2.1.4000.49551	BASE RVENUE-L WORTH GENER	(743,489.76)	(763,868.10)	20,378.34	(63,300.94)	(61,509.66)	(61,923.03)	(63,628.39)	(61,509.66)	(63,300.94)
001.2.1.4000.4956	OTHER GAS REVENUE - AEP	(241,916.33)	(222,841.95)	(19,074.38)	(24,357.30)	(26,870.65)	(20,675.92)	(19,015.33)	(22,881.10)	(22,834.21)
001.2.1.4000.49561	OTHER GAS REV-STORM SURCH	(142,139.31)	(16,832.80)	(125,306.51)	(15,969.32)	(16,408.49)	(12,195.98)	(2,523.24)	(13,550.01)	(14,118.88)
001.2.1.4000.4957	OVERRECOVERY:GAS CONSERVA	844,063.00	-	844,063.00	421,797.00	146,207.00	76,174.62	32,445.92	90,156.00	-
001.2.1.4000.496	RATE REFUND PENDING ACCOU	179,500.00	722,649.00	(543,149.00)	-	-	13,807.69	55,588.38	179,500.00	182,000.00
001.2.3.4000.48001	BASE REVENUE-RESIDENTIAL	(3,497,991.81)	(3,563,720.00)	65,728.19	(439,773.56)	(326,139.53)	(294,163.95)	(307,961.04)	(336,079.01)	(347,688.18)
001.2.3.4000.48002	FUEL REVENUE-RESIDENTIAL	(3,997,081.69)	(3,469,698.48)	(527,383.21)	(818,035.61)	(314,314.46)	(331,645.86)	(329,825.70)	(332,231.78)	(505,291.39)
001.2.3.4000.48003	GROSS RECEIPT REV-RESIDEN	(194,829.33)	(187,936.92)	(6,892.41)	(37,398.25)	(20,653.13)	(16,575.57)	(17,333.47)	(21,850.42)	(14,279.84)
001.2.3.4000.48004	FRANCHISE TAX REV-RESIDEN	(217,255.91)	(199,505.32)	(17,750.59)	(37,293.31)	(19,688.32)	(18,226.48)	(18,215.28)	(19,913.95)	(25,637.26)
001.2.3.4000.48005	CONSERVATION REVENUE-RESI	(334,512.79)	(308,232.49)	(26,280.30)	(54,422.27)	(35,236.70)	(28,442.27)	(27,896.52)	(35,907.30)	(33,281.82)
001.2.3.4000.48101	C/S BASE REVENUE-COMM. SM	(970,613.82)	(941,859.61)	(28,754.21)	(116,424.36)	(96,528.45)	(82,087.87)	(81,406.46)	(93,795.46)	(87,911.77)
001.2.3.4000.48102	C/S FUEL REVENUE-COMM. SM	(2,526,350.91)	(2,078,143.15)	(448,207.76)	(414,229.87)	(206,712.49)	(210,235.65)	(191,721.00)	(200,170.30)	(266,538.97)
001.2.3.4000.48103	GROSS RECEIPT REV-COMM SM	(80,583.57)	(90,166.16)	9,582.59	(9,914.64)	(8,884.49)	(6,882.16)	(7,698.52)	(8,577.30)	(10,529.69)
001.2.3.4000.48104	FRANCHISE TAX REV-COMM SM	(83,846.46)	(71,269.52)	(12,576.94)	(12,850.20)	(7,286.00)	(7,010.19)	(6,470.75)	(6,409.69)	(9,631.78)
001.2.3.4000.48105	CONSERVATION REV-COMM. SM	(99,961.23)	(85,289.97)	(14,671.26)	(12,702.23)	(10,175.03)	(8,472.02)	(7,537.86)	(9,974.91)	(8,149.78)
001.2.3.4000.48111	C/L BASE REVENUE-COMM. LA	(1,830,698.35)	(1,536,699.13)	(293,999.22)	(175,157.78)	(149,924.95)	(152,355.64)	(131,681.30)	(150,750.48)	(143,313.73)
001.2.3.4000.48112	C/L FUEL REVENUE-COMM. LA	(6,698,500.97)	(5,154,635.31)	(1,543,865.66)	(874,126.27)	(457,193.75)	(550,438.06)	(463,750.89)	(460,173.20)	(626,219.72)
001.2.3.4000.48113	GROSS RECEIPTS REV-COMM L	(141,546.95)	(169,633.39)	28,086.44	(17,375.66)	(12,273.10)	(11,832.31)	(14,385.31)	(12,686.54)	(18,441.94)
001.2.3.4000.48114	FRANCHISE TAX REV-COMM LA	(141,337.59)	(111,018.20)	(30,319.39)	(20,532.61)	(10,857.56)	(11,707.32)	(10,119.29)	(9,834.56)	(11,722.56)
001.2.3.4000.48115	CONSERVATION REV-COMM. LA	(197,531.17)	(145,715.08)	(51,816.09)	(19,051.88)	(15,727.49)	(16,404.51)	(12,674.38)	(16,284.39)	(13,807.77)
001.2.3.4000.48121	BASE REVENUE-INTERRUPTIBL	(31,764.11)	(34,903.11)	3,139.00	(3,033.03)	(30.00)	(2,445.70)	(2,918.16)	(2,655.37)	(2,835.77)
001.2.3.4000.48122	FUEL REVENUE-INTERRUPTIBL	(273,539.96)	(275,707.46)	2,167.50	(35,779.90)	-	(21,041.54)	(23,960.57)	(19,008.80)	(29,221.48)
001.2.3.4000.48123	GROSS RECEIPT REV-INTERRU	(6,671.38)	(7,742.63)	1,071.25	(610.46)	-	(513.18)	(642.55)	(585.11)	(566.88)
001.2.3.4000.48141	BASE REV - OUTDOOR LIGHTS	(24,298.11)	(17,678.93)	(6,619.18)	(1,719.78)	(2,412.67)	(2,054.68)	(1,492.21)	(2,392.84)	(1,705.28)
001.2.3.4000.48142	FUEL REVENUE- OUTDOOR LIG	(27,641.80)	(18,867.12)	(8,774.68)	(2,787.20)	(2,112.80)	(2,288.82)	(1,665.72)	(2,112.80)	(2,431.88)
001.2.3.4000.48143	GROSS REC REV-OUTDOOR LIG	(3,385.25)	-	(3,385.25)	(209.83)	(358.31)	(287.97)	(16.14)	(354.58)	-
001.2.3.4000.48402	FUEL REV-INTERDEPARTMNTL	(11,000.26)	(10,476.79)	(523.47)	(774.39)	(699.68)	(900.00)	(865.48)	(721.78)	(600.44)
001.2.3.4000.48403	GROSS REC REV-INTRDPMNTL	(304.46)	(253.28)	(51.18)	(11.62)	(21.54)	(25.08)	(20.38)	(22.22)	-
001.2.3.4000.487	LATE FEES	(254,067.28)	(276,380.21)	22,312.93	(27,812.31)	(22,401.04)	(21,266.79)	(23,399.42)	(21,965.63)	(25,022.59)
001.2.3.4000.4880	MISC SERVICE REV-OTHER CH	(23,002.00)	(25,362.00)	2,360.00	(1,885.00)	(1,346.00)	(1,872.92)	(2,095.92)	(1,608.00)	(3,241.00)
001.2.3.4000.4881	MISC SVC REV - CREDIT CRD	(9,702.28)	(20,840.04)	11,137.76	(2,350.62)	(565.70)	(789.84)	(1,783.90)	(514.50)	(2,012.31)
001.2.3.4000.4882	MISC SERVICE REV-CHECK CH	(12,085.46)	(10,256.75)	(1,828.71)	(800.00)	(760.00)	(988.11)	(850.52)	(1,060.00)	(720.00)
001.2.3.4000.4884	MISC SVC REV-CHANGE OF AC	(19,994.00)	(25,050.00)	5,056.00	(1,501.00)	(833.00)	(1,602.08)	(2,042.38)	(1,617.00)	(1,741.00)
001.2.3.4000.4885	MISC SVC REV-RECONNECT CH	(137,673.00)	(156,129.00)	18,456.00	(12,332.00)	(9,970.00)	(11,357.15)	(12,958.54)	(15,666.00)	(14,708.00)
001.2.3.4000.4886	MISC SVC REV-RECONNECT NO	(136,299.00)	(122,986.00)	(13,313.00)	(10,329.00)	(13,157.00)	(11,496.62)	(10,255.00)	(10,221.00)	(12,476.00)
001.2.3.4000.4887	MISC SVC REV-BILL COLLECT	(61,971.50)	(36,176.00)	(25,795.50)	(5,424.00)	(5,056.00)	(5,155.96)	(3,200.00)	(3,600.00)	(4,096.00)
001.2.3.4000.4888	MISC SVC REV-ALLOWANCES &	2,778.74	2,694.33	84.41	636.96	105.00	221.83	256.25	119.19	152.31
001.2.3.4000.48901	BASE REVENUE TRANSPORTATI	(46,957.53)	(40,967.24)	(5,990.29)	(4,722.78)	(6,312.93)	(4,097.73)	(3,514.62)	(5,690.62)	(4,350.32)
001.2.3.4000.48903	GR REC- RES TRANSPORTATIO	(4,235.62)	(24.82)	(4,210.80)	(375.40)	(592.47)	(371.39)	(30.79)	(522.65)	(24.82)
001.2.3.4000.48905	CONSERVATION REVENUE TRAN	(5,046.36)	(3,877.41)	(1,168.95)	(526.35)	(688.19)	(441.12)	(338.75)	(621.34)	(420.60)
001.2.3.4000.48911	BASE REVENUE-CL TRANSPORT	(1,024,473.45)	(1,325,069.30)	300,595.85	(100,660.66)	(86,393.72)	(85,451.32)	(109,671.54)	(85,155.60)	(94,586.13)
001.2.3.4000.48913	GR REC- COMM LG TRANSPORT	(105,365.71)	(6,575.47)	(98,790.24)	1,387.41	(9,192.09)	(8,812.14)	(399.08)	(9,028.86)	(6,575.47)
001.2.3.4000.48915	CONSERV.REVENUE-CL TRANSP	(109,539.68)	(132,720.61)	23,180.93	(11,259.92)	(8,171.78)	(9,054.73)	(11,075.43)	(8,166.20)	(9,397.05)
001.2.3.4000.48921	BASE REVENUE - INTERR TRA	(83,131.81)	(86,272.23)	3,140.42	(7,907.98)	(9,947.92)	(7,159.98)	(7,244.63)	(6,845.81)	(7,750.83)
001.2.3.4000.48923	GR REC- INTRDPT TRANSPORT	(21,631.12)	(1,899.95)	(19,731.17)	(18.05)	(2,583.10)	(1,862.63)	(147.54)	(1,896.97)	(1,899.95)
001.2.3.4000.48933	GR REC- LRG VOL TRANSPORT	-	-	-	(4,771.67)	-	-	(367.05)	-	-
001.2.3.4000.4951	OVER REC;FUEL ADJ- PURCHA	(353,653.93)	(697,128.00)	343,474.07	-	(22,745.53)	(28,953.80)	(53,625.23)	(136,807.00)	-
001.2.3.4000.4952	MISC.GAS REVENUE	(33,616.82)	(16,492.54)	(17,124.28)	(452.36)	(1,711.91)	(2,717.59)	(1,303.45)	(6,968.58)	132.35
001.2.3.4000.4953	UNBILLED REVENUES	(9,090.00)	(15,135.00)	6,045.00	6,129.00	397,145.00	29,850.38	(692.77)	(42,628.00)	(139,695.00)
001.2.3.4000.4956	OTHER GAS REVENUE - AEP	(298,257.32)	(280,434.19)	(17,823.13)	(44,477.73)	(31,809.82)	(25,389.78)	(24,993.22)	(34,356.76)	(34,565.43)
001.2.3.4000.49561	OTHER GAS REV-STORM SURCH	(61,801.48)	(6,407.19)	(55,394.29)	(7,502.62)	(5,640.78)	(5,187.87)	(1,069.99)	(5,775.71)	(5,573.82)
001.2.3.4000.4957	OVERRECOVERY:GAS CONSERVA	(533,390.00)	-	(533,390.00)	(367,651.00)	33,437.00	(38,457.92)	(28,280.85)	8,462.00	-
001.2.3.4000.496	RATE REFUND PENDING ACCOU	-	9,060.00	(9,060.00)	-	-	-	696.92	-	-
009.9.1.4000.480	RESIDENTIAL SALES-GENERAL	(2,651,819.09)	(2,629,322.11)	(22,496.98)	(293,353.84)	(291,384.07)	(226,400.24)	(224,821.23)	(238,808.50)	(265,857.10)
009.9.1.4000.4802	RESIDENTIAL BULK SALES	(1,278,313.33)	(927,822.04)	(350,491.29)	(123,830.16)	(166,510.49)	(111,140.29)	(80,896.32)	(134,307.89)	(100,459.26)
009.9.1.4000.481	COMMERCIAL AND INDUSTRIAL	(1,847,293.35)	(1,792,727.96)	(54,565.39)	(195,323.75)	(169,268.73)	(155,120.16)	(152,927.05)	(152,363.10)	(178,350.63)
009.9.1.4000.4812	COMM.& INDUS. SALES BULK	(2,390,008.94)	(2,172,195.45)	(217,813.49)	(274,289.02)	(227,256.69)	(201,328.13)	(188,191.11)	(223,440.46)	(288,317.98)
009.9.1.4000.4821	FORK LIFT CYLINDER EXCHAN	-	(67.85)	67.85	-	-	-	(5.22)	-	-
009.9.1.4000.483	UNBILLED REVENUES	18,190.88	7,611.58	10,579.30	25,071.32	(5,051.37)	1,010.73	2,514.07	19,481.26	(32,850.16)
009.9.1.4000.487	LATE FEES	(118,109.57)	(107,941.74)	(10,167.83)	(12,841.16)	(11,194.47)	(9,946.46)	(9,290.99)	(10,449.22)	(11,224.70)
009.9.1.4000.4880	MISC SERV REV-OTHER CHARG	(17,266.00)	(12,379.00)	(4,887.00)	(1,254.00)	(1,646.00)	(1,454.77)	(1,048.69)	(1,566.00)	(1,176.00)
009.9.1.4000.4881	MISC SVC REV - CREDIT CRD	(154.00)	(3,393.00)	3,239.00	-	(24.50)	(13.73)	(261.00)	(14.00)	-
009.9.1.4000.4882	MISC SERV REV-CHECK CHARG	(2,578.00)	(2,384.37)	(193.63)	(60.00)	(134.00)	(208.62)	(188.03)	(215.00)	(110.00)
009.9.1.4000.4884	MISC SERV REV-CHANGE OF A	(3,241.00)	(3,537.00)	296.00	(214.00)	(228.00)	(266.85)	(288.54)	(185.00)	(271.00)
009.9.1.4000.4885	MISC SERV REV-RECONNECT C	(20,525.00)	(22,667.00)	2,142.00	(1,764.00)	(1,906.00)	(1,725.46)	(1,879.31)	(2,875.00)	(2,762.00)
009.9.1.4000.4886	MISC SERV REV-RECONNECT N	(9,917.00)	(11,799.00)	1,882.00	(328.00)	(1,132.00)	(849.92)	(932.85)	(1,676.00)	(942.00)
009.9.1.4000.4887	MISC SERV REV-BILL COLLEC	(1,248.00)	(976.00)	(272.00)	(32.00)	(272.00)	(116.92)	(77.54)	(352.00)	-
009.9.1.4000.4888	MISC SVC REV ALLOWANCES &	19,789.23	10,218.12	9,571.11	2,885.95	190.92	1,536.93	1,008.01	1,925.62	2,364.13

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IS Trial Balance for Audit

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	YTD DEC 2006	YTD DEC Prior YR	VARIANCE	Jan 2006	Jan 2006 +01	Current 13th ave Jan06-Jan0	Prior 13th Jan05-Jan06		
009.9.1.4000.495	OTHER GAS REVENUE	(7,801.90)	(958.03)	(6,843.87)	(60.00)	(11,637.00)	(1,495.30)	(78.31)	(6,341.90)	(60.00)
009.9.1.4000.4952	OTHER GAS REV-DOCK CYLNDE	(259.49)	(309.30)	49.81	(15.92)	-	(19.96)	(25.02)	-	(142.54)
009.9.1.4000.4954	REGULATORY COMPLIANCE FEE	(116,910.78)	(116,562.23)	(348.55)	(10,519.20)	(12,535.11)	(9,957.38)	(9,775.49)	(12,285.96)	(10,255.43)
009.9.3.4000.480	RESIDENTIAL SALES-GENERAL	(891,523.50)	(869,513.98)	(22,009.52)	(122,901.95)	(88,826.20)	(75,411.52)	(76,339.69)	(90,083.98)	(85,700.07)
009.9.3.4000.4802	RESIDENTIAL SALES - BULK	(663,349.55)	(564,514.01)	(98,835.54)	(84,801.74)	(61,125.83)	(55,728.88)	(49,947.37)	(82,481.43)	(72,859.73)
009.9.3.4000.481	COMMERCIAL AND INDUSTRIAL	(81,096.09)	(80,649.63)	(446.46)	(10,615.78)	(8,531.59)	(6,894.44)	(7,020.42)	(11,691.38)	(12,062.62)
009.9.3.4000.4812	COMM & INDUS. SALES - BUL	(366,915.89)	(281,415.79)	(85,500.10)	(50,584.44)	(23,025.93)	(29,995.52)	(25,538.48)	(35,898.06)	(29,966.14)
009.9.3.4000.482	CYLINDER SALES	-	(645.00)	645.00	-	-	-	(49.62)	-	(84.00)
009.9.3.4000.4821	FORK LIFT CYLINDER EXCHAN	(173,368.31)	(126,602.55)	(46,765.76)	(10,710.25)	(10,542.92)	(14,147.02)	(10,562.52)	(9,451.30)	(6,915.20)
009.9.3.4000.483	UNBILLED REVENUES	19,811.04	(41,409.31)	61,220.35	16,865.72	(8,724.55)	852.81	(1,887.97)	11,773.54	(23,967.78)
009.9.3.4000.484	INTERDEPARTMENTAL REVENUE	(6,653.15)	(3,097.35)	(3,555.80)	(3,391.20)	-	(511.78)	(499.12)	-	-
009.9.3.4000.487	LATE FEES	(31,257.72)	(32,661.56)	1,403.84	(3,255.87)	(3,090.74)	(2,642.19)	(2,762.88)	(2,651.29)	(3,390.75)
009.9.3.4000.4880	MISC SERV REV-OTHER CHARG	(1,934.00)	(1,425.00)	(509.00)	(126.00)	(210.00)	(164.92)	(119.31)	(558.00)	-
009.9.3.4000.4881	MISC SVC REV - CREDIT CRD	(3.50)	(906.01)	902.51	-	(17.50)	(1.62)	(69.69)	(3.50)	(3.50)
009.9.3.4000.4882	MISC SERV REV-CHECK CHARG	(1,040.00)	(840.00)	(200.00)	(125.00)	(85.00)	(86.54)	(74.23)	(65.00)	(60.00)
009.9.3.4000.4884	MISC SERV REV-CHANGE OF A	(1,675.00)	(2,152.00)	477.00	(14.00)	(138.00)	(139.46)	(166.62)	(176.00)	(176.00)
009.9.3.4000.4885	MISC SERV REV-RECONNECT C	(17,505.00)	(21,137.00)	3,632.00	(1,580.00)	(770.00)	(1,405.77)	(1,747.46)	(2,020.00)	(2,342.00)
009.9.3.4000.4886	MISC SERV REV-RECONNECT N	(13,484.00)	(11,646.00)	(1,838.00)	(448.00)	(1,150.00)	(1,125.69)	(930.31)	(1,640.00)	(1,390.00)
009.9.3.4000.4887	MISC SERV REV-BILL COLLEC	(9,319.50)	(4,640.00)	(4,679.50)	(720.00)	(592.00)	(762.42)	(412.31)	(624.00)	(624.00)
009.9.3.4000.4888	MISC SVC REV-ALLOWANCES &	972.43	1,151.18	(178.75)	150.00	83.44	81.22	100.09	106.00	218.58
009.9.3.4000.495	OTHER GAS REVENUE	(3,467.16)	(1,399.52)	(2,067.64)	(131.64)	(461.82)	(302.23)	(117.78)	(243.86)	(122.24)
009.9.3.4000.4952	OTHER GAS REV-DOCK CYLNDE	(5,089.25)	(7,895.63)	2,806.38	(767.99)	(600.90)	(437.70)	(666.43)	(604.31)	(551.97)
009.9.3.4000.4954	REGULATORY COMPLIANCE FEE	(44,250.37)	(43,518.43)	(731.94)	(4,352.51)	(4,657.10)	(3,762.11)	(3,682.38)	(5,002.99)	(4,108.90)
009.9.3.4000.4955	OTHER GAS REV-ACCESS FEE	-	(22,322.20)	22,322.20	-	-	-	(1,717.09)	-	-
009.9.5.4000.480	RESIDENTIAL SALES-GENERAL	(112,528.87)	(84,798.14)	(27,730.73)	(14,382.47)	(12,951.98)	(9,652.37)	(7,629.28)	(15,332.98)	(9,783.54)
009.9.5.4000.4802	RESIDENTIAL BULK SALES	(434,584.07)	(435,250.87)	666.80	(64,843.67)	(42,871.29)	(36,727.34)	(38,468.81)	(45,664.91)	(62,678.47)
009.9.5.4000.481	COMMERCIAL AND INDUSTRIAL	(336,426.02)	(272,913.34)	(63,512.68)	(27,142.33)	(26,708.12)	(27,933.40)	(23,081.21)	(23,676.05)	(30,804.82)
009.9.5.4000.4812	COMM.& INDUS. SALES BULK	(1,222,412.22)	(1,053,107.81)	(169,304.41)	(128,147.23)	(117,499.85)	(103,070.16)	(90,865.77)	(122,420.34)	(113,914.20)
009.9.5.4000.4814	COMMERCIAL BULK - WHOLESA	(294,700.19)	(337,094.81)	42,394.62	(22,625.87)	(22,673.49)	(24,413.36)	(27,670.82)	(26,645.65)	(23,112.24)
009.9.5.4000.482	CYLINDER SALES	(2,380.72)	(9,374.33)	6,993.61	(476.00)	(131.78)	(193.27)	(757.72)	(65.18)	(612.00)
009.9.5.4000.4821	FORK LIFT CYLINDER EXCHAN	(296,981.45)	(267,833.75)	(29,147.70)	(14,121.13)	(19,166.80)	(24,319.10)	(21,688.84)	(21,445.31)	(36,551.66)
009.9.5.4000.483	UNBILLED REVENUES	18,166.24	11,780.15	6,386.09	16,721.83	(43,228.56)	(1,927.87)	2,192.46	25,363.36	(575.75)
009.9.5.4000.484	INTERDEPARTMENTAL REVENUE	(177.09)	(558.97)	381.88	(57.15)	(56.01)	(17.93)	(47.39)	-	(185.98)
009.9.5.4000.487	LATE FEES	(25,325.00)	(22,675.47)	(2,649.53)	(2,494.14)	(2,886.33)	(2,170.10)	(1,936.12)	(2,786.84)	(1,900.42)
009.9.5.4000.4880	MISC SERV REV-OTHER CHARG	(6,673.00)	(2,144.00)	(4,529.00)	(630.00)	(1,218.00)	(607.00)	(213.38)	(798.00)	(504.00)
009.9.5.4000.4881	MISC SVC REV - CREDIT CRD	(3.50)	(99.36)	95.86	-	-	(0.27)	(7.64)	-	-
009.9.5.4000.4882	MISC SERV REV-CHECK CHARG	(206.00)	(345.00)	139.00	-	-	(15.85)	(26.54)	(70.00)	-
009.9.5.4000.4884	MISC SERV REV-CHANGE OF A	(19.00)	(70.00)	51.00	-	-	(1.46)	(5.38)	-	-
009.9.5.4000.4885	MISC SERV REV-RECONNECT C	(7,182.00)	(7,849.00)	667.00	(630.00)	(714.00)	(607.38)	(652.23)	(588.00)	(294.00)
009.9.5.4000.4886	MISC SERV REV-RECONNECT N	(532.00)	(1,333.00)	801.00	-	(74.00)	(46.62)	(102.54)	-	(60.00)
009.9.5.4000.4887	MISC SERV REV-BILL COLLEC	(432.00)	(2,496.00)	2,064.00	-	(176.00)	(46.77)	(192.00)	(48.00)	-
009.9.5.4000.4888	MISC SVC REV-ALLOWANCES &	1,202.26	1,194.12	8.14	22.83	582.81	137.31	93.61	218.22	60.00
009.9.5.4000.495	OTHER GAS REVENUE	(1,507.61)	(360.00)	(1,147.61)	(30.00)	4,455.00	226.72	(30.00)	(1,177.61)	(30.00)
009.9.5.4000.4954	REGULATORY COMPLIANCE FEE	(14,567.95)	(12,306.03)	(2,261.92)	(1,503.99)	(1,323.64)	(1,222.43)	(1,062.31)	(1,734.91)	(1,420.80)
009.9.6.4000.480	RESIDENTIAL SALES-GENERAL	(277,089.20)	(215,493.67)	(61,595.53)	(57,727.28)	(30,330.28)	(23,647.65)	(21,017.00)	(32,354.66)	(22,681.56)
009.9.6.4000.4802	RESIDENTIAL SALES - BULK	(457,558.14)	(414,225.80)	(43,332.34)	(60,852.09)	(40,154.63)	(38,285.60)	(36,544.45)	(57,724.40)	(60,930.51)
009.9.6.4000.481	COMMERCIAL AND INDUSTRIAL	(52,146.77)	(6,888.63)	(45,258.14)	(789.32)	(10,814.85)	(4,843.20)	(590.61)	(13,288.77)	(464.05)
009.9.6.4000.4812	COMM. & INDUS. SALES - BU	(426,120.07)	(383,544.57)	(42,575.50)	(49,684.56)	(29,076.71)	(35,015.14)	(33,325.32)	(37,231.84)	(42,320.70)
009.9.6.4000.483	UNBILLED REVENUES	(6,262.31)	(9,123.62)	2,861.31	9,163.90	(13,731.74)	(1,538.00)	3.10	(5,477.45)	(10,518.88)
009.9.6.4000.484	INTERDEPARTMENTAL REVENUE	(678.51)	(5,436.98)	4,758.47	(230.73)	-	(52.19)	(435.98)	(106.02)	(268.98)
009.9.6.4000.487	LATE FEES	(11,796.64)	(11,060.35)	(736.29)	(1,161.11)	(1,309.86)	(1,008.19)	(940.11)	(1,244.71)	(1,162.66)
009.9.6.4000.4880	MISC SERV REV-OTHER CHARG	(10,125.00)	(1,215.50)	(8,909.50)	(630.00)	(1,008.00)	(856.38)	(141.96)	(1,190.00)	(532.00)
009.9.6.4000.4881	MISC SVC REV - CREDIT CRD	-	(241.50)	241.50	-	-	-	(18.58)	-	-
009.9.6.4000.4882	MISC SERV REV-CHECK CHARG	(330.00)	(235.00)	(95.00)	(30.00)	-	(25.38)	(20.38)	(60.00)	-
009.9.6.4000.4884	MISC SERV REV-CHANGE OF A	(887.00)	(1,023.51)	136.51	(87.50)	(190.00)	(82.85)	(85.46)	(95.00)	(130.50)
009.9.6.4000.4885	MISC SERV REV-RECONNECT C	(4,313.88)	(7,781.80)	3,467.92	(713.50)	(504.00)	(370.61)	(653.48)	(280.00)	(812.50)
009.9.6.4000.4886	MISC SERV REV-RECONNECT N	(144.00)	(132.00)	(12.00)	-	-	(11.08)	(10.15)	-	-
009.9.6.4000.4887	MISC SERV REV-BILL COLLEC	(1,802.17)	(1,165.00)	(637.17)	(80.00)	(288.00)	(160.78)	(95.77)	(144.00)	(48.00)
009.9.6.4000.4888	MISC SVC REV-ALLOWANCES &	2,894.55	395.19	2,499.36	321.73	1,313.36	323.69	55.15	572.79	26.52
009.9.6.4000.495	OTHER GAS REVENUE	(360.00)	(360.00)	-	(30.00)	(1,599.76)	(150.75)	(30.00)	(30.00)	(30.00)
009.9.6.4000.4952	OTHER GAS REV-DOCK CYL SA	(4,490.56)	(4,398.89)	(91.67)	(519.77)	(811.27)	(407.83)	(378.36)	(485.94)	(355.14)
009.9.6.4000.4954	REGULATORY COMPLIANCE FEE	(19,236.29)	(14,893.81)	(4,342.48)	(1,872.46)	(2,491.82)	(1,671.39)	(1,289.71)	(2,852.00)	(1,946.95)
TOTAL		(134,234,782.94)	(130,022,920.33)	(4,211,862.61)	(15,590,764.80)	###########	(11,162,537.88)	(11,201,052.69)	(12,201,384.32)	(13,418,434.07)

REPORT NAME: AUDIT_10K FLORIDA PUBLIC UTILITIES
DATE: 2/20/2007 10 Q&K STATISTICAL
USER: STARRJ
10k Audit IS Info

	Current QTR	Prior Yr QTF	Inc (Dec)	Current YTE	Prior Yr YTE	Inc (Dec)	Current QTF	Prior QTR	Inc (Dec)
Revenues									
Natural Gas	16872776	21854268	-4981492	70981240	69094450	1886790	16872776	12521806	4350970
Electric	11119945	11310819	-190874	48527213	47449557	1077656	11119945	13896369	-2776424
Propane	3600632	3901249	-300617	14726330	13478913	1247417	3600632	2996899	603733
Total Revenues	31593353	37066336	-5472983	34234783	30022920	4211863	31593353	29415074	2178279
Cost of Fuel & Tax									
Natural Gas	9982974	14932095	-4949121	43909296	42815337	1093959	9982974	6969354	3013620
Electric	7819925	7939063	-119138	34259321	33351757	907564	7819925	9923045	-2103120
Propane	1930710	1938650	-7940	7802030	6637032	1164998	1930710	1655613	275097
Total Fuel&Pass thro	19733609	24809808	-5076199	85970647	82804126	3166521	19733609	18548012	1185597
Gross Profit									
Natural Gas	6889802	6922173	-32371	27071944	26279113	792831	6889802	5552452	1337350
Electric	3300020	3371756	-71736	14267892	14097800	170092	3300020	3973324	-673304
Propane	1669922	1962599	-292677	6924300	6841881	82419	1669922	1341286	328636
Total Gross Profit	11859744	12256528	-396784	48264136	47218794	1045342	11859744	10867062	992682
Operations & Maint									
Natural Gas	3604066	4365357	-761291	14602930	14169773	433157	3604066	3632335	-28269
Electric	2049409	1829969	219440	7623845	7275983	347862	2049409	1856232	193177
Propane	1308588	1383082	-74494	4982363	5000816	-18453	1308588	1221322	87266
Total Op & Maint Exp	6962063	7578408	-616345	27209138	26446572	762566	6962063	6709889	252174
Depreciation & Amort									
Natural Gas	1080927	1049240	31687	4299397	4125165	174232	1080927	1036820	44107
Electric	655928	648587	7341	2722495	2520504	201991	655928	696571	-40643
Propane	186920	160823	26097	719625	620866	98759	186920	181609	5311
Total Dep & Amort	1923775	1858650	65125	7741517	7266535	474982	1923775	1915000	8775
TOTI (exc. GR&FT)									
Natural Gas	505761	465743	40018	2051684	1935498	116186	505761	504735	1026
Electric	174395	161176	13219	784753	799552	-14799	174395	214186	-39791
Propane	46230	33717	12513	148386	134322	14064	46230	35355	10875
Total TOTI(ex GR&FT)	726386	660636	65750	2984823	2869372	115451	726386	754276	-27890
Op Inc Before Taxes									
Natural Gas	1699048	1041833	657215	6117933	6048677	69256	1699048	378562	1320486
Electric	420289	732023	-311734	3136799	3501761	-364962	420289	1206336	-786047
Propane	-70997	221073	-292070	330820	626366	-295546	-70997	-290161	219164
Op Inc before Tax	2048340	1994929	53411	9585552	10176804	-591252	2048340	1294737	753603
Other Income & (Ded)									
M & S Income	1020681	1125750	-105069	4321693	4590403	-268710	1020681	984660	36021
M & S Expenses	-1003326	-1228483	225157	-4070925	-4663593	592668	-1003326	-875768	-127558
Other Income	154950	165776	-10826	587820	539486	48334	154950	149044	5906
Interest Expense	-1139284	-1176430	37146	-4608544	-4567936	-40608	-1139284	-1137207	-2077
Total Oth Inc&(Ded)	-966979	-1113387	146408	-3769956	-4101640	331684	-966979	-879271	-87708
Income Taxes									
Natural Gas	410995	104054	306941	1336415	1282732	53683	410995	-113486	524481
Electric	17790	80452	-62662	576640	666437	-89797	17790	272493	-254703
Propane	-22360	84268	-106628	130778	228437	-97659	-22360	-112867	90507
Other	44300	-6591	50891	251045	109255	141790	44300	87842	-43542
Total Income Tax	450725	262183	188542	2294878	2286861	8017	450725	133982	316743
Preferred Stock Div	7125	7125	0	28500	28500	0	7125	7125	0
Earnings for CS	822691	776139	46552	4235324	4219314	16010	822691	467519	355172

REPORT NAME: AUDIT_STAT FLORIDA PUBLIC UTILITIES
DATE: 2/20/2007 10 Q&K STATISTICAL
USER: STARRJ
10k Audit Stat Info

	Current QTR	Prior Yr QTR	Inc (Dec)	Current YTD	Prior Yr YTD	Inc (Dec)	Current QTR	Prior QTR	Inc (Dec)
Natural Gas									
Units Sold	1641672	1640862	810	6229995	6223562	6433	1641672	1240223	401449
Customers total	153882	151403	2479	614526	602952	11574	153882	153120	762
Electric									
Units Sold excl. G	152675847	160113604	-7437757	689343616	679562781	9780835	152675847	210459069	-57783222
Total Units Sold	185395847	193823604	-8427757	849123616	814352781	34770835	185395847	250109069	-64713222
Customers total	92329	91190	1139	367615	362911	4704	92329	92052	277
Propane									
Units Sold	150098	162049	-11951	620873	640292	-19419	150098	123590	26508
Customers Total	39687	37657	2030	156572	148506	8066	39687	39099	588

FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET - 10Q
PERIOD ENDED 12 2006

Pg. 1 of 2

REPORT NAME: AUDIT_BS
DATE: 2/20/2007
USER: STARRJ

10k Audit Balance Sheet

DESCRIPTION	ACCT	CURRENT PERI CONSOL	LAST YEAR-FPUC DECEMBER 31	CURRENT PERI PRIOR YEAR	PRIOR QTR CURRENT YEAR
ASSETS					
UTILITY PLANT:					
ELECTRIC		72776298	70084258	70084258	72259139
NATURAL GAS		95392634	89835239	89835239	94285537
PROPANE		17153448	15500385	15500385	16885446
PLANT ACQUISITION ADJS.	1140	0	0	0	0
COMMON PLANT		3646424	3859023	3859023	3611522
TOTAL		188968804	179278905	179278905	187041644
LESS ACCUM DEPR & AMORT		-59757072	-56217445	-56217445	-58944362
NET UTILITY PLANT		129211732	123061460	123061460	128097282
NET OTHER PLANT	1210,1220	8436	8436	8436	8436
INVEST IN ASSOC. CO.	1230	0	0	0	0
CURRENT ASSETS:					
CASH	1310	-18916362	695115	695115	743307
WORKING FUNDS	1350	0	0	0	0
SPEC DEP-OTHER	1320-1340	3364143	3257814	3257814	3317404
ACCOUNTS REC	1420-1430,1720	12199327	14997150	14997150	9347440
NOTES REC	1410	297940	313094	313094	319948
ALLOW FOR UNCOLL ACCTS	1440	-429379	-271998	-271998	-313801
RECEIVABLES ASSOC. COS.	1460	0	6752	6752	0
OTHER INVESTMENTS	1240,1280	5739506	5779147	5779147	5664018
MAT & SUP	1510,1540-1560,1630	4120378	3781138	3781138	4031323
PREPAYMENTS-INS & PEN	1650	961438	950750	950750	1076364
PREPAYMENTS - OTHER - I/T		98153	0	0	0
UNBILLED REVENUES	1730	1956839	1917994	1917994	1542268
TOTAL		9391983	31426956	31426956	25728271
DEFERRED DEBITS					
GOODWILL	1140.2	2405238	2405238	2405238	2405238
SPECIAL DEPOSITS LT	1340.1	0	0	0	317836
INTANGIBLE ASSETS	1010.3031	4405170	4390764	4390764	4343923
UNAMORTIZED DEBT EXP	1810	0	1880040	1880040	0
PREPAY PENSION-RETIRE	1650.3	0	0	0	0
CLEARING ACCOUNTS	184*	0	0	0	134
TEMPORARY FACILITIES	1850	12836	21285	21285	29864
OTHER WORK IN PROGRESS	1860.1	475117	688676	688676	536745
MISC. DEFERRED DEBITS	1860	5472737	5805795	5805795	5665537
OTHER REG ASSETS-STORM	1820.32	270039	452327	452327	312701
OTHER REG ASSETS-ENVIRON	1820	8283991	8867652	8867652	8521078
UNDERREC FUEL	1860.21	0	3374851	3374851	0

UNDERREC CON & UNBUND 1860.6&7	0	-7412	-7412	0
UNAMORT LOSS/REACQD DEBT 1890	208741	227025	227025	213312
REGULATORY ASSETS 1901	0	0	0	0
ACCUM DEFERRED INC TAX 1900	0	9227	9227	28295
TOTAL	21533869	28115468	28115468	22374663
TOTAL ASSETS	160146020	182612320	182612320	176208652
LIABILITIES				
CAPITALIZATION:				
COMMON STOCK 2010	9250472	9229514	9229514	9245312
PREMIUM ON COMMON 2070	5542986	5373461	5373461	5500364
MISC PAID IN CAPITAL 2110	938906	1052761	1052761	919988
RETAINED EARNINGS	35308188	33625097	33625097	35131171
CAP STOCK EXP & DIS 2130-2150	-428441	-428441	-428441	-428441
TREASURY STOCK 2170	-2841531	-3349121	-3349121	-2841531
COMMON SHARE EQUITY	47770580	45503271	45503271	47526863
PREFERRED STOCK - A 2040	600000	600000	600000	600000
LONG TERM DEBT 2210,2240	50702281	52500000	52500000	50681701
TOTAL CAPITALIZATION	99072861	98603271	98603271	98808564
CURRENT LIABILITIES:				
L-T DEBT - CURRENT	0	0	0	0
NOTES PAYABLE 2310	3466000	9558000	9558000	1687000
ACCOUNTS PAYABLE 2320	-8721428	13165662	13165662	7883674
PAYABLES TO ASSOC CO	0	6752	6752	0
CUSTOMER DEPOSITS 2350	9607526	8067561	8067561	7528152
TAXES ACCRUED 2360	456607	-700919	-700919	2171694
INTEREST ACCRUED 2370	789063	1013931	1013931	1670381
DIVIDENDS DECLARED 2380	652802	623174	623174	0
TAX COLLECTIONS PAYABLE 2410	701038	1053704	1053704	785331
VACATION PAY ACCRUED 2420	1198162	1075748	1075748	1075748
INSURANCE ACCRUED 2280	181443	296132	296132	219355
RATE REFUND 2420,2290	879500	700000	700000	700000
MISC. CURRENT LIABS. 2420	142604	124305	124305	232406
INACT DIVIDEND CHECK 2420.2	0	0	0	0
TOTAL	9353317	34984050	34984050	23953741
DEFERRED CREDITS:				
OVERREC. FUEL 2530.21	2475276	0	0	3804162
OVERREC CON & UNBUND 2530.6&7	355325	16691	16691	264126
MIS DEF CR-ENV INS PRO 2530.3	13753006	14000745	14000745	13993126
STORM RESERVE 2280.11	1636118	1536145	1536145	1588954
COST OF REMOVAL 2530.4	8799830	8256355	8256355	8665917
MED & PENSION RESERVE 2280.3	3818616	2662982	2662982	3477606
CUST. ADVANCES-CONSTR 2520.1	2707078	2346388	2346388	3007320
UNAMORTIZED I.T.C. 2550.1	335146	410529	410529	353982
OTHER DEF CR 2530.1,4	40653	161073	161073	71121
REGULATORY LIABILITIES 2821	876346	990879	990879	876346
CONTRIB IN AID 2710,2720	0	0	0	0
TOTAL	34797394	30381787	30381787	36102660
ROUNDING	-1	1	1	3
ACCUM. DEF I/T 2820,2830	16922448	18643212	18643212	17343687
TOTAL LIABILITIES	160146020	182612320	182612320	176208652

BS Account	Responsibility
101	Construction Acct
104	Construction Acct
107	Construction Acct
108	Construction Acct
114	Construction Acct
115	Construction Acct
118	Construction Acct
119	Construction Acct
121	Construction Acct
122	Construction Acct
1860.4	Construction Acct
253	Construction Acct
271	Construction Acct
272	Construction Acct
173	Fin. Acct
236	Fin. Acct
	Fin. Acct
165	Reporting Acct
182	Reporting Acct
228	Reporting Acct
232	Reporting Acct
242	Reporting Acct
123	GL Acct.
124	GL Acct.
128	GL Acct.
132	GL Acct.
133	GL Acct.
134	GL Acct.
141	GL Acct.
144	GL Acct.
146	GL Acct.
165	GL Acct.
171	GL Acct.
181	GL Acct.
182	GL Acct.
184	GL Acct.
186	GL Acct.
189	GL Acct.
201	GL Acct.
204	GL Acct.
207	GL Acct.
211	GL Acct.
213	GL Acct.
214	GL Acct.
215	GL Acct.
216	GL Acct.
217	GL Acct.

IS Account	Responsibility
001.1.4	Claudette
001.1.5	Claudette
001.2.1	Melanie
001.2.3	Melanie
009.9.1	Cindy
009.9.3	Cindy
009.9.5	Cindy
009.9.6	Cindy
001.4.1	Cindy
001.4.3	Cindy
009.4.5	Cindy
009.4.6	Cindy
4010.92	Audra and Nadira
4010.93	Audra and Nadira
001.0.0	Audra and Nadira
009.0.0	Audra and Nadira

Pg. 2 of 2

221	GL Acct.
224	GL Acct.
229	GL Acct.
231	GL Acct.
234	GL Acct.
236	GL Acct.
237	GL Acct.
238	GL Acct.
	GL Acct.
242	GL Acct.
253	GL Acct.
104	Inventory Analyst
143	Inventory Analyst
151	Inventory Analyst
154	Inventory Analyst
155	Inventory Analyst
156	Inventory Analyst
163	Inventory Analyst
184	Inventory Analyst
232	Inventory Analyst
252	Inventory Analyst
143	Rec. Analyst
1860.1	Rec. Analyst
	Rec. Analyst
253	Rec. Analyst
	Rec. Analyst
1860.21	Regulatory Acct.
1860.61	Regulatory Acct.
2530.21	Regulatory Acct.
2530.61	Regulatory Acct.
190	Tax Acct.
236	Tax Acct.
241	Tax Acct.
255	Tax Acct.
282	Tax Acct.
283	Tax Acct.
184	A/P Analyst
185	A/P Analyst
232	A/P Analyst
131	Cash Acct.
135	Cash Acct.
136	Cash Acct.
142	Cash Acct.
172	Cash Acct.
235	Cash Acct.
237	Cash Acct.
253	Cash Acct.

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RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Friday, Apr 11, 2008 09:54 AM

Clara Leider

From: Martin Cheryl
Sent: Monday, April 30, 2007 12:59 PM
To: Jacqueline A. Gibbons (E-mail)
Cc: Khojasteh Mehrdad; Lundgren April
Subject: Auditquestionaire07.xls
Attachments: Auditquestionaire07.xls

Does this take the place of the MDA checklist? Is this the only one you need each quarter? Cheryl Martin

Client Name: FPUC
QUESTIONNAIRE
y/e 12/31/2007

	1st Qtr YES / NO / NA / WP REF	2nd Qtr YES / NO / NA / WP REF	3rd Qtr YES / NO / NA / WP REF	4th Qtr YES / NO / NA / WP REF
A. General				
1. Have the general ledger control accounts been agreed to or reconciled with subsidiary records?	Yes			
2. Have all accounts and transactions been reflected in the books and records?	Yes			
3. Were all significant journal entries or other adjustments in the period properly recorded?	Yes			
4. Were all significant transactions that have occurred or been recognized in the last several days of the interim period properly recorded?	Yes except immaterial on list			
5. Were any uncorrected misstatements identified during the previous audit or interim review recorded or recognized in this period?	Yes			
6. Have the financial statements been prepared on a basis consistent with:				
a. GAAP	Yes			
b. The corresponding period of the preceding year?	Yes			
c. The preceding period of the current year if separately disclosed?	Yes			
d. The most recent annual financial statements?	Yes			
7. Have business activities remained substantially unchanged from those of the periods mentioned in A.6?	Except as in Q			
8. Have accounting and reporting practices and methods of applying them remained substantially unchanged from those of the periods mentioned in A.6?	yes			
9. Have all unusual or complex situations been identified and all issues resolved and disclosed as required? (e.g., business combinations, restructuring charges, etc. -- see Appendix A)	Yes			
10. Was the design or operation of internal control relating to the annual or interim financial information substantially unchanged (consider policies, procedures, and personnel)?	Yes			
11. Were significant deficiencies or material weaknesses in internal controls that were discovered in this period (and any issues of disclosure and reporting arising from them) properly communicated / disclosed to the audit committee, and in Form 10-Q?	NA			
12. Have events that occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the interim financial statements been properly accounted for and/or disclosed?	yes			
13. Have any instances of fraud or allegations of fraud or suspected fraud affecting the entity involving management, employees who have significant roles in internal control, or others where fraud could have a material effect on the financial statements arising in this period been fully investigated, resolved, and properly communicated and disclosed to the audit committee or in Form 10-Q?	Yes			
14. Have any communications from regulatory agencies that may call into question compliance with regulatory policy or otherwise indicate business risks been analyzed and any issues arising been satisfactorily resolved?	na			
15. Have actions taken at stockholder, directors, committees of directors, or comparable meetings that affect the interim financial statements been properly reflected and/or disclosed therein?	yes			
16. Do the interim financial statements appropriately reflect any plans or intentions that may materially affect the carrying amounts or classification of assets and liabilities?	yes			
17. Were related parties and related party transactions substantially unchanged?	yes			
18. Have material transactions between or among related parties (e.g., sales, purchases, loans, or leasing arrangements) been properly disclosed in Form 10-Q?	yes			
19. Have all uncertainties, including going concern matters, that could have a material effect on the interim financial statements, and changes in the status of previously disclosed material uncertainties, been properly disclosed in Form 10-Q?	yes			
20. Are barter or other nonmonetary transactions properly recorded and disclosed in the Form 10-Q?	yes			
21. Were material adjustments other than normal recurring accruals appropriately disclosed in Form 10-Q?	yes			
22. Do the interim financial statements appropriately reflect new accounting pronouncements?	Yes			
23. Were disclosures in Form 10-Q sufficient so as not to be misleading, as required by APB 28 and Rule 10-01 of Reg S-X, including the following matters, if applicable:				
a. Significant events or transactions during the period (e.g., those affecting results of operations or	Yes			
b. The status of material contingencies? [Regulation S-X requires disclosure of material contingencies, even if no significant change since year end has occurred -- see Reg. § 210.10-01 (a)(5)]	Yes			
c. Unusually large changes in leases or other commitments?	Yes			
d. Unusually large changes in short-term borrowings?	Yes			
e. Basis of allocating major elements of costs and expenses to interim periods?	Yes			
f. Unusual relationship between income tax expense and income before taxes?	Yes			
g. Pro forma and other disclosures as required in FAS 148 relating to stock-based compensation?	Yes			
h. Other significant matters?	Yes			
24. Does Form 10-Q information comply with SEC instructions?	Yes			
25. Have trends or developments affecting accounting estimates, such as allowances for bad debts and excess or obsolete inventories, provisions for warranties and employee benefits, and realization of unearned income and deferred charges, been assessed and any identified issues satisfactorily resolved?	Yes			
26. Were the provisions of stock compensation plans substantially unchanged from the prior period?	Yes			
27. Have restructuring charges taken in the current quarter been properly recorded and disclosed in Form 10-Q?	NA			
28. If any entities, other than the reporting entity, are commonly controlled by the owners, has an evaluation been performed to determine whether those other entities should be consolidated into the interim financial statements of the reporting entity?	Na except Flogas			
29. If there are any entities other than the reporting entity in which the owners have significant investments (for example, variable interest entities), has an analysis been performed to determine whether the reporting entity is the primary beneficiary related to the activities of those other entities?	NA			
B. Cash and Cash Equivalents				
1. Is the entity's policy regarding the composition of cash and cash equivalents in accordance with SFAS 95, paragraphs 7-10, applied on a consistent basis?	Yes			
2. Have all cash and cash equivalents accounts been reconciled and properly adjusted on a timely basis?	Yes			
3. Have old or unusual reconciling items between bank balances and book balances been reviewed and adjustments made where necessary?	Yes			
4. Has there been a proper cutoff of cash receipts and disbursements?	yes			
5. Has a reconciliation of intercompany transfers been prepared and have all transfers been recorded in the proper periods?	yes			
6. Have checks written but not mailed as of the end of the period been properly reclassified as liabilities?	yes			

y/e 12/31/2007

	1st Qtr YES / NO / NA / WP REF	2nd Qtr YES / NO / NA / WP REF	3rd Qtr YES / NO / NA / WP REF	4th Qtr YES / NO / NA / WP REF
7. Have material bank overdrafts been properly reclassified as liabilities?	yes			
8. Has reclassification as noncurrent assets been considered for any cash and cash equivalents balances that are subject to compensating balance and/or other restrictive arrangements?	Yes			
9. Have significant cash funds been counted and reconciled with control accounts?	Yes			
C. Receivables				
1. Have terms of sale remained substantially unchanged from those in effect during the periods mentioned in A.6?	Yes			
2. Have sales credits and customer claims been normal in the period under review and in the period subsequent to the balance sheet date, in relation to the periods mentioned in A.6?	yes			
3. Have uncollectible receivables been written off through a charge against the allowance account or earnings?	yes			
4. Has an adequate allowance been properly reflected in the interim financial statements for all accounts (i.e., past due or disputed accounts and for all other accounts), based on experience?	yes			
5. Has interest earned on receivables been properly reflected in the interim financial statements?	yes			
6. Have receivables from employees, stockholders, affiliated organizations, or other related parties been appropriately disclosed in Form 10-Q?	yes			
7. Have receivables from stockholders or other owners been evaluated to determine whether they should be reflected in the equity section, rather than the asset section, of the balance sheet?	Yes			
8. Has proper disclosure been made of receivables that are pledged, discounted, factored, or collateralized, and are any recourse provisions properly reflected in Form 10-Q?	yes			
9. Have receivables been properly classified as to current and long-term?	yes			
10. Has there been a proper cutoff of sales transactions, credit memos, and other sales adjustments?	yes			
D. Inventory				
1. Have major products and methods of production remained substantially unchanged from those periods mentioned	yes			
2. Are physical inventory counts performed on a regular basis, including at the end of the reporting period, and are the count procedures adequate to ensure an appropriate count? (If so, describe the procedures used to take the latest physical inventory and indicate the date on which it was taken. If not, describe or reference the method for determining inventories for purposes of presentation in the interim financial statements, and document the reasonableness of the method used.)	annually			
3. If physical inventories were taken at a date other than the date of the interim financial statements, were appropriate procedures used to record changes in inventory between the date of the physical inventory counts and the date of the financial statements?	yes			
4. Have general ledger control accounts been adjusted to agree with the physical inventory count? (If so, indicate whether the adjustments were significant.)	yes as reconciled			
6. Has the method of pricing been consistently applied with that of the periods mentioned in A.6?	yes			
7. Is the basis of valuing inventory for purposes of presentation in the interim financial statements appropriate under the circumstances?	yes			
8. Does inventory cost include material, labor and, if applicable, overhead?	yes			
9. Were consignments in or out considered in taking physical inventories?	na			
10. Has inventory been reviewed for obsolescence or cost in excess of net realizable value? (If so, indicate how these costs are reflected in the interim financial statements.)	yes			
11. Have proper cutoffs of purchases, goods in transit, returned goods and shipments been made?	yes			
12. Has appropriate accrual and disclosure been made in Form 10-Q of the amount of LIFO liquidation expected to be replaced by year-end?	na			
13. Has scrap been adequately inventoried and controlled?	na			
E. Prepaid Expenses				
1. Are the amounts included in prepaid expenses appropriate and properly amortized?	yes			
F. Investments				
1. Is the basis of accounting for investments reported in the interim financial statements appropriate? (Describe the basis of accounting for each type of investment — e.g., securities, joint ventures, closely-held businesses, etc.)	yes			
2. Are investments in marketable debt and equity securities properly classified as trading, available-for-sale, or held-to-maturity?	yes			
3. Were fair values of investments, and unrealized gains and losses, properly recognized in the interim financial statements and in Form 10-Q? (Describe how fair values were determined.)	yes			
4. If the fair values of marketable debt and equity securities are less than cost, have the declines in value been evaluated to determine whether the declines are other-than-temporary, and, if so, have the carrying values of the investments been appropriately adjusted?	yes			
5. For any debt securities classified as held-to-maturity, does management have the positive ability and intent to hold the securities until they mature, and, if so, have those debt securities been properly measured?	yes			
6. Have gains and losses related to disposal of investments been properly recognized in the interim financial statements?	yes			
7. Has investment income been properly recognized in the interim financial statements?	yes			
8. Have investments been properly classified as current or noncurrent?	yes			
9. For business combinations and investments made by the reporting entity, have consolidation, equity, or cost method accounting requirements been appropriately considered?	yes			
10. Have loans and advances between affiliated companies been reconciled?	yes			
11. Are investments unencumbered?	yes			
G. Property and Equipment				
1. Are property and equipment items properly stated at depreciated cost or other proper value?	yes			
2. Are physical inventories of property and equipment taken on a periodic basis? (If so, indicate the last time such an inventory was taken)	yes, see schedule, different for each area			
3. Have any items of property and equipment that are held for sale been properly reclassified from property and equipment and accounted for in accordance with FAS 144 and other applicable literature?	yes			
4. Have gains or losses on disposal of property or equipment been properly reflected in Form 10-Q?	yes			

y/e 12/31/2007

	1st Qtr YES / NO / NA / WP REF	2nd Qtr YES / NO / NA / WP REF	3rd Qtr YES / NO / NA / WP REF	4th Qtr YES / NO / NA / WP REF
5. Have the criteria for capitalization of property and equipment been consistently and appropriately applied? (Describe such criteria)	Yes- see FA rules			
6. Are repairs and maintenance costs properly reflected as an expense in the income statement?	yes			
7. Are the depreciation methods and rates appropriate and consistently applied? (Describe the methods and rates utilized in the interim financial statements)	yes composite			
8. Are all additions, retirements, abandonments, sales, or trade-ins properly recorded?	yes			
9. Are lease agreements and related commitments properly accounted for and disclosed in Form 10-Q?	yes			
10. For any asset retirement obligations associated with tangible long-lived assets, has the recorded amount of the related asset been increased because of the obligation and is the liability properly reflected in the liability section of the balance sheet?	na			
11. If the entity has constructed any of its property and equipment items, have all components of cost been reflected in measuring these items for purposes of presentation in Form 10-Q, including, but not limited to, capitalized interest?	yes			
12. Has the impairment loss related to any significant impairment in value of property and equipment items been assessed and properly reflected in Form 10-Q?	no impairment			
13. Are any mortgages or other encumbrances on property or equipment items substantially unchanged from the prior period?	yes			
H. Intangibles and Other Assets				
1. Are the amounts included in other assets appropriate and calculated on a consistent basis?	yes			
2. Do these assets represent costs that will benefit future periods?	yes			
3. Is the amortization policy related to these assets appropriate and substantially unchanged from the prior period?	yes			
4. Have other assets been properly classified between current and noncurrent?	yes			
5. If a business combination occurred during the period, have all intangible assets arising from contractual, seperable, or other legal rights been properly recognised as assets from goodwill?	na			
6. Are intangible assets with finite lives being appropriately amortized?	yes			
7. Are the costs associated with computer software properly reflected as intangible assets (rather than property and euipment) in the interim financial statements?	yes			
8. Are the costs associated with goodwill (and other intangible assets with indefinite lives) properly reflected as intangible assets in Form 10-Q, and has amortization ceased related to these assets?	yes			
9. Has the impairment loss related to any significant impairement in value of these assets been assessed and properly reflected in Form 10-Q	no impairment			
10. Are any mortgages or other encumbrances on intangibles or other assets substantially unchanged from the prior period?	yes			
I. Accounts and Short-Term Notes Payable and Accrued Liabilities				
1. Does the subsidiary accounts payable ledger agree with the control account in the general ledger?	yes			
2. Have all significant payables been reflected in Form 10-Q?	yes			
3. Have all significant accruals (e.g., payroll, interest, provisions for pension and profit-sharing plans, or other postretirement benefit obligations) been properly reflected in Form 10-Q, and was the method of determining accrued liabilities consistent with the periods mentioned in A 6?	yes			
4. Has a liability for employees' compensation for future absences been properly accrued and disclosed in Form 10-Q?	yes			
5. Has a review been made by the client to determine whether any unrecorded liabilities exist?	yes			
6. Have loans from financial institutions and other short-term liabilities been properly classified in the interim financial statements?	yes			
7. Are collateralized or subordinated liabilities substantially unchanged from the prior period?	yes			
8. Are payables to employees, stockholders, affiliated companies, etc. substantially unchanged from the prior period?	yes			
9. Were warranty reserves, product guarantees, and similar loss contingencies accounted for properly?	yes			
10. Were provisions in major contracts with suppliers substantially unchanged from the prior period?	yes			
J. Long-term Liabilities				
1. Are the terms and other provisions of long-term liability agreements substantially unchanged from the prior period?	yes			
2. Have liabilities been properly classified between current and non-current? (Consider the impact, if any, of EITF 95-22 regarding revolving credit agreements that include a subjective acceleration clause and lockbox arrangement.)	yes			
3. Has interest expense been properly accrued and reflected in Form 10-Q?	yes			
4. Has noncompliance with loan covenants or agreements been properly disclosed in Form 10-Q?	na			
5. Are borrowing arrangements, including collateral or subordination provisions, substantially unchanged from the prior period?	yes			
6. Have any obligations that, by their terms, are due on demand within one year from the balance sheet date been properly reclassified into the current liability section of the balance sheet?	yes			
7. Has convertible debt been properly recognized in the interim financial statements (e.g., beneficial conversion features)?	na			
K. Income and Other Taxes				
1. Do the interim financial statements reflect an appropriate provision for current and prior period income taxes payable (consider the effect of the AMT and Uniform Capitalization Rules, and other relevant tax laws and regulations)?	yes			
2. Have all assessments or reassessments received been properly accounted for and/or disclosed in Form 10-Q?	yes			
3. Have the effects of tax authority examinations currently in process been properly accounted for and/or disclosed in Form 10-Q?	yes			
4. If there are temporary differences between book and tax amounts, have deferred taxes on these differences been properly reflected in Form 10-Q?	yes			
5. Do the interim financial statements reflect an appropriate provision for taxes other than income taxes (e.g. franchise, sales)?	yes			
6. Have all required tax payments been made on a timely basis?	yes			
L. Other Liabilities, Contingencies and Commitments				
1. Are the amounts included in other liabilities appropriate and calculated on a consistent basis?	yes			
2. Have other liabilities been properly classified between current and noncurrent?	yes			
3. Are any guarantees, whether written or verbal, whereby the entity must stand ready to perform or is contingently liable related to the guarantee, properly reflected in Form 10-Q?	yes			

y/e 12/31/2007

	1st Qtr YES / NO / NA / WP REF	2nd Qtr YES / NO / NA / WP REF	3rd Qtr YES / NO / NA / WP REF	4th Qtr YES / NO / NA / WP REF
4. Have all material contingent liabilities (e.g., discounted notes, drafts, endorsements, warranties, litigation, unsettled asserted claims, taxes in dispute, etc.) been properly measured and disclosed in Form 10-Q? (Refer to Reg S-X Reg 10-01 (a) (5))	yes			
5. Have all matters concerning litigation, claims, and assessments been properly accounted for and disclosed in Form 10-Q, and have all unasserted potential claims been disclosed in accordance with SFAS 5 (if the client cannot represent to us the absence of contingencies, litigation, or unasserted claims, we should direct this inquiry to legal counsel)?	yes			
6. Are all material contractual obligations for construction, purchase, or lease of property and equipment; commitments or options to purchase or sell company securities; employment contracts, etc. substantially unchanged from the prior period?	yes			
7. Were terms of debt that may affect classification substantially unchanged from the prior period?	yes			
8. Has any environmental remediation liability for which the entity is responsible been properly measured and disclosed in Form 10-Q?	yes			
9. If the entity has any agreement to repurchase items that previously were sold, have the repurchase agreements been taken into account in determining the appropriate measurements and disclosures in Form 10-Q?	na			
10. Have any sales commitments at prices expected to result in a loss at the consummation of the sale, or long-term sales contracts on which losses may be incurred, been properly reflected in Form 10-Q?	na			
11. Have the effects of any violations, or possible violations, of laws or regulations been appropriately considered for accrual or disclosure in Form 10-Q?	na			
M. Equity				
1. Have all significant changes in equity accounts (including consideration of contingent compensation awards, beneficial conversion features, stock compensation, etc.) during each reporting period been properly reflected in Form 10-Q?	yes			
2. Do amounts of outstanding shares of stock (or other ownership interests) agree with subsidiary records?	yes			
3. Have any mandatorily redeemable ownership interests been evaluated to determine whether such interests should be measured and reclassified to the liability section of the balance sheet, and are redemption features associated with ownership interests substantially unchanged from the prior period?	na			
4. Are direct costs of raising capital (e.g. legal and accounting fees related to stock issuances or limited partnership syndications) properly reflected in Form 10-Q as a reduction of equity (rather than an asset), once the offering is complete, or, if consummation of the offering is not probable of the offering has been aborted, were such costs	yes			
5. Have all treasury stock acquisitions been properly accounted for and reflected in the financial statements as a reduction in equity, and in accordance with applicable state laws?	yes			
6. Have earnings per share been properly calculated?	yes			
7. Have restrictions or appropriations on retained earnings or other capital accounts been properly reflected in the interim financial statements?	yes			
N. Revenue and Expenses				
1. Were the policies for revenue recognition and allocation of major elements of costs and expenses appropriate and consistent with the policies used in the periods mentioned in A.6?	yes			
2. Have revenues from sales of products and rendering of services been recognized in the appropriate reporting period (i.e., when the products have been delivered and when the services have been performed)?	yes			
3. Did any sales recorded under a "bill and hold" arrangement meet the criteria to record the transaction as a sale?	na			
4. Have purchases and expenses been recognized in the appropriate reporting period (i.e., matched against revenue) and properly classified in the interim financial statements?	yes			
5. Have all extraordinary items, operations that were discontinued, accounting changes, and other unusual items been properly classified and disclosed in Form 10-Q?	yes			
6. Have any gains or losses that would necessitate the display of comprehensive income (e.g. gains/losses on available-for-sale securities or cash flow hedge derivatives) been properly displayed within comprehensive income (rather than included in the determination of net income)?	yes			
O. Derivatives				
1. Have significant contracts (e.g., sales, purchase, lease or other general business contracts) been reviewed to determine if contracts are derivatives, as defined by SFAS 133, or contain embedded derivatives?	yes			
2. Are all derivatives recorded as assets or liabilities at their fair values?	na			
3. For derivatives accounted for as hedges under SFAS 133, is documentation adequate and has a quarterly re-assessment been made?	yes			
4. Has appropriate disclosure been made of any derivatives, as required by SFAS 133?	yes			
P. Other				
a.				
b.				

1st Quarter

Discussed with: ____________________ Date

Prepared By: Cheryl Martin Date 4/26/07

2nd Quarter

Discussed with: ____________________ Date

Prepared by: ____________________ Date

3rd Quarter

Discussed with: ____________________ Date

y/e 12/31/2007

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
	YES / NO / NA / WP REF	YES / NO / NA / WP REF	YES / NO / NA / WP REF	YES / NO / NA / WP REF

Prepared by: Date

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Files Currently on the CD

Name	Size	Type	Date Modified	Location
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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RE 10q redline and clean versio...	408 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K (2).msg	1,593 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE Audit Requests.msg	126 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

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Friday, Apr 11, 2008 09:57 AM

Clara Leider

From: Bhatia Nadira
Sent: Thursday, February 01, 2007 10:57 AM
To: 'dbuschmann@bdo.com'
Cc: Khojasteh Mehrdad; Martin Cheryl
Subject: BDO Analytics
Attachments: ANALYTICAL -NADIRA 12.31.061.xls

Dale:

Attached is the analytics spreadsheet per your request.

Thanks,
Nadira

Nadira Bhatia
Sr. Financial Accountant
Florida Public Utilities Company
nbhatia@fpuc.com
561.838.1776

Florida Public Utilities
Balance Sheet and Profit & Loss
Analytical Comments — **Variances $77,250 & 10%**
Y/e 12.31.2006

	Account	2006	2005	Amount Changed	%
Melanie	100-1310.13 CASH -BANK OF AMERIC	38,779.00	645,566.37	(606,787.37)	-94%
	A Cash	38,779.00	645,566.37	(606,787.37)	-94%
Caludette	114-1430.2 OTHER A/R - MISCELLA	20,607.00	169,620.00	(149,013.00)	-88%
Melanie	121-1420.1 CUSTOMER A/R - UTILI	4,114,637.00	6,361,756.00	(2,247,119.00)	-35%
Melanie	123-1420.1 CUSTOMER A/R - UTILI	1,458,945.00	2,075,854.00	(616,909.00)	-30%
Melanie	991-1420.1 CUSTOMER A/R - UTILI	978,098.00	1,167,954.00	(189,856.00)	-16%
Melanie	115-1420.21 CUSTOMER A/R--BILLED	29,224.00	110,433.00	(81,209.00)	-74%
	C Sales, shipping and trade rec.	6,601,511.00	9,885,617.00	(3,284,106.00)	-33%
Melanie	121-1440.2 PROV FOR UNCOL ACC-M	(92,462.00)	(10,901.00)	(81,561.00)	748%
	C1 Allowance for Uncollectables	(92,462.00)	(10,901.00)	(81,561.00)	748%
Nadira	121-1730.1 UNBILLED REVENUES	796,384.00	706,499.00	89,885.00	13%
	C2 Unbilled Receivables	796,384.00	706,499.00	89,885.00	13%
Cindy	115-1540.1 PLANT MAT & OPERATIN	713,646.00	562,556.00	151,090.00	27%
Cindy	123-1540.1 PLANT MAT & OPERATIN	185,578.00	282,047.00	(96,469.00)	-34%
Cindy	900-1540.5 PROPANE - CUSTOMER P	1,518,472.00	1,317,027.00	201,445.00	15%
	F Inventories and production	2,417,696.00	2,161,630.00	256,066.00	12%
Beth	100-2360.8 FEDERAL INCOME TAX	(1,136,663.00)	(89,947.00)	(1,046,716.00)	1164%
Beth	100-2360.9 STATE INCOME TAX	(231,331.00)	(37,844.00)	(193,487.00)	511%
Beth	900-2360.8 FEDERAL INCOME TAX	1,259,024.00	1,100,587.00	158,437.00	14%
	G Ppd. exp., nontrade notes rec., deferred charg	(108,970.00)	972,796.00	(1,081,766.00)	-111%
Nadira	121-1820.32 REGULATORY ASSETS-ST	270,039.00	452,327.00	(182,288.00)	-40%
	J Regulatory asset - environmental	270,039.00	452,327.00	(182,288.00)	-40%
Cindy	123-1040.1 MERCH PLANT-LEASED T	878,033.00	564,865.00	313,168.00	55%
Bill	100-1070.376 ACCRUAL - CAPITAL IT	(85,071.00)	21,145.00	(106,216.00)	-502%
Bill	115-1010.362 STATION EQUIPMENT	4,895,950.00	4,226,471.00	669,479.00	16%
Bill	115-1010.396 POWER OPERATED EQUIP	190,403.00	107,686.00	82,717.00	77%
Bill	115-1070.362 STATION EQUIPMENT	8,995.00	629,480.00	(620,485.00)	-99%
Bill	121-1010.381 METERS	4,024,935.00	3,509,376.00	515,559.00	15%
Bill	121-1010.382 METER INSTALLATIONS	1,431,162.00	1,221,991.00	209,171.00	17%
Bill	121-1010.383 HOUSE REGULATORS	1,337,431.00	1,184,908.00	152,523.00	13%
Bill	991-1010.311 PROPANE STORAGE FACI	330,223.00	233,560.00	96,663.00	41%
Bill	991-1010.386 CONSUMERS' SYSTEM IN	2,812,989.00	2,494,749.00	318,240.00	13%
Bill	991-1010.392 TRANSPORTATION EQUIP	990,642.00	692,815.00	297,827.00	43%
Bill	991-1070.311 PROPANE STORAGE FACI	-	82,143.00	(82,143.00)	-100%
Bill	991-1070.392 TRANSPORTATION EQUIP	11,812.00	215,272.00	(203,460.00)	-95%
Bill	993-1010.386 CONSUMERS' SYSTEM IN	547,442.00	458,451.00	88,991.00	19%
Bill	993-1070.376 MAINS	-	95,060.00	(95,060.00)	-100%
Bill	996-1070.392 TRANSPORTATION EQUIP	173,665.00	94,881.00	78,784.00	83%
Bill	100-1180.3913 EDP EQUIPMENT	492,102.00	753,806.00	(261,704.00)	-35%
Bill	114-1010.3693 UNDERGRD SERVICES- B	1,173,846.00	1,062,572.00	111,274.00	10%
Bill	115-1010.3672 UNDERGRD CONDUCT/DEV	4,053,517.00	3,683,923.00	369,594.00	10%
Bill	115-1010.3713 INSTAL ON CUST PREMI	601,350.00	447,692.00	153,658.00	34%
Bill	115-1010.3923 TRANS - HEAVY TRUCKS	755,791.00	862,552.00	(106,761.00)	-12%
Bill	115-1070.3657 O/H CONDUCTR-LINE EX	-	107,269.00	(107,269.00)	-100%
Bill	115-1070.3662 UNDERGROUND CONDUIT-	118,244.00	40,951.00	77,293.00	189%
Bill	115-1070.3713 INSTAL ON CUST PREMI	1,470.00	101,664.00	(100,194.00)	-99%
Bill	115-1070.3923 TRANS - HEAVY TRUCKS	199,277.00	-	199,277.00	100%
Bill	121-1010.3761 MAINS- PLASTIC	15,357,567.00	13,568,592.00	1,788,975.00	13%
Bill	121-1010.3922 TRANS-LIGHT TRUCK,VA	2,257,770.00	1,945,704.00	312,066.00	16%
Bill	123-1010.3761 MAINS- PLASTIC	6,526,969.00	5,769,851.00	757,118.00	13%
Bill	123-1010.3922 TRANS-LIGHT TRUCK,VA	949,575.00	860,608.00	88,967.00	10%
Bill	114-1070.391305 CWIP-SOFTWARE	70,376.00	445,776.00	(375,400.00)	-84%
Bill	121-1070.376112 MAINS- PLASTIC - 1 1	156,324.00	58,442.00	97,882.00	167%
Bill	121-1070.376120 MAINS- PLASTIC - 2 "	141,052.00	363,945.00	(222,893.00)	-61%
Bill	121-1070.376140 MAINS- PLASTIC - 4 "	213,625.00	327,394.00	(113,769.00)	-35%
Bill	121-1070.376160 MAINS- PLASTIC - 6 "	193,660.00	(3,036.00)	196,696.00	-6479%
Bill	121-1070.376260 MAINS -OTHER- 6 "	(23,246.00)	455,612.00	(478,858.00)	-105%
Bill	121-1070.391305 CWIP-SOFTWARE	250,448.00	151,468.00	98,980.00	65%
Bill	123-1070.391305 CWIP-SOFTWARE	128,410.00	10,806.00	117,604.00	1088%
	M Property, plant and equipment	51,166,738.00	46,848,444.00	4,318,294.00	9%

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Jim	100-1080-1 Cost of removal reclass	-	8,256,355.00	(8,256,355.00)	-100%
Bill	115-1080.355 POLES AND FIXTURES	(835,078.00)	(739,611.00)	(95,467.00)	13%
Bill	115-1080.362 STATION EQUIPMENT	(773,755.00)	(641,561.00)	(132,194.00)	21%
Bill	115-1080.396 POWER OPERATED EQUIP	(175,709.00)	(85,777.00)	(89,932.00)	105%
Bill	121-1080.390 STRUCTURES AND IMPRO	(15,823.00)	(203,124.00)	187,301.00	-92%
Bill	123-1080.390 STRUCTURES AND IMPRO	(290,050.00)	(75,714.00)	(214,336.00)	283%
Bill	991-1080.386 CONSUMERS' SYSTEM IN	(860,751.00)	(755,184.00)	(105,567.00)	14%
Bill	100-1190.3913 ACC.DEP/EDP EQUIPMEN	(146,783.00)	(429,486.00)	282,703.00	-66%
Bill	121-1080.3761 MAINS-	(2,758,327.00)	(2,392,618.00)	(365,709.00)	15%
Bill	123-1080.3761 MAINS- PLASTIC	(1,213,740.00)	(1,062,296.00)	(151,444.00)	14%
	N Accumulated depreciation	(7,070,016.00)	1,870,984.00	(8,941,000.00)	-478%
Jim	114-1010.391305 SOFTWARE	360,744.00	-	360,744.00	10000%
	S Other intangible assets	360,744.00	-	360,744.00	10000%
Claudette	100-1860.1 OTHER W I P -DEF'D D	475,117.00	688,676.00	(213,559.00)	-31%
	V Other deferred charges	475,117.00	688,676.00	(213,559.00)	-31%
Curtis	114-2530.61 OTHER DF CR-OVERRECO	99,522.00	13,344.00	86,178.00	646%
Curtis	121-1860.61 MISC DEF DEBIT-UNDER	-	(298,804.00)	298,804.00	-100%
Curtis	121-2530.61 OTHER DEF CREDIT-OVE	(844,063.00)	-	(844,063.00)	10000%
Curtis	123-1860.61 MISC DEF DEBIT-UNDER	-	381,735.00	(381,735.00)	-100%
Curtis	123-2530.61 OTHER DEF CREDIT-OVE	533,505.00	-	533,505.00	10000%
	W Under recovery of conservation & unbundling	(211,036.00)	96,275.00	(307,311.00)	-319%
Audra	100-2310.1 NOTES PAYABLE	(3,466,000.00)	(9,558,000.00)	6,092,000.00	-64%
	BB Notes payable	(3,466,000.00)	(9,558,000.00)	6,092,000.00	-64%
Tan	100-2320.1 A/P - GENERAL	(5,808,219.00)	(9,317,985.00)	3,509,766.00	-38%
Tan	100-2320.8 A/P - PAYROLL	(823,254.00)	(558,482.00)	(264,772.00)	47%
	CC Purchases, receiving and accounts payable	(6,631,473.00)	(9,876,467.00)	3,244,994.00	-33%
Nadira	100-2280.201 ACCR'D LIABILITY INS	(181,443.00)	(296,132.00)	114,689.00	-39%
	EE Accrued Insurance	(181,443.00)	(296,132.00)	114,689.00	-39%
Beth	100-2820.1 L/T LIBERALIZED DEPR	(829,500.00)	(2,657,517.00)	1,828,017.00	-69%
Beth	100-2820.2 L/T LIBERALIZED DEPR	(141,994.00)	(454,913.00)	312,919.00	-69%
Beth	115-2820.1 LONG-TERM LIBERALIZE	(2,828,340.00)	(2,407,322.00)	(421,018.00)	17%
Beth	123-2820.1 LONG-TERM LIBERALIZE	(2,916,800.00)	(2,647,081.00)	(269,719.00)	10%
Beth	991-2820.1 LONG-TERM LIBERALIZE	(1,403,653.00)	(1,229,985.00)	(173,668.00)	14%
Beth	993-2820.1 LONG-TERM LIBERALIZE	(1,040,298.00)	(873,556.00)	(166,742.00)	19%
Beth	995-2820.1 LONG-TERM LIBERALIZE	(406,365.00)	(299,106.00)	(107,259.00)	36%
Beth	115-2830.111 ACC FED DEF EL-UNDER	(350,249.00)	(193,945.00)	(156,304.00)	81%
Beth	121-2830.111 ACC FED DEF-GAS-UNDE	-	(423,929.00)	423,929.00	-100%
Beth	121-2830.113 ACCUM DEF TAX-CONSV	271,197.00	96,006.00	175,191.00	182%
Beth	121-2830.114 ACCUM DEF TAXES-PENS	269,751.00	141,617.00	128,134.00	90%
Beth	123-2830.111 ACC FED DEF-GAS-UNDE	-	(512,949.00)	512,949.00	-100%
Beth	123-2830.221 ACC DEF UNDERREC PUR	-	(87,806.00)	87,806.00	-100%
	JJ Deferred income taxes	(9,376,251.00)	(11,550,486.00)	2,174,235.00	-19%
Claudette	100-2530.31 ENVIRON COSTS NET OF	(149,051.00)	60,218.00	(209,269.00)	-348%
	KK Environmental liabilities and other	(149,051.00)	60,218.00	(209,269.00)	-348%
Melanie	114-2350.1 CUSTOMER DEPOSITS	(1,123,687.00)	(915,320.00)	(208,367.00)	23%
Melanie	123-2350.1 CUSTOMER DEPOSITS	(1,706,854.00)	(1,458,188.00)	(248,666.00)	17%
	LL Customer Deposits	(2,830,541.00)	(2,373,508.00)	(457,033.00)	19%
Curtis	114-2530.21 OVER RECOVERY-FUEL A	(556,017.00)	(266,046.00)	(289,971.00)	109%
Curtis	115-1860.21 MISC DEF-DR.-UNDERRE	1,090,101.00	603,627.00	486,474.00	81%
Curtis	115-2530.21 OVER RECOVERY-FUEL A	(289,447.00)	(886,848.00)	597,401.00	-67%
Jim	121-1860.21 MISC DEF-DR.-UNDERRE	-	1,319,418.00	(1,319,418.00)	-100%
Jim	121-2530.21 OVER REC-FUEL ADJ-PU	(4,009,675.00)	-	(4,009,675.00)	100%
Jim	123-1860.21 MISC DEF-DR.-UNDERRE	-	1,596,481.00	(1,596,481.00)	-100%
Jim	123-2530.21 OVER REC-FUEL ADJ-PU	353,654.00	-	353,654.00	100%
	MM Overrecovery of fuel costs	(3,411,384.00)	2,366,632.00	(5,778,016.00)	-244%

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Cindy	115-2520.1 CUSTOMER ADVANCES FO	(757,417.00)	(592,204.00)	(165,213.00)	28%
Cindy	121-2520.1 CUSTOMER ADVANCES FO	(1,292,802.00)	(1,017,792.00)	(275,010.00)	27%
Cindy	996-2520.1 CUSTOMER ADVANCES FO	(258,750.00)	(350,700.00)	91,950.00	-26%
	NN Over recovery of conservation and unbundling	(2,308,969.00)	(1,960,696.00)	(348,273.00)	18%
Beth	100-2420.1 VACATION PAY-MISC CU	(1,198,162.00)	(1,075,748.00)	(122,414.00)	11%
Bill	121-2530.4 OTHER DEFERRED CREDI	(22,194.00)	(110,970.00)	88,776.00	-80%
Claudette	100-2410.401 WEST PALM BE-FRANCHI	21,521.00	(74,427.00)	95,948.00	-129%
	OO Other accruals and payables	(1,198,835.00)	(1,261,145.00)	62,310.00	-5%
Jim	100-2800-1 Deferred Credit Cost of Removal	-	(8,256,355.00)	8,256,355.00	-100%
	QQ Cost of Removal Deferred Cridt	-	(8,256,355.00)	8,256,355.00	-100%
Nadira	100-2280.31 PENSIONS RESERVE	(1,760,783.00)	(721,331.00)	(1,039,452.00)	144%
	SS Storm Reserve	(1,760,783.00)	(721,331.00)	(1,039,452.00)	144%
Audra	100-2110.1 MISCELLANEOUS PAID I	(938,906.00)	(1,052,760.87)	113,854.87	-11%
Audra	100-2170.1 COMMON STOCK REACQUI	2,841,531.00	3,349,120.87	(507,589.87)	-15%
Audra	900-2160.1 UNAPPROPRIATED RETD	(2,229,013.00)	(1,831,084.00)	(397,929.00)	22%
	WW Stockholders' equity	(326,388.00)	465,276.00	(791,664.00)	-170%
Curtis	121-4000.496 RATE REFUND PENDING	-	722,649.00	(722,649.00)	-100%
Jim	121-4000.4951 OVER REC;FUEL ADJ- P	4,009,675.00	(411,003.00)	4,420,678.00	-1076%
Nadira	121-4000.4953 UNBILLED REVENUES	(89,885.00)	248,994.00	(338,879.00)	-136%
Curtis	121-4000.4957 OVERRECOVERY:GAS CON	844,063.00	-	844,063.00	100%
Jim	123-4000.4951 OVER REC;FUEL ADJ- P	(353,654.00)	(697,128.00)	343,474.00	-49%
Curtis	123-4000.4957 OVERRECOVERY:GAS CON	(533,505.00)	-	(533,505.00)	100%
Jim	121-4000.48002 FUEL REVENUE-RESIDEN	(8,281,260.00)	(7,302,886.00)	(978,374.00)	13%
Melanie	121-4000.48004 FRANCHISE TAX REV-RE	(479,923.00)	(326,994.00)	(152,929.00)	47%
Jim	121-4000.48102 C/S FUEL REVENUES-CO	(9,211,422.00)	(7,998,557.00)	(1,212,865.00)	15%
Melanie	121-4000.48104 FRANCHISE TAX REV-CO	(352,857.00)	(211,694.00)	(141,163.00)	67%
Melanie	121-4000.48114 FRANCHISE TAX REV-CO	(340,886.00)	(191,035.00)	(149,851.00)	78%
Jim	121-4000.48122 FUEL REV.-INTERRUPTI	-	(287,378.00)	287,378.00	-100%
Melanie	121-4000.48913 GR REC- COMM LRG TRA	(251,148.00)	(11,856.00)	(239,292.00)	2018%
Melanie	121-4000.48923 GR REC- INTRDPT TRAN	(128,221.00)	(12,658.00)	(115,563.00)	913%
Jim	121-4000.48982 POOLMANAGER SVC FUEL	737,020.00	369,312.00	367,708.00	100%
Curtis	121-4000.49561 OTHER GAS REV-STORM	(142,140.00)	(16,833.00)	(125,307.00)	744%
Jim	123-4000.48002 FUEL REVENUE-RESIDEN	(3,997,083.00)	(3,469,698.00)	(527,385.00)	15%
Jim	123-4000.48102 C/S FUEL REVENUE-COM	(2,526,351.00)	(2,078,142.00)	(448,209.00)	22%
Melanie	123-4000.48111 C/L BASE REVENUE-COM	(1,830,699.00)	(1,536,700.00)	(293,999.00)	19%
Jim	123-4000.48112 C/L FUEL REVENUE-COM	(6,698,501.00)	(5,154,636.00)	(1,543,865.00)	30%
Melanie	123-4000.48911 BASE REVENUE-CL TRAN	(1,024,474.00)	(1,325,069.00)	300,595.00	-23%
Melanie	123-4000.48913 GR REC- COMM LG TRAN	(105,365.00)	(6,575.00)	(98,790.00)	1503%
	10 Natural gas revenue	(30,756,616.00)	(29,697,887.00)	(1,058,729.00)	4%
Curtis	115-4000.4561 OVER-RECOVRY:FUEL AD	(597,401.00)	585,741.00	(1,183,142.00)	-202%
Nadira	115-4000.4563 UNBILLED REVENUES	(11,649.00)	86,435.00	(98,084.00)	-113%
Curtis	114-4000.44222 FUEL REV- LARGE COMM	(2,689,872.00)	(2,281,893.00)	(407,979.00)	18%
Curtis	115-4000.44002 FUEL REVENUE-RESIDEN	(6,535,958.00)	(7,338,169.00)	802,211.00	-11%
Curtis	115-4000.44202 C/S FUEL REVENUE-COM	(955,585.00)	(1,069,049.00)	113,464.00	-11%
Curtis	115-4000.44212 C/L FUEL REV.-COMM L	(2,661,169.00)	(2,977,644.00)	316,475.00	-11%
Curtis	115-4000.44222 FUEL REVENUE- LARGE	(812,949.00)	(911,192.00)	98,243.00	-11%
	11 Electric revenue	(14,264,583.00)	(13,905,771.00)	(358,812.00)	3%
Doreen	991-4000.4802 RESIDENTIAL BULK SAL	(1,278,314.00)	(927,821.00)	(350,493.00)	38%
Doreen	991-4000.4812 COMM.& INDUS. SALES	(2,390,010.00)	(2,172,193.00)	(217,817.00)	10%
Doreen	993-4000.4802 RESIDENTIAL SALES -	(663,348.00)	(564,514.00)	(98,834.00)	18%
Doreen	993-4000.4812 COMM & INDUS. SALES	(366,915.00)	(281,415.00)	(85,500.00)	30%
Doreen	995-4000.4812 COMM.& INDUS. SALES	(1,222,412.00)	(1,053,109.00)	(169,303.00)	16%
	12 Propane revenue	(5,920,999.00)	(4,999,052.00)	(921,947.00)	18%
Cindy	141-4150.2 GROSS SALES-MERCHAND	(264,046.00)	(360,503.00)	96,457.00	-27%
Cindy	143-4150.1 GROSS SALES - MERCHA	(500,422.00)	(600,600.00)	100,178.00	-17%
Cindy	945-4150.1 GROSS SALES - MERCHA	(249,594.00)	(399,254.00)	149,660.00	-37%
Cindy	141-4150.391 FUEL LINE REVENUE	(214,584.00)	(315,174.00)	100,590.00	-32%
	14 Sales M & J	(1,228,646.00)	(1,675,531.00)	446,885.00	-27%

Curtis	123-4010.908 CUSTOMER ASSISTANCE	557,192.00	718,147.00	(160,955.00)	-22%
Curtis	121-4010.9061 UNDERRECOVERY:CONSER	(298,804.00)	323,815.00	(622,619.00)	-192%
Curtis	123-4010.9061 UNDERRECOVERY:CONSER	381,735.00	(369,328.00)	751,063.00	-203%
	13 Conservation	640,123.00	672,634.00	(32,511.00)	-5%
Jim	121-4010.8011 COMMODITY OTHER-SYST	20,211,180.00	24,627,795.00	(4,416,615.00)	-18%
Jim	121-4010.8042 COMMODITY PIPELINE-S	299,309.00	406,242.00	(106,933.00)	-26%
Jim	121-4010.8051 UNDER RECOVERY PURCH	1,319,418.00	(1,319,418.00)	2,638,836.00	-200%
Jim	123-4010.8045 DEMAND - SYSTEM SUPP	1,294,113.00	1,144,557.00	149,556.00	13%
Jim	123-4010.8051 UNDER RECOVERY PURCH	1,596,481.00	(1,596,481.00)	3,192,962.00	-200%
	20 Cost of fuel & taxes based on revnue -natural	24,720,501.00	23,262,695.00	1,457,806.00	6%
Curtis	114-4010.557 OTHER EXPENSES	276,458.00	113,618.00	162,840.00	143%
Curtis	115-4010.557 OTHER EXPENSES	373,567.00	123,199.00	250,368.00	203%
Curtis	114-4010.5551 UNDER REC:FUEL ADJ,	86,191.00	(41,268.00)	127,459.00	-309%
Curtis	115-4010.5551 UNDER REC:FUEL ADJ,	(486,474.00)	112,543.00	(599,017.00)	-532%
	22 Cost of fuel & taxes based on revenue - elect	249,742.00	308,092.00	(58,350.00)	-19%
Cindy	991-4010.800 COST OF GAS SOLD	4,337,568.00	3,660,680.00	676,888.00	18%
Cindy	993-4010.800 COST OF GAS SOLD	977,084.00	840,480.00	136,604.00	16%
Cindy	995-4010.800 COST OF GAS SOLD	1,452,274.00	1,276,861.00	175,413.00	14%
Cindy	996-4010.800 COST OF GAS SOLD	651,543.00	521,852.00	129,691.00	25%
	23 Cost of fuel & taxes based on revenue - propa	7,418,469.00	6,299,873.00	1,118,596.00	18%
Claudette	114-4010.903 CUSTOMER RECORDS/COL	244,907.00	351,847.00	(106,940.00)	-30%
Claudette	114-4010.904 UNCOLLECTIBLE ACCOUN	84,740.00	1,182.00	83,558.00	7069%
Claudette	115-4010.903 CUSTOMER RECORDS/COL	252,392.00	393,914.00	(141,522.00)	-36%
Melanie	121-4010.878 METER & HOUSE REGULA	1,050,627.00	954,534.00	96,093.00	10%
Melanie	121-4010.903 CUSTOMER RECORDS & C	519,083.00	718,413.00	(199,330.00)	-28%
Melanie	123-4010.903 CUSTOMER RECORDS & C	342,642.00	461,930.00	(119,288.00)	-26%
Melanie	114-4010.9031 CUSTOMER RECORDS/COL	121,958.00	-	121,958.00	100%
Melanie	115-4010.9031 CUST RECORDS/COLLCTN	138,192.00	-	138,192.00	100%
Melanie	121-4010.9031 CUST RECORDS/CLLCTN	284,546.00	-	284,546.00	100%
Melanie	121-4010.9121 SELLING EXPENSES	855,831.00	625,253.00	230,578.00	37%
Melanie	121-4010.9162 MISC SALES EXP-PROMO	60,503.00	154,717.00	(94,214.00)	-61%
Melanie	123-4010.9031 CUST RECORDS/CLLCTN	154,464.00	-	154,464.00	100%
	24 Operating expenses	4,109,885.00	3,661,790.00	448,095.00	12%
Audra	121-4080.2 STATE GROSS RECEIPTS	1,488,116.00	1,080,694.00	407,422.00	38%
Audra	123-4080.2 STATE GROSS RECEIPTS	559,800.00	465,383.00	94,417.00	20%
Melanie	121-4080.11 FRANCHISE TAX	1,184,008.00	735,044.00	448,964.00	61%
	26 Gross Receipts and Franchise Taxes	3,231,924.00	2,281,121.00	950,803.00	42%
Beth	115-4090.2 I/T -STATE - UTIL O	11,405.00	155,644.00	(144,239.00)	-93%
Beth	121-4090.2 I/T-STATE-UTIL OPERA	332,536.00	161,229.00	171,307.00	106%
Beth	123-4090.2 I/T-STATE-UTIL OPERA	159,768.00	(91,651.00)	251,419.00	-274%
	86 I/T State Taxes	503,709.00	225,222.00	278,487.00	124%
Beth	114-4100.1 DEFERRED I/T-FEDERAL	(157,073.00)	(301,205.00)	144,132.00	-48%
Beth	115-4100.1 DEFERRED I/T-FEDERAL	134,532.00	(575,723.00)	710,255.00	-123%
Beth	115-4100.2 DEFERRED I/T-STATE	23,030.00	(98,553.00)	121,583.00	-123%
Beth	121-4100.1 DEFERRED I/T-FEDERAL	(1,114,004.00)	(174,223.00)	(939,781.00)	539%
Beth	121-4100.2 DEFERRED I/T-STATE-U	(190,698.00)	(29,836.00)	(160,862.00)	539%
Beth	123-4100.1 DEFERRED I/T-FEDERAL	(507,304.00)	929,665.00	(1,436,969.00)	-155%
Beth	123-4100.2 DEFERRED I/T-STATE-U	(86,837.00)	159,138.00	(245,975.00)	-155%
Beth	100-4269.4101 DEFERRED TAX FED-OTH	5,746.00	(96,245.00)	101,991.00	-106%
	82 Deferred income taxes	(1,892,608.00)	(186,982.00)	(1,705,626.00)	912%
Cindy	945-4160.1 COST OF MERCHANDISE	175,529.00	255,254.00	(79,725.00)	-31%
Cindy	141-4160.29 DIRECT COST INSTALL	346,422.00	667,504.00	(321,082.00)	-48%
Cindy	141-4160.42 UNCOLLECTIBLE ACCOUN	100,121.00	13,595.00	86,526.00	636%
Cindy	141-4160.391 FUEL LINE EXPENSE	166,939.00	441,403.00	(274,464.00)	-62%
	28 Cost and expenses - M & J	789,011.00	1,377,756.00	(588,745.00)	-43%

Nadira	115-4010.920 ADM & GENERAL SALARI	557,490.00	477,814.00	79,676.00	17%
Nadira	121-4010.920 ADMINISTRATIVE & GEN	896,832.00	747,881.00	148,951.00	20%
Nadira	121-4010.924 PROPERTY INSURANCE	173,990.00	47,726.00	126,264.00	265%
	50 General and administrative expenses	1,628,312.00	1,273,421.00	354,891.00	28%
Claudette	115-4020.592 MAINT OF DIST STATIO	70,208.00	164,428.00	(94,220.00)	-57%
Melanie	121-4020.892 MAINTENANCE OF SERVI	(4,982.00)	85,353.00	(90,335.00)	-106%
Melanie	121-4020.935 MAINTENANCE OF GENER	192,164.00	100,115.00	92,049.00	92%
Claudette	114-4020.5932 MAINT OF OVERHEAD CO	605,618.00	709,158.00	(103,540.00)	-15%
Claudette	115-4020.5932 MAINT OF OVERHEAD CO	337,951.00	255,720.00	82,231.00	32%
	52 Maintenance distribution expense	1,200,959.00	1,314,774.00	(113,815.00)	-9%
Beth	121-4080.1 AD VALOREM TAXES	752,322.00	668,416.00	83,906.00	13%
	55 Taxes other than income taxes	752,322.00	668,416.00	83,906.00	13%
Jim	115-4030.1 DEPRECIATION EXPENSE	1,504,419.00	1,318,759.00	185,660.00	14%
	60 Depreciation expense	1,504,419.00	1,318,759.00	185,660.00	14%
Audra	100-4300.1 INTEREST ON DEBT TO	(746,566.00)	(499,438.00)	(247,128.00)	49%
Audra	900-4300.1 INTEREST ON DEBT TO	746,566.00	499,438.00	247,128.00	49%
	72 Interest expenses	-	-		
Beth	114-4090.1 I/T -FEDERAL- UTIL O	478,743.00	602,209.00	(123,466.00)	-21%
Beth	115-4090.1 I/T -FEDERAL- UTIL O	68,329.00	909,347.00	(841,018.00)	-92%
Beth	121-4090.1 I/T-FEDERAL-UTIL OPE	1,945,476.00	941,868.00	1,003,608.00	107%
Beth	123-4090.1 I/T-FEDERAL-UTIL OPE	933,743.00	(534,936.00)	1,468,679.00	-275%
Beth	991-4090.1 I/T-FEDERAL-UTIL OPE	132,166.00	278,089.00	(145,923.00)	-52%
	80 Income tax expense (benefit)	3,558,457.00	2,196,577.00	1,361,880.00	62%
Audra	100-2370.1 INTEREST ACCRUED-LON	(426,308.00)	(683,183.00)	256,875.00	-38%
	II Accrued Interest expense	(426,308.00)	(683,183.00)	256,875.00	-38%
		18,821,479.00	15,068,643.37	3,752,835.63	25%

5

Florida Public Utilities
Balance Sheet and Profit & Loss
Analytical Comments
Y/e 12.31.2006

Variances $77,250 & 10%

	Account	2006	2005	Amount Changed	%
Nadira	121-1730.1 UNBILLED REVENUES	796,384.00	706,499.00	89,885.00	13%
	C2 Unbilled Receivables	796,384.00	706,499.00	89,885.00	13%
Nadira	121-1820.32 REGULATORY ASSETS-ST	270,039.00	452,327.00	(182,288.00)	-40%
	J Regulatory asset - environmental	270,039.00	452,327.00	(182,288.00)	-40%
Nadira	100-2280.201 ACCR'D LIABILITY INS	(181,443.00)	(296,132.00)	114,689.00	-39%
	EE Accrued Insurance	(181,443.00)	(296,132.00)	114,689.00	-39%
Nadira	100-2280.31 PENSIONS RESERVE	(1,760,783.00)	(721,331.00)	(1,039,452.00)	144%
	SS Storm Reserve	(1,760,783.00)	(721,331.00)	(1,039,452.00)	144%
Nadira	121-4000.4953 UNBILLED REVENUES	(89,885.00)	248,994.00	(338,879.00)	-136%
Nadira	115-4000.4563 UNBILLED REVENUES	(11,649.00)	86,435.00	(98,084.00)	-113%
Nadira	115-4010.920 ADM & GENERAL SALARIES	557,490.00	477,814.00	79,676.00	17%
Nadira	121-4010.920 ADMINISTRATIVE & GEN	896,832.00	747,881.00	148,951.00	20%
Nadira	121-4010.924 PROPERTY INSURANCE	173,990.00	47,726.00	126,264.00	265%
	50 General and administrative expenses	1,628,312.00	1,273,421.00	354,891.00	28%

Pg. 2 of 2

This increased due to higher cumulative unbilled units recorded for 2006
This increased due to higher cumulative unbilled units recorded for 2006
Reduced by Storm Charges recovered from customers per Order PSC--05-1040 effective since 12/05
Reduced by Storm Charges recovered from customers per Order PSC--05-1040 effective since 12/05
There were $115K of general and auto liability paid claims in 2006 against the accruals
There were $115K of general and auto liability paid claims in 2006 against the accruals
Net of accrued liability of $1,289,452 per AON's estimate for 06 pension reserve and paid in $250,000 on 8/06
Net of accrued liability of $1,289,452 per AON's estimate for 06 pension reserve and paid in $250,000 on 8/06
This change is mainly due to higher number of unbilled days 392days in 2006 vs 372days in 2005 and a 1% higher unaccounted units in '06
This change is mainly due to an adj in Mar and Jun. Unbilled units were reduced by an adj to GSLD
and Unaccounted for %age to reflect a $29K change to Unbilled revenue. The rest is due to higher unbilled days in 2006
Also, in Dec. 2005, there was a $52K year end adjustment to correct 2005
920 increased 17% due to merit increases and additional Payroll for a FT HR and IT personnel
920 increased 20% due to merit increases and additional Payroll for a FT HR and IT personnel
Higher due to 40% of Storm recovery surcharges posted here per Order PSC--05-1040 effective since 12/05 JE19
Increased due merit increases, additional Payroll for a FT HR and IT personnel, and Exe. Insentives

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Files Currently on the CD

Name	Size	Type	Date Modified	Location
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Clara Leider

From: Cox Doreen
Sent: Tuesday, May 01, 2007 11:09 AM
To: 'JGibbons@bdo.com'
Cc: Bachman George; Khojasteh Mehrdad; Lundgren April; Martin Cheryl
Subject: BOA & AMBAC Covenant Mar 2007
Attachments: Covenants-MAR 2007.xls

Jackie
The AMBAC and BOA Covenant Worksheets as requested. Please let me know if you have any questions, or need any additional information.
Regards,
Doreen
(561) 838-1797

FLORIDA PUBLIC UTILITIES
AMBAC ASSURANCE CAPITALIZATION RATIO WORKSHEET

March 2007

CAPITALIZATION RATIO	$	$	
CONSOLIDATED INDEBTEDNESS			
i Indebtedness for Borrowed Money / Deferred Purchase Price of Property (other than trade payables incurred in the ordinary course of business)			
ii Notes, Bonds, Debentures & Other Instruments	52,938,000		A1
iii Obligations for Conditional Sale or Title Retention Agreements	-		
iv Amounts available to be drawn under all Letters of Credit	9,785,000		A2
v Liabilities secured by any lien on any Property	-		
vi Liabilities in respect of any obligation (contingent or otherwise) to purchase, redeem, retire, acquire or make any other payment in respect of any shares of equity securities, or any option, warrant or other right to acquire any shares of equity securities.	-		
vii Monetary obligations under capital leases	-		
viii Any guarantee obligation in respect of Indebtedness of others.	-	62,723,000	
CONSOLIDATED INDEBTEDNESS			
CONSOLIDATED NET WORTH			
i Stockholders' Equity	48,935,000		A3
ii Preferred Stock	600,000	49,535,000	A4
CONSOLIDATED NET WORTH			
CONSOLIDATED TOTAL CAPITALIZATION		112,258,000	

CAPITALIZATION RATIO

CONSOLIDATED NET WORTH / CONSOLIDATED TOTAL CAPITALIZATION		49,535,000 / 112,258,000
REQUIRED PERCENTAGE OF CONSOLIDATED TOTAL CAPITALIZATION	= > 35%	44%

PREPARED BY:	Doreen Cox	4/30/2007
CHECKED BY:	April Lundgren	4/30/2007
APPROVED BY:	Mehrdad Khojasteh	5/1/2007

FLORIDA PUBLIC UTILITIES
BANK OF AMERICA LOC COVENANT CALCULATION WORKSHEET
IN THOUSANDS

FIXED CHARGE COVERAGE [B]

	12 Months Ending Mar-2007	
Revenue	129,657	B1
Gross Profit	48,129	B2
Net Income after Taxes	3,746	B3
Add: Interest Expense	4,563	B4
Dep'n & Amort Expense	7,836	B5
Lease / Rent Expense	-	
Plus / (Minus) the change in the value of any Interest Rate Protection Agreeme	-	
EBITDAR	16,145	
Divide by:		
Current Maturities of LTD	-	
Current Maturities of Capital Leases	-	
Interest Expense	4,563	B4
Lease / Rent Expense	-	
	4,563	

FIXED CHARGE COVERAGE RATIO **3.54**

BOA REQUIREMENT >= 1.25

TOTAL LIABILITIES TO TANGIBLE NET WORTH [C]

Total Liabilities	134,367	C1
Divide by:		
Total Net Worth	49,535	C2
Less: Intangibles	6,771	C3
Equals: Tangible Net Worth (per GAAP)	42,764	

TOTAL LIAB / TANGIBLE NET WORTH RATIO **3.14**

BOA REQUIREMENT:

AFTER 12/31/2004 <4.00

PREPARED BY:	Doreen Cox	4/30/2007
CHECKED BY:	April Lundgren	4/30/2007
APPROVED BY:	Mehrdad Khojasteh	5/1/2007

AMBAC ASSURANCE CAPITALIZATION RATIO WORKSHEET

3/31/2007

			Check	Source	REF
CONSOLIDATED INDEBTEDNESS					
Notes, Bonds, Debentures & Other Instruments					
Long-term debt	$	50,723,000		CONSOLIDATED BALANCE SHEETS	AR
Line-of-Credit	$	2,215,000		CONSOLIDATED BALANCE SHEETS	AU
	$	52,938,000	$ -		**A1**
Amounts available to be drawn under all Letters of Credit					
Available under LOC	$	12,000,000		BOA LOC AGREEMENT	
Less LOC Balance	$	(2,215,000)		CONSOLIDATED BALANCE SHEETS	AU
	$	9,785,000	$ -		**A2**
CONSOLIDATED NET WORTH					
Stockholders' Equity	$	48,935,000		CONSOLIDATED BALANCE SHEETS	AP
Preferred Stock	$	600,000		CONSOLIDATED BALANCE SHEETS	AQ
	$	49,535,000	$ -		**A4**

BANK OF AMERICA LOC COVENANT CALCULATION WORKSHEET

12 Months Ending
3/31/2007

FIXED CHARGE COVERAGE		Check	Source	REF
TOTAL OPERATING REVENUE	$ 129,657	$ -	Income Statement	B1
Gross Profit	$ 48,129	$ -	Income Statement	B2
NET INCOME EXCL DISC OP	$ 3,746	$ 0	Income Statement	B3
Add: Interest Expense	$ 4,563	$ 0	Income Statement	B4
Depreciation	$ 6,240		Income Statement	
Amortization	$ 1,596		Income Statement	
	$ 7,836	$ 0		B5

TOTAL LIABILITIES TO TANGIBLE NET WORTH

CAPITALIZATION AND LIABILITIES		$ 183,902		CONSOLIDATED BALANCE SHEETS	BW
Less	Common shareholders' equity	$ (48,935)		CONSOLIDATED BALANCE SHEETS	AP
	Preferred stock	$ (600)		CONSOLIDATED BALANCE SHEETS	AQ
		$ 134,367	$ -		C1
Total Net Worth					
	Common shareholders' equity	$ 48,935		CONSOLIDATED BALANCE SHEETS	AP
	Preferred stock	$ 600		CONSOLIDATED BALANCE SHEETS	AQ
		$ 49,535	$ -		C2
Intangibles					
	Goodwill	$ 2,405		CONSOLIDATED BALANCE SHEETS	T
	Intangible assets (net)	$ 4,366		CONSOLIDATED BALANCE SHEETS	U
		$ 6,771	$ -		C3

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED BALANCE SHEETS
(dollars in thousands)
AS OF

	December 31, 2007		REF	2006		Expl Notes
ASSETS						
Utility Plant						
Natural gas	$ 96,841		B	$ 89,835	8%	
Electric	73,592		A	70,084	5%	
Propane gas	17,464		B	15,500	13%	
Common	3,736		C	3,859	-3%	
Total	191,633		D	179,278	7%	
Less accumulated depreciation	61,114		E	56,217	9%	
Net utility plant	130,519		F	123,061	6%	
Current Assets						
Cash	2,073	9	H	695	198%	1
Acounts receivable	12,947	58	K	15,780	-18%	2
Notes Recievable	288	1	L	299	-4%	
Unbilled receivable	1,684	7	S	1,918	-12%	
Allowance for Uncollectible Acc	(426)	(2)	M	(272)	57%	
Inventories (at average or unit	3,883	17	P	3,781	3%	
Prepaid expenses	692	3	Q	951	-27%	3
Prepayments income tax	-	-		1,159	-100%	4
Under recovery of fuel	1,010	4	AD	3,375	-70%	5
Under recovery of conservation	-			-		
Deferred Income Taxes- Curren	**319**	13				
Total current assets	22,470	112		27,686	-19%	
Other Assets						
Investments held for environme	3,375	2	J	3,258	4%	
Regulatory assets - storm reser	207	0	AC	452	-54%	6
Regulatory assets - environmen	8,121	4	AB	8,868	-8%	
Regulatory assets - retirement p	587					
Restricted bond proceeds	-	-		-		
Other long term investments	5,472	3	O	5,794	-6%	
Deferred charges	6,380	3	G,W,Y,Z,AA,AF	6,751	-5%	
Unamortized debt discounts	-	-	V	-	#DIV/0!	
Goodwill	2,405	1	T	2,405	0%	
Intangible assets (net)	4,366	2	U	4,391	-1%	
Total other assets	30,913			31,919	-3%	
Total	$ 183,902		AI	$ 182,666	1%	
CAPITALIZATION AND LIABILITIES						
Capitalization						
Common shareholders' equity	$ 48,935		AP	$ 45,503	8%	
Preferred stock	600		AQ	600	0%	
Long-term debt	50,723		AR	50,620	0%	
Total capitalization	100,258		AS	96,723	4%	
Current Liabilities						
Line-of-Credit	**2,215**	7	AU	9,558	-77%	7
Accounts payable	**9,483**	28	AV	13,166	-28%	8
Insurance accrued	110	0	BD	296	-63%	
Interest accrued	1,208	4	AZ	1,014	19%	9
Other accruals and payables	2,133	6	AY,BA,BB,BC,B F,BR	1,984	8%	10
Taxes accrued	3,389	10		1,512	124%	11
Deferred income tax- current	-	-		1,066	-100%	12
Over recovery of fuel costs	3,420	10	BJ	-	#DIV/0!	13
Over recovery of other pass thr	790	2	BK	24	3192%	14
Earnings obligation	675	2	BE	700	-4%	
Customer deposits	10,152	30	AK	8,851	15%	
Liabilities held for sale - water d	-	-		-		
Total current liabilities	33,575	100		38,171	-12%	
Other Liabilities						
Deferred income taxes	**16,386**	9	BV-59	17,568	-7%	
Unamortized investment tax cre	318	0	BQ	411	-23%	
Environmental liability	13,728	7	BL	14,001	-2%	
Regulatory liability - Cost of rem	8,954	5	BN	8,256	8%	
Regulatory tax liabilities	876	0	BS	991	-12%	
Long term medical and pension	5,335	3	BD	2,663	100%	15
Customer advances for constru	2,805	2	BP	2,346	20%	
Storm damage reserve	1,667	1	BM	1,536	9%	
Total other liabilities	50,069			47,772		
Total	$ 183,902		BW	$ 182,666		

See Notes to Consolidated Financial Statements.

CONFIDENTIAL FLORIDA PUBLIC UTILITIES PAGE 1
INTERNAL USE ONLY CONSOLIDATED SUMMARY 4/26/2007 17:07:33
MAR 2007

CONSOLIDATED SUMMARY DESCRIPTION	CURRENT MONTH ACTUAL	&RUNDATE BUDGET	&RUNTIME PRIOR YE	YEAR TO DATE ACTUAL	BUDGET	PRIOR YEA	12 MONTHS ENDED CURRENT	PRIOR
BASE REVENUE	3200465	3095600	3028972	9491758	9771500	9591174	33163141	33134941
UNBILLED REVENUE (FPU	-213233	5000	-27658	-295127	15000	-191244	3465	-221755
PROV FOR RATE REFUND	46400	0	0	46400	0	0	25000	-731709
GR & FRANC. TAX	637543	658900	643146	2031845	2102050	2093681	6810882	6370241
TOTAL SALES	3671175	3759500	3644460	11274876	11888550	11493611	40002488	38551718
OTHER REVENUES	281849	268430	261304	923642	941490	932036	3072696	3022303
PROPANE GROSS PROFIT	781341	691863	710028	2333506	2268332	2313240	6944564	7160122
OTHER REVENUES TRANS.	398978	381400	389397	1141781	1151900	1183868	4159822	4336034
OTHER REVENUES OSS &	61510	61792	63301	184529	185376	189903	738116	759611
TOTAL OTHER REVENUES	1523678	1403485	1424030	4583458	4547098	4619047	14915198	15278070
TOTAL BASE REVENUES	5194853	5162985	5068490	15858334	16435648	16112658	54917686	53829788
FUEL REVENUE	7398930	8450850	9011841	21818555	27133350	28407656	73411504	82891957
OVERREC-FUEL & CONSER	-43537	-626463	-2009806	2156	-1942122	-2105892	-1488833	-1491410
CONSERVATION REVENUE	316932	298700	287475	932742	956900	933715	2816175	2702282
TOTAL FUEL & CONSER REV	7672325	8123087	7289510	22753453	26148128	27235479	74738846	84102829
TOTAL OPERATING REVENUE	12867178	13286072	12358000	38611787	42583776	43348137	129656532	137932617
OPERATING EXPENSES:								
FUEL COST	7428436	7798287	7019638	22230400	25108528	26376387	72381779	81052058
CONSERV EXP & UNDERRE	239697	298500	239479	505974	954400	742867	2334903	2779628
A & G OPERATING EXP	896097	933665	804989	2404361	2497285	2270687	9042704	8594287
CUSTOMER ACCOUNTS EXP	413942	373075	393108	1203479	1107245	1093418	4654705	4191627
SALES EXPENSE	253616	237612	281961	731477	709496	676737	2996030	2880291
OTHER OPERATING	660428	640265	690578	1958329	1934245	1885953	7712227	7684674
MAINTENANCE	329719	282120	389606	875266	843550	877876	3481667	3600181
DEPRECIATION	535778	534552	507867	1612846	1598497	1523351	6239824	5830539
AMORTIZATION	155158	122831	140369	459416	367578	454823	1595782	1574236
TOTI (EX. GR & FT)	317691	272105	272235	860262	816315	824277	3020806	2895983
GR & FRANCH TAX	637157	658900	632160	2032212	2102050	2093605	6810387	6368849
INCOME TAXES	233484	275971	225680	955296	1252114	1237211	1704410	2098682
TOTAL OPERATING EXP	12101203	12427883	11597670	35829318	39291303	40057192	121975224	129551035
OPERATING INC EX TAXES	999459	1134160	986010	3737765	4544587	4528156	9385718	10480264
INCOME FROM OPERATIONS	765975	858189	760330	2782469	3292473	3290945	7681308	8381582
OTHER INCOME(EXP)--PG	80665	68600	30903	256129	212342	191820	902897	491302
INC TAXES-OTHER(EXP)	-23700	-17976	-4100	-73400	-56390	-48700	-275745	-116055
INTEREST(EXPENSE)--PG	-376692	-390296	-389053	-1167188	-1183793	-1213148	-4562585	-4640771
NET INC EXCLUDING IT	703432	812464	627860	2826706	3573136	3506828	5726030	6330795
NET INCOME	446248	518517	398080	1798010	2264632	2220917	3745875	4116058
NET INCOME EXCL DISC OP	446248	518517	398080	1798010	2264632	2220917	3745875	4116058
PREFERRED STOCK DIV	2375	2375	2375	7125	7125	7125	28500	28500
AVAIL FOR COMMON STOCK	443873	516142	395705	1790885	2257507	2213792	3717375	4087558
AVER SHARES OUTSTANDING	6024739	6022708	5980037	6024739	6022708	5980037	6004764	5962504
EARNINGS PER SHARE	0.07	0.09	0.07	0.3	0.37	0.37	0.62	0.69
EPS EXCLUDING DISC OPS	0.07	0.09	0.07	0.3	0.37	0.37	0.62	0.69
OPERATING MARGIN	56	57	55	59	61	62	55	55
ACTIVE CUSTOMERS	96302	95955	94974	96068	95700	94591	95264	93446
GROSS PROFIT excl disc	4561888	4530385	4466723	13843201	14418798	14135278	48129463	47732082

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Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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Clara Leider

From:	Cox Doreen
Sent:	Wednesday, February 14, 2007 4:48 PM
To:	'dbuschmann@bdo.com'
Cc:	Bachman George; Hoyt Brian; Khojasteh Mehrdad; Martin Cheryl
Subject:	Covenants-DEC 2006.xls
Attachments:	Covenants-DEC 2006.xls

Dale:
AMBAC and BOA Covenant Worksheets for December 2006 attached as requested. I'll provided you with copies of the signed originals shortly.
Regards,
Doreen
(561) 838-1797

FLORIDA PUBLIC UTILITIES
AMBAC ASSURANCE CAPITALIZATION RATIO WORKSHEET

December 2006

CAPITALIZATION RATIO

	$	$	
CONSOLIDATED INDEBTEDNESS			
i Indebtedness for Borrowed Money / Deferred Purchase Price of Property (other than trade payables incurred in the ordinary course of business)			
ii Notes, Bonds, Debentures & Other Instruments	54,168,000		A1
iii Obligations for Conditional Sale or Title Retention Agreements	-		
iv Amounts available to be drawn under all Letters of Credit	8,534,000		A2
v Liabilities secured by any lien on any Property	-		
vi Liabilities in respect of any obligation (contingent or otherwise) to purchase, redeem, retire, acquire or make any other payment in respect of any shares of equity securities, or any option, warrant or other right to acquire any shares of equity securities.	-		
vii Monetary obligations under capital leases	-		
viii Any guarantee obligation in respect of Indebtedness of others.	-	62,702,000	
CONSOLIDATED INDEBTEDNESS			
CONSOLIDATED NET WORTH			
i Stockholders' Equity	47,771,000		A3
ii Preferred Stock	600,000	48,371,000	A4
CONSOLIDATED NET WORTH			
CONSOLIDATED TOTAL CAPITALIZATION		111,073,000	

CAPITALIZATION RATIO

$$\frac{\text{CONSOLIDATED NET WORTH}}{\text{CONSOLIDATED TOTAL CAPITALIZATION}} \qquad \frac{48,371,000}{111,073,000}$$

REQUIRED PERCENTAGE OF CONSOLIDATED TOTAL CAPITALIZATION	= > 35%	44%

PREPARED BY:	Doreen Cox	2/13/2007
CHECKED BY:	Brian Hoyt	2/14/2007
APPROVED BY:	George Bachman	2/14/2007

FLORIDA PUBLIC UTILITIES
BANK OF AMERICA LOC COVENANT CALCULATION WORKSHEET
IN THOUSANDS

FIXED CHARGE COVERAGE [B]

	12 Months Ending Dec-2006	
Revenue	134,235	B1
Gross Profit	48,264	B2
Net Income after Taxes	4,264	B3
Add: Interest Expense	4,609	B4
Dep'n & Amort Expense	7,742	B5
Lease / Rent Expense	-	
Plus / (Minus) the change in the value of any Interest Rate Protection Agreeme	-	
EBITDAR	16,614	
Divide by:		
Current Maturities of LTD	-	
Current Maturities of Capital Leases	-	
Interest Expense	4,609	B4
Lease / Rent Expense	-	
	4,609	

FIXED CHARGE COVERAGE RATIO 3.61

BOA REQUIREMENT >= 1.25

TOTAL LIABILITIES TO TANGIBLE NET WORTH [C]

Total Liabilities	130,775	C1
Divide by:		
Total Net Worth	48,371	C2
Less: Intangibles	6,810	C3
Equals: Tangible Net Worth (per GAAP)	41,561	

TOTAL LIAB / TANGIBLE NET WORTH RATIO 3.15

BOA REQUIREMENT:

AFTER 12/31/2004 <4.00

PREPARED BY:	Doreen Cox	2/13/2007
CHECKED BY:	Brian Hoyt	2/14/2007
APPROVED BY:	George Bachman	2/14/2007

AMBAC ASSURANCE CAPITALIZATION RATIO WORKSHEET

12/31/2006

			Check	Source	REF
CONSOLIDATED INDEBTEDNESS					
Notes, Bonds, Debentures & Other Instruments					
Long-term debt	$	50,702,000		CONSOLIDATED BALANCE SHEETS	AR
Line-of-Credit	$	3,466,000		CONSOLIDATED BALANCE SHEETS	AU
	$	54,168,000	$ -		**A1**
Amounts available to be drawn under all Letters of Credit					
Available under LOC	$	12,000,000		BOA LOC AGREEMENT	
Less LOC Balance	$	(3,466,000)		CONSOLIDATED BALANCE SHEETS	AU
	$	8,534,000	$ -		**A2**
CONSOLIDATED NET WORTH					
Stockholders' Equity	$	47,771,000		CONSOLIDATED BALANCE SHEETS	AP
Preferred Stock	$	600,000		CONSOLIDATED BALANCE SHEETS	AQ
	$	48,371,000	$ -		**A4**

BANK OF AMERICA LOC COVENANT CALCULATION WORKSHEET

12 Months Ending
12/31/2006

FIXED CHARGE COVERAGE		Check	Source	REF
TOTAL OPERATING REVENUE	$ 134,235	$ -	Income Statement	B1
Gross Profit	$ 48,264	$ -	Income Statement	B2
NET INCOME EXCL DISC OP	$ 4,264	$ -	Income Statement	B3
Add: Interest Expense	$ 4,609	$ -	Income Statement	B4
Depreciation	$ 6,150		Income Statement	
Amortization	$ 1,591		Income Statement	
	$ 7,742	$ -		B5

TOTAL LIABILITIES TO TANGIBLE NET WORTH				
CAPITALIZATION AND LIABILITIES	$ 179,146		CONSOLIDATED BALANCE SHEETS	BW
Less Common shareholders' equity	$ (47,771)		CONSOLIDATED BALANCE SHEETS	AP
Preferred stock	$ (600)		CONSOLIDATED BALANCE SHEETS	AQ
	$ 130,775	$ -		C1
Total Net Worth				
Common shareholders' equity	$ 47,771		CONSOLIDATED BALANCE SHEETS	AP
Preferred stock	$ 600		CONSOLIDATED BALANCE SHEETS	AQ
	$ 48,371	$ -		C2
Intangibles				
Goodwill	$ 2,405		CONSOLIDATED BALANCE SHEETS	T
Intangible assets (net)	$ 4,405		CONSOLIDATED BALANCE SHEETS	U
	$ 6,810	$ -		C3

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED BALANCE SHEETS
(dollars in thousands)
AS OF

	2006		December 31, REF	2005		Expl Notes
ASSETS						
Utility Plant						
Natural gas	$ 95,393		B	$ 89,835	6%	
Electric	72,776		A	70,084	4%	
Propane gas	17,153		B	15,500	11%	
Common	3,646		C	3,859	-6%	
Total	188,968		D	179,278	5%	
Less accumulated depreciation	59,757		E	56,217	6%	
Net utility plant	129,211		F	123,061	5%	
Current Assets						
Cash	84	0	H	695	-88%	1
Acounts receivable	12,199	63	K	14,997	-19%	2
Notes Recievable	298	2	L	299	0%	
Unbilled receivable	1,957	10	S	1,918	2%	
Allowance for Uncollectible Acc	(429)	(2)	M	(272)	58%	
Inventories (at average or unit c	4,120	21	P	3,781	9%	
Prepaid expenses	962	5	Q	951	1%	3
Prepayments income tax	98	1		1,159	-92%	4
Under recovery of fuel	-	-	AD	3,375	-100%	5
Under recovery of conservation	-			-		
Deferred Income Taxes- Current	-	-				
Total current assets	19,289	100		26,903	-28%	
Other Assets						
Investments held for environmer	3,364	2	J	3,258	3%	
Regulatory assets - storm reser	270	0	AC	452	-40%	6
Regulatory assets - environmen	8,284	5	AB	8,868	-7%	
Other long term investments	5,740	3	O	5,794	-1%	
Deferred charges	6,178	3	G,W,Y,Z,AA,AF	6,751	-8%	
Unamortized debt discounts	-	-	V	-	#DIV/0!	
Goodwill	2,405	1	T	2,405	0%	
Intangible assets (net)	4,405	2	U	4,391	0%	
Total other assets	30,646			31,919	-4%	
Total	$ 179,146		AI	$ 181,883	-2%	
CAPITALIZATION AND LIABILITIES						
Capitalization						
Common shareholders' equity	$ 47,771		AP	$ 45,503	5%	
Preferred stock	600		AQ	600	0%	
Long-term debt	50,702		AR	50,620	0%	
Total capitalization	99,073		AS	96,723	2%	
Current Liabilities						
Line-of-Credit	3,466	11	AU	9,558	-64%	7
Accounts payable	10,279	32	AV	13,166	-22%	8
Insurance accrued	181	1	BD	296	-39%	
Interest accrued	789	2	AZ	1,014	-22%	9
Other accruals and payables	2,034	6	AY,BA,BB,BC,BF,BR	1,984	3%	10
Taxes accrued	1,158	4		1,512	-23%	11
Deferred income tax- current	698	2		1,066	-35%	12
Over recovery of fuel costs	2,475	8	BJ	-	#DIV/0!	13
Over recovery of other pass thrc	355	1	BK	24	1379%	14
Earnings obligation	880	3	BE	700	26%	
Customer deposits	9,608	30	AK	8,068	19%	
Total current liabilities	31,923	100		37,388	-15%	
Other Liabilities						
Deferred income taxes	16,224	9	BV-59	17,568	-8%	
Unamortized investment tax cre	335	0	BQ	411	-18%	
Environmental liability	13,753	8	BL	14,001	-2%	
Regulatory liability - Cost of rem	8,800	5	BN	8,256	7%	
Regulatory tax liabilities	876	0	BS	991	-12%	
Long term medical and pension	3,819	2	BD	2,663	43%	15
Customer advances for construc	2,707	2	BP	2,346	15%	
Storm damage reserve	1,636	1	BM	1,536	7%	
Total other liabilities	48,150			47,772		
Total	$ 179,146		BW	$ 181,883		

See Notes to Consolidated Financial Statements.

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FLORIDA PUBLIC UTILITIES
CONSOLIDATED SUMMARY
DEC 2006

CONSOLIDATED SUMMARY DESCRIPTION	CURRENT MONTH &RUNDATE &RUNTIME ACTUAL	BUDGET	PRIOR YE	YEAR TO DATE ACTUAL	BUDGET	PRIOR YE	12 MONTHS ENDED CURREN	PRIOR
BASE REVENUE	2916769	3035600	2966318	33262557	33563500	33219455	33262557	33219455
UNBILLED REVENUE (FPU	146515	0	316334	107348	0	-371762	107348	-371762
PROV FOR RATE REFUND	-179500	0	-182000	-179500	0	-731709	-179500	-731709
GR & FRANC. TAX	606602	608400	587798	6872717	6803000	5821413	6872717	5821413
TOTAL SALES	3490386	3644000	3688450	40063122	40366500	37937397	40063122	37937397
OTHER REVENUES	264784	240060	288228	3081089	2804523	2921070	3081089	2921070
PROPANE GROSS PROFIT	654912	716328	791830	6924301	7077919	6841881	6924301	6841881
OTHER REVENUES TRANS.	353215	402300	379036	4201908	4736800	4360155	4201908	4360155
OTHER REVENUES OSS &	61510	61792	63301	743490	741504	763868	743490	763868
TOTAL OTHER REVENUES	1334421	1420480	1522395	14950788	15360746	14886974	14950788	14886974
TOTAL BASE REVENUES	4824807	5064480	5210845	55013910	55727246	52824371	55013910	52824371
FUEL REVENUE	6254443	8471037	7925467	80000607	91991493	74291464	80000607	74291464
OVERREC-FUEL & CONSER	859171	210331	31922	-3596882	-297656	281184	-3596882	281184
CONSERVATION REVENUE	262966	292000	250200	2817148	2997400	2625904	2817148	2625904
TOTAL FUEL & CONSER REV	7376580	8973368	8207589	79220873	94691237	77198552	79220873	77198552
TOTAL OPERATING REVENUE	12201387	14037848	13418434	134234783	150418483	130022923	134234783	130022923
OPERATING EXPENSES:								
FUEL COST	7195219	8652068	7914965	76527070	91394737	74337536	76527070	74337536
CONSERV EXP & UNDERRE	177603	292000	255915	2571796	2997400	2645656	2571796	2645656
A & G OPERATING EXP	793251	912403	895804	8599072	9184110	8422429	8599072	8422429
CUSTOMER ACCOUNTS EXP	507765	422536	350032	4544644	4481870	4126923	4544644	4126923
SALES EXPENSE	297719	226891	405116	2941288	2848630	2815973	2941288	2815973
OTHER OPERATING	707829	634588	903497	7639856	7429430	7515282	7639856	7515282
MAINTENANCE	371331	320018	504448	3484275	3850084	3565963	3484275	3565963
DEPRECIATION	494454	492750	493123	6150330	5913000	5712449	6150330	5712449
AMORTIZATION	144761	135433	144922	1591189	1547020	1554085	1591189	1554085
TOTI (EX. GR & FT)	243927	287600	224862	2984823	3451200	2869374	2984823	2869374
GR & FRANCH TAX	606547	608400	587410	6871781	6803000	5820935	6871781	5820935
INCOME TAXES	105109	228033	42097	2043832	2059532	2177606	2043832	2177606
TOTAL OPERATING EXP	11645515	13212720	12722191	125949956	141960013	121564211	125949956	121564211
OPERATING INC EX TAXES	660981	1053161	738340	10328659	10518002	10636318	10328659	10636318
INCOME FROM OPERATIONS	555872	825128	696243	8284827	8458470	8458712	8284827	8458712
OTHER INCOME(EXP)--PG	67297	69565	27689	838587	660000	466296	838587	466296
INC TAXES-OTHER(EXP)	-18100	-17146	-1809	-251045	-139982	-109255	-251045	-109255
INTEREST(EXPENSE)--PG	-385083	-437263	-404570	-4608545	-4925933	-4567936	-4608545	-4567936
NET INC EXCLUDING IT	343195	685463	361459	6558701	6252069	6534678	6558701	6534678
NET INCOME	219986	440284	317553	4263824	4052555	4247817	4263824	4247817
NET INCOME EXCL DISC OP	219986	440284	317553	4263824	4052555	4247817	4263824	4247817
PREFERRED STOCK DIV	2375	2375	2375	28500	28500	28500	28500	28500
AVAIL FOR COMMON STOCK	217611	437909	315178	4235324	4024055	4219317	4235324	4219317
AVER SHARES OUTSTANDING	6006299	5987328	5963682	5993589	5980478	5952684	5993589	5952684
EARNINGS PER SHARE	0.04	0.07	0.05	0.71	0.67	0.71	0.71	0.71
EPS EXCLUDING DISC OPS	0.04	0.07	0.05	0.71	0.67	0.71	0.71	0.71
OPERATING MARGIN	51	55	49	56	55	55	56	55
ACTIVE CUSTOMERS	95684	95654	93909	94895	94614	92871	94895	92918
GROSS PROFIT excl disc	4222018	4485380	4660144	48264136	49223346	47218796	48264136	47218796

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Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW Balance Sheet (12).msg	43 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Balance Sheet.msg	46 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE999.msg	158 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
JE999.msg	1,067 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Propane Projections - Impairme...	32 KB	HTML Document	10/16/2007 9:25 AM	Files Currently on the...
RE 10q redline and clean versio...	408 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K (2).msg	1,593 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

start · 2 Microsof... · 3 Window... · Case Manag... · Case Manag... · Links · Desktop · 10:33 AM

Friday, Apr 11, 2008 10:33 AM

Clara Leider

From: Martin Cheryl
Sent: Thursday, June 28, 2007 9:47 AM
To: Khojasteh Mehrdad
Cc: Lundgren April
Subject: expense

Where is the amount of bad debt expense we have projected vs what was in 2006? I would like to see those amounts.

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

D:\Exhibit 2.8\KHOJASTEH

Back · Search · Folders

Address D:\Exhibit 2.8\KHOJASTEH

Folders

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Files Currently on the CD

Name	Size	Type	Date Modified	Location
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start · 2 Microsof... · 3 Window... · Case Manag... · Case Manag... · Links · Desktop · 10:34 AM

Friday, Apr 11, 2008 10:34 AM

Clara Leider

From: Martin Cheryl
Sent: Tuesday, January 23, 2007 4:28 PM
To: Khojasteh Mehrdad
Subject: FW: 10 k
Attachments: JE999 Qtr406.XLS

Mehrdad can you check this JE first with the last quarter reclassification entries and see if you agree. I can check afterwards. Also, please assign, I thought we already did, but assign as necessary.

Thanks,

Cheryl Martin
Controller, FPUC
561-838-1725

-----Original Message-----
From: Jennifer Starr [mailto:mstarr@bellsouth.net]
Sent: Tuesday, January 23, 2007 4:26 PM
To: Martin Cheryl
Cc: Khojasteh Mehrdad
Subject: 10 k

Attached is JE 999. The only reclassification that I'm not 100% sure on is the reclass. of water receivable and Jack's Lake. Please double check that one for me. Also, I am working on a copy of the 4th qtr 10k on my PC and when the schedules are ready I will save it back on the P drive so that Nadira can work off it.

The link below is the audit schedules I've been automated. It is a shared file so everyone should be able to work off of it. The BS is not ready yet until the JE999 is in and the Jan 2007 IS variances will not be available until next month. For all the accounts, I put who was responsible for each based on the logs I was given. If someone finds an error as far as who is responsible for what account, just have them over write the formula and enter their name or position name in the appropriate field. That was just used as a guild for who is responsible for what account.

Let me know if you have any questions and also when JE 999 is posted.

Thanks,
Jennifer

\\nas1\P_Drive\Departments & Divisions\Accounting Departments\10Q 10K\2006\4K06\Backup\AUDIT_10k.xls

JOURNAL ENTRY HEADER

BATCH TYPE (M/S)	M	ACCT YEAR	2006	PERIOD	12
JOURNAL NUMBER					
COMPANY	099	BATCH NUMBER			
REFERENCE	999			SOURCE	JE
DESCRIPTION:	10Q			AUTO ACCRUAL?	1

JE DESCRIPTION:	JE# 999
	YR/PD 06/12
RECLASSIFICATION AND	
ELIMINATION ENTRIES FOR 10Q	

ACCOUNT NUMBER	AMOUNT DEBIT	AMOUNT CREDIT	DESCRIPTION	SUBLDG. NUMBER
099.0.0.1860.6		0.00	UNDERRECOVERIES CONSERV	
099.0.0.2530.6	0.00		OVERRECOVERIES CONSERV	
099.0.0.1310.1	36,970.00		CASH	
099.0.0.1350.1		36,970.00	WORKING FUNDS	
099.0.0.1860.2		2,012,129.00	UNDERRECOVERIES FUEL	
099.0.0.2530.2	2,012,129.00		OVERRECOVERIES FUEL	
099.0.0.2820.1	4,248,888.00	0.00	ACCUMULATED DEFERRED IT	
099.0.0.1900.1	0.00	4,248,888.00	ACCUMULATED DEFERRED IT	
099.0.0.2820.1	0.00			
099.2.0.1010.303		0.00		
099.1.0.1010.1	3,690.00		ELEC. PLANT IN SERVICE	
099.2.0.1010.1	1,263,777.00		GAS PLANT IN SERVICE	
099.0.0.1140.1		1,267,467.00	PLANT ACQUISITON ADJ	
099.0.0.1410.1	297,637.00		Current amt of water receivable & jack's lake	
099.0.0.1240.1		297,637.00	Current amt of water receivable & jack's lake	
099.1.0.1080.1	5,032,755.00		Remove COR from Acc Depreciation	
099.2.0.1080.1	3,767,075.00		Remove COR from Acc Depreciation	
099.0.0.2530.4		8,799,830.00	Reclass COR to Liability	
099.0.0.2010.1	10,000.00		COMMON STOCK	
099.0.0.2170.1	0.00		TREASURY STOCK	
099.0.0.1230.1		10,000.00	INVESTMENT IN ASSOC. COMP.	
099.0.0.2340.1	13,297,195.00		INTERCOMPANY PAYABLE	
099.0.0.1460.1		13,297,195.00	INTERCOMPANY RECEIVABLE	
099.0.0.2320.1		0.00	ACCOUNTS PAYABLE	

PAGE		DEBIT	CREDIT
1 OF 2	PAGE TOTALS	29,970,116.00	29,970,116.00
	J.E. TOTALS		

	INITIALS	DATE
PREPARED BY	JS	04/11/08
APPROVED BY		
ENTERED BY		
CHECKED BY		
POSTED BY		

FORM 02-012 12/91

JOURNAL ENTRY HEADER

BATCH TYPE (M/S) M ACCT YEAR 2006 PERIOD 12

JOURNAL NUMBER

COMPANY 099 BATCH NUMBER

REFERENCE 999 SOURCE JE

DESCRIPTION: 10Q AUTO ACCRUAL? 1

JE DESCRIPTION: JE# 999

YR/PD 06/12

RECLASSIFICATION AND
ELIMINATION ENTRIES FOR 10Q

ACCOUNT NUMBER	AMOUNT DEBIT	AMOUNT CREDIT	DESCRIPTION	SUBLDG. NUMBER
099.0.0.1650.1	118,361.00		Prepaid taxes	
099.0.0.2360.1		118,361.00	Taxes Accrued	
099.0.0.2210.1	1,797,719.00		Net unab=mtxd debt dis to LT debt	
099.0.0.1810.1		1,797,719.00	Net unab=mtxd debt dis to LT debt	
099.1420.1	864,902.00		Reclassify credit bal AR to cust deposits	
099.2350.1		864,902.00	Reclassify credit bal AR to cust deposits	
099.2320.1	0.00		Reclassify debit bal AP to AR	
099.1420.1		0.00	Reclassify debit bal AP to AR	
099.1340.1		0.00	Rcls fuel contracts from special dep other to special LT dep	
	0.00			

PAGE		DEBIT	CREDIT
2 OF 2	PAGE TOTALS	2,780,982.00	2,780,982.00
	J.E. TOTALS	32,751,098.00	32,751,098.00

	INITIALS	DATE
PREPARED BY	JS	04/11/08
APPROVED BY		
ENTERED BY		
CHECKED BY		
POSTED BY		

FORM 02-012 12/91

FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2006

REPORT NAME: 10QCONSBS
DATE: 1/23/2007
USER: STARRJ
10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	NOTE	CONSOLIDATEC	NOTES
ASSETS							
UTILITY PLANT:							
ELECTRIC		72772608	0	3,690	A	72,776,298	
NATURAL & BOTTLED GAS		94151175	17142695	1,263,777	A + K	112,557,647	
WATER		0	0	-	K	-	
PLANT ACQUISITION ADJS.	1140	1267467	0	(1,267,467)	A	-	
COMMON PLANT		3646424	0	-		3,646,424	
TOTAL		171837674	17142695	-		188,980,369	
LESS ACCUM. DEPR. & AMORT		-63606893	-4960846	8,799,830	M	(59,767,909)	
NET UTILITY PLANT		108230781	12181849	8,799,830		129,212,460	AA
NET OTHER PLANT	1210,1220	8436	0	-		8,436	HH
INVEST IN ASSOC. CO.	1230	10000	0	(10,000)	C	-	
CURRENT ASSETS:							
CASH	1310	46668	0	36,970	D	83,638	BB
WORKING FUNDS	1350	33700	3270	(36,970)	D	-	
SPEC DEP-OTHER	1320-1340	3364143	0			3,364,143	GG
ACCOUNTS REC	1420-1430,1720	9608544	1731242	864,902	D	12,204,688	CC
NOTES REC	1410	0	0	297,637	L	297,637	
ALLOW FOR UNCOLL ACCTS	1440	-364980	-64399	-		(429,379)	DD
RECEIVABLES ASSOC. COS.	1460	13297195	0	(13,297,195)	E	-	
OTHER INVESTMENTS	1240,1280	5998414	24208	(297,637)	L	5,724,985	FF
MAT & SUPPLY	151,154-156,163	1954014	2159644	-		4,113,658	EE
PREPAYMENTS-INS & PEN	1650	961438	0	-		961,438	FF
PREPAYMENTS - OTHER - I/T		0	692	118,361	G	119,053	FF
UNBILLED REVENUES	1730	1585322	339173	-		1,924,495	CC
TOTAL		36484458	4193830	(12,313,932)		28,364,356	
DEFERRED DEBITS							
GOODWILL	1140.2	552803	1852435	-		2,405,238	HH
SPECIAL LT DEPOSITS	1340.1	0	0			-	
INTANG ASSETS-NET	1010.3031	3360930	986865	-	K	4,347,795	
UNAMORTIZED DEBT EXP	1810	1797719	0	(1,797,719)		-	
PREPAY PENSIONS-RETIRE	1650.3	0	0			-	HH
CLEARING ACCOUNTS	184*	0	0	-		-	HH
TEMPORARY FACILITIES	1850	12836	0	-		12,836	HH
OTHER WORK IN PROGRESS	1860.1	475117	0			475,117	HH
MISC. DEFERRED DEBITS	1860	5472737	0		I	5,472,737	HH
OTHER REG ASSETS-STORM	1820.32	270039	0			270,039	
OTHER REG ASSET-ENVIRON	1820.3	8530991	0			8,530,991	
UNDERREC FUEL	1860.21	2012129	0	(2,012,129)	F	-	II
UNDERREC CON & UNBUND	1860.6&7	0	0	-	J	-	
UNAMORT LOSS/REACQD DEBT	189C	208741	0			208,741	HH
REGULATORY ASSETS	1901	0	0	-		-	
ACCUM DEFERRED INC TAX	1900	4153265	95623	(4,248,888)	H	-	
TOTAL		26847307	2934923	(8,058,736)		21,723,494	
TOTAL ASSETS		171580982	19310602	(11,582,838)		179,308,746	

Pg. 1 of 2

FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2006

REPORT NAME: 10QCONSBS
DATE: 1/23/2007
USER: STARRJ

10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	NOTE	CONSOLIDATEC	NOTES
LIABILITIES							
CAPITALIZATION:							
COMMON STOCK	2010	9250472	10000	(10,000)	C	9,250,472	
PREMIUM ON COMMON	2070	5542986	0	-		5,542,986	
MISC PAID IN CAPITAL	2110	938906	0	-		938,906	
RETAINED EARNINGS	2160	32923887	2424389	-		35,348,276	
CAP STOCK EXP & DIS	2130-2150	-428441	0	-		(428,441)	
TREASURY STOCK	2170	-2841531	0	-	C	(2,841,531)	
COMMON SHARE EQUITY		45386279	2434389	(10,000)		47,810,668	
PREFERRED STOCK - A	2040	600000	0	-		600,000	
LONG TERM DEBT	2210,2240	52500000	0	(1,797,719)		50,702,281	
TOTAL CAPITALIZATION		98486279	2434389	(1,807,719)		99,112,949	
							JJ
CURRENT LIABILITIES:							
L-T DEBT - CURRENT		0	0	-		-	
NOTES PAYABLE	2310	3466000	0	-		3,466,000	
ACCOUNTS PAYABLE	2320	10274531	0	-	D	10,274,531	KK
PAYABLES TO ASSOC CO		0	13297195	(13,297,195)	E	-	LL
CUSTOMER DEPOSITS	2350	8024474	718150	864,902		9,607,526	
TAXES ACCRUED	2360	1824601	-1486355	118,361	G	456,607	QQ
INTEREST ACCRUED	2370	787294	1769	-		789,063	OO
DIVIDENDS DECLARED	2380	652802	0	-		652,802	NN
TAX COLLECTIONS PAYABLE	2410	640490	60737	-		701,227	OO
VACATION PAY ACCRUED	2420	1198162	0	-		1,198,162	OO
INSURANCE ACCRUED	2280	181443	0	-		181,443	OO
RATE REFUND	2420,2290	700000	0	-		700,000	MM
MISC. CURRENT LIABS.	2420	142604	0	-		142,604	OO
INACT DIVIDEND CHECKS	2420.2	0	0	-		-	OO
TOTAL		27892401	12591496	(12,313,932)		28,169,965	
DEFERRED CREDITS:							
OVERREC. FUEL	2530.21	4501485	0	(2,012,129)	F	2,489,356	
OVERREC CON & UNBUND	2530.6&7	355210	0	-	J	355,210	PP
MIS DEF -ENV INS PRO	2530.3	14000006	0		I	14,000,006	
STORM DAMAGE RESERVE	2280.11	1636118	0			1,636,118	TT
COST OF REMOVAL		0	0	8,799,830	M	8,799,830	
MED & PENSION RESERVE	2280.3	3818616	0			3,818,616	
CUST ADVANCES-CONSTR	2520.1	2314703	392376	-		2,707,079	
UNAMORTIZED I.T.C.	2550.1	335146	0	-		335,146	WW
OTHER DEF CR	2530.1,4	40653	0	-		40,653	VV
				693,000		693,000	
REGULATORY LIABILITIES	2821	876346	0	-		876,346	SS
CONTRIB IN AID	2710,2720	0	0	-		-	VV
					B		UU
TOTAL		27878283	392376	7,480,701		35,751,360	VV
ROUNDING		0	1	-		1	
ACCUM DEF I/T	2820,2830	17324019	3892341	(4,941,888)	H	16,274,472	
							RR
TOTAL LIABILITIES		171580982	19310602	(11,582,838)		179,308,746	

MEMO ITEMS - CASH FLO	CURRENT B	LAST YR DE	CHANGE
AMORTIZATION OF GAIN	-40653	-161073	120420
MISC. DEF. - AEP	3952093	4190130	-238037

TAXES ACCRUED RECLASS	118361	0	0	118361

Pg. 2 of 2

	Timing Differences Adj. To Cash
Checks O/S over $5,000 for 12/00	
City of Marianna	43,200.40
Gulf Power	863,151.77
City of Fernandina	84,732.11
City of Fernandina	62,679.75
Infinium Software	32,380.88
Sandspur Housing Partners	139,000.00
Sunbelt Rentals	38,905.90
Farrens Tree Surgeons	13,992.50
American Welding & Tank	10,529.88
Equipment Controls	18,591.56
David Stanley	17,118.92
Toll Brother	6,600.00
ORCOM	7,316.00
Daniel Downey	7,350.00
Smith and Gillepsie	9,395.63
City of Lake Worth	7,770.24
City of DeLand	7,411.27
Gillette Electric Construction	9,735.00
Chris George Sales	6,440.98
Amana	5,747.00
Tri State Utilities	5,361.89
GE Supply	9,156.41
Bond Plumbing	5,092.00
Taylor Woodrow Comunities	7,225.00
Void for payroll booked in 1/01 s/b in 12/00	698,607.79
Total	2,117,492.88

Checks Outstanding
Sep-00

Sun Trust	- Beginning Balance	Sep-00	361,415.19	
	Deposits		12,401,608.90	
	Less Ending Balance		205,735.08	
SunTrust - Net Withdrawals		Sep-00		12,557,289.01
Checks outstanding		Jun-98		(1,559,045.52)
AP Check Log - Check Register		Sep-00	4,457,195.68	
	Manual Memo / Wire		1,402,054.67	
	Manual Memo / Loan		3,100,000.00	
	Manual Memo / Trans		50,476.04	
	Manual Memo / 90		1,449,591.83	
	Void Register		(4,266.26)	
Checks Issued				(10,455,051.96)
Two months outstanding*				1,634,688.19
Checks Outstanding		Sep-00		2,177,879.72

* JEA was included in June's checks outstanding and did not clear through the bank until August.

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
NOTES

RECLASSIFICATION AND ELIMINATION

A = Elimination of Plant Acquisition Adjs. and Reclassified to Natural & Bottled Gas and Electric Utility Plant.

B = Elimination of Contributions in Aid and Reclassified to Accum. Depr. & Amort and Water Utility Plant.

C = Elimination of Investment in Assoc. Co. and Reclassified to Common Stock and Treasury Stock.

D = Elimination of Working Funds and Reclassified to Cash.

E = Elimination of Receivable Assoc. Co. and Payable to Assoc. Co.

F = Elimination of Under/Over Recovery of Fuel and Reclassified to Under/Over Recovery.

G = Reclassified Debits to Taxes Accrued to Prepayments other - I/T. (.8 & .9 accounts)

H = Elimination of accum. def. income taxes asset and reclass. to accum. def. income taxes liab.

I = Elimination of OWIP - Environment cleanup to environmental reserve

J = Elimination of Under/Over Recovery of Conservation & Unbundling and Reclassified to Under/Over Recovery.

K = Reclassify plant acquisition adjustment from Intangible Assets to Plant.

M = Cost of Removal

N = Propane Asset Retirement Obligation

BALANCE SHEET CLASSIFICATION - See references on Balance Sheet

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Files Currently on the CD

Name	Size	Type	Date Modified	Location
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW 10K.msg	1,592 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Analytical Comments.msg	139 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Balance Sheet (12).msg	43 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE999.msg	158 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
JE999.msg	1,067 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
Propane Projections - Impairme...	32 KB	HTML Document	10/16/2007 9:25 AM	Files Currently on the...
RE 10q redline and clean versio...	408 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K (2).msg	1,593 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE Audit Requests.msg	126 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

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Clara Leider

From:	Martin Cheryl
Sent:	Tuesday, March 13, 2007 7:20 AM
To:	Khojasteh Mehrdad; Lundgren April
Subject:	FW: 10K
Attachments:	10 k 2006 31207 trackeddmb.doc

10 k 2006
' trackeddmb.

Please add Dale's changes. Not sure which are hers since this is the tracked version I sent her last night.

Thanks,

Cheryl Martin
Controller, FPUC
561-838-1725

-----Original Message-----
From: Dale Buschmann [mailto:dbuschmann@bdo.com]
Sent: Monday, March 12, 2007 10:49 PM
To: Martin Cheryl
Cc: Lundgren April; Khojasteh Mehrdad
Subject: RE: 10K

A few more changes - also I think you have to add a total column on the statement of stockholders' equity. Thanks Dale

---

From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Mon 3/12/2007 5:43 PM
To: Dale Buschmann
Cc: Lundgren April; Khojasteh Mehrdad
Subject: 10K

Here are the changes we have so far. Tracked version. Thanks Cheryl Martin

this e-mail, is strictly prohibited and that this e-mail and all of the attachments to this e-mail, if any, must be immediately returned to BDO Seidman, LLP or destroyed and, in either case, this e-mail and all attachments to this e-mail must be immediately deleted from your computer without making any copies hereof.
If you have received this e-mail in error, please notify BDO Seidman, LLP by e-mail immediately.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)
☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2006

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ____________ to ____________

Commission file number 001-10608

Florida Public Utilities Company
(Exact name of the registrant as specified in its charter)

Florida	59-0539080
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification Number)

401 South Dixie Highway, West Palm Beach, FL 33401
(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code (561) 832-0872

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock par value $1.50 per share	American Stock Exchange

Securities registered pursuant to section 12(g) of the Act:

(Title of class)

(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. [ ] Yes [X] No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. [ ] Yes [X] No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [ ] No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ]   Accelerated filer [ ]   Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). [ ] Yes [X] No

As of June 30, 2006, the aggregate market value of the Registrant's Common Stock held by non-affiliates (based upon the closing price of the Common Stock on that date on the American Stock Exchange) was approximately $71,300,000.

On February 9, 2007, 6,024,739 shares of the Registrant's $1.50 par value common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the May 8, 2007 Annual Meeting of Shareholders are incorporated by reference in Part III hereof.

PART I

Item 1. Business

General

Florida Public Utilities Company (FPU) was incorporated on March 6, 1924 and reincorporated on April 29, 1925 under the 1925 Florida Corporation Law. We provide natural gas, electricity and propane gas to residential, commercial and industrial customers in Florida. We do not produce energy and are not a generating utility. Our regulated segments sell natural gas and electricity to approximately 82,000 customers, and our unregulated segment sells propane gas through a wholly owned subsidiary, Flo-Gas Corporation, to approximately 13,000 customers. We also sell merchandise and other service related products on a limited basis as a complement to the natural and propane gas segments.

Our three primary business segments are aligned with our products and are natural gas, electric and propane gas. The Florida Public Service Commission (FPSC) regulates the natural gas and electric segments. We operate through five divisions based on geographic areas:

(1) South Florida Division - provides natural and propane gas to customers in West Palm Beach, Palm Beach Gardens, North Palm Beach, Jupiter, Riviera Beach, Palm Beach, Lake Worth, Royal Palm Beach, Wellington, Boynton Beach, Delray Beach, Boca Raton, Lauderdale Lakes, Deerfield Beach, Stuart, Palm City and other areas near these cities.
(2) Central Florida Division - provides natural and propane gas to customers in Sanford, Deland, Deltona, DeBary, Orange City, Lake Mary, Winter Springs, New Smyrna Beach, Edgewater, Longwood, Port Orange and other areas near these cities.
(3) Northwest Florida Division - provides electricity to customers in Marianna, Bristol, Altha, Cottondale, Malone, Alford and other areas near these cities.
(4) Northeast Florida Division - provides electricity and propane gas to customers in Fernandina Beach, Jacksonville, Callahan, Yulee and other areas near these cities.
(5) West Florida Division - provides propane gas to customers in Dunnellon, Inglis, Crystal River, Inverness, Brooksville and other areas near these cities.

Business Environment

Natural and propane gas are some of the most popular forms of energy today. Gas is used for heating, cooling, cooking, backup generation and decorative lighting by businesses and homeowners and in many other ways by various industries. Natural gas is also used in combination with other fuels to improve environmental performance and decrease pollution in the generation of electricity.

Natural and propane gas have seen increased demand in Florida as a result of the recent hurricanes and the popularity of generators. Generators themselves do not impact usage significantly for a region; however, gas appliances have been added as a result of generator popularity, and that does increase gas usage. Prices of natural and propane gas

have decreased during 2006 due in part to the absence of a hurricane affecting the Gulf of Mexico.

As a result of historically high natural gas costs in 2005, alternatives such as coal and nuclear power for generation of electricity have seen increased interest. Our sales in the electric segment have not been impacted by higher electricity costs due to our long-term favorable fixed price contracts for purchasing electricity. However, our long-term contract ended at the end of 2006 for our Northeast division and our long-term contract will end at the end of 2007 for our Northwest division. We now have new contracts in place with pricing much closer to current market price. Our electric prices are expected to significantly increase. Although this will not directly impact our income from operations because increased fuel costs are passed through to the customer, this may impact the number of units sold and decrease income from operations as a result of less usage.

Because of the hurricanes in 2004 and 2005, the electric industry in Florida has seen increased interest in improving reliability of electric services during and after hurricanes. Regulators have been researching the issue and have introduced new storm preparedness requirements to improve electric reliability with storm preparedness rules regarding pole inspections, strengthened design specifications for wind loading, vegetation management practices and installation of underground facilities for electric distribution and transmission systems. We are seeking rate relief and implementation for these new requirements in 2007.

Business Segments
We are organized in three operating and reporting segments: natural gas, electric and propane gas. We are also involved in limited merchandise sales and other services within our natural gas and propane gas areas to complement these segments. For information concerning revenues, operating income and identifiable assets of each of our segments, see Note 13 in Notes to Consolidated Financial Statements.

Natural Gas
Natural gas is primarily composed of methane, which is a colorless, odorless fuel that burns cleaner than many other traditional fossil fuels. Odorant is added to enable easy detection of a gas leak.

We provide natural gas to customers in our South and Central Florida divisions. The vast majority of the natural gas we distribute is purchased in the Gulf Coast region, both onshore and offshore.

We use Florida Gas Transmission (FGT) as our natural gas pipeline in peninsular Florida. FGT is under the jurisdiction of the Federal Energy Regulatory Commission (FERC). We use gas marketers and producers to procure all gas supplies for our markets. We use Florida City Gas and Indiantown Gas Company to provide wholesale gas transportation services in areas distant from our interconnections with FGT. We pass all fuel costs on to our customers. We also transport natural gas for customers who purchase their own gas supplies and arrange for pipeline transportation. Our operating results are not adversely affected if our customers purchase gas from third parties because we do not profit on the fuel portion of sales.

Our natural gas revenues are affected by the rates charged to customers, supply costs for natural gas purchased for resale, economic conditions in our service areas and weather.

Although the FPSC permits us to pass through to customers the increase in price for our gas supply, higher rates may cause customers to purchase less natural gas.

Our current portfolio of natural gas customers is reasonably diverse, with the largest customer using natural gas for the generation of electricity. We are not dependent on any single natural gas customer for over ten percent of our total natural gas revenues.

The FPSC approved joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We plan to transport natural gas through Indiantown's system to new developments. In the early phase, Indiantown Gas Company will provide operational and customer service related work. We also began construction in the Indiantown area to install natural gas mains in the first phase of a development for approximately 100 homes. Two more new developments are slated to break ground in 2007 for construction of approximately 1,000 homes.

Electric

We provide electricity to our customers in our Northwest and Northeast Florida divisions. Wholesale electricity is purchased from two suppliers; Gulf Power Company and JEA (formerly Jacksonville Electric Authority). In 1996, we executed ten-year fixed-price purchased power contracts with both suppliers. Gulf Power Company provides electric power to the Northwest division and JEA provides electric power to the Northeast division. These long-term contracts provided our customers with the lowest consumer electric rates in Florida.

During 2006 we completed negotiations and executed final contracts for the supply of electricity in our Northeast division from JEA beginning January 1, 2007 and our Northwest division from Gulf Power Company beginning in January 1, 2008. We are seeking approval of the contract with Gulf Power Company from the FPSC in 2007. We expect that rates charged to our customers will significantly increase when the new contracts become effective in 2007 and 2008 because the prices are closer to market price. We are unable to estimate what impact higher rates could have on electric consumption, but electricity usage could decrease.

The Northwest and Northeast divisions experience a variety of weather patterns. Hot summers and cold winters produce year-round electric sales that normally do not have highly seasonal fluctuations. None of the electric segment's customers represent more than ten percent of our total electric revenues.

The electric utility industry has not been deregulated in the state of Florida. All customers within a given service or franchise area purchase from a single electricity provider in that area.

Propane Gas

We provide propane gas to customers in our Northeast, West, Central and South Florida divisions and can purchase our propane gas supply from several different wholesale companies. Propane gas is delivered to Florida by barges and railcars to terminals in Tampa and Ft. Lauderdale, and through the Dixie Pipeline terminus at Alma and Albany, Georgia. Propane gas is also delivered by transport to our facilities and directly to a customer's premise. We believe that the propane gas supply infrastructure is adequate to meet the needs of the industry in Florida for the foreseeable future.

Propane gas is not as affected by environmental regulations as other petroleum products. However, propane gas is a hazardous material and as such is subject to strict code enforcement and safety requirements.

As with natural gas, the sales volume of propane gas is affected by the season and the weather. Typically, Florida has a tourist season that coincides with the winter months. The propane gas segment's sales volumes and revenues are closely balanced between residential and commercial customers. We employ two strategies to become less weather dependent, concentrating on the forklift propane gas cylinder exchange market and marketing propane gas appliances not used for heating air. We believe that water heaters and forklift cylinder exchange accounts are good ways to become less weather reliant. None of the propane gas segment's customers represent more than ten percent of our total propane gas sales volume or revenues.

Strategy

Our strategy is to leverage our expertise in the natural gas, electric and propane gas distribution business to assist us in consistently meeting our customer's expectations. Our core focus is to build mutually beneficial relationships with builders, developers and customers with high-energy usage requirements. Included in our strategy is a plan to enhance our future success by expanding our service territory into new areas with high growth potential.

Competition

We do not face substantial competition in our electric divisions. This is because no other competitor can currently provide the same energy in our areas due to FPSC regulations and territorial agreements between utilities. In addition, natural gas as an alternative fuel is only available in a small area served by our electric divisions. Although our natural gas segment operates with the same types of guidelines, there is competition in our natural gas segment from electric utilities. Normally each home will have electricity as a base fuel and natural gas as an alternative source of energy used for cooking and heating. Electricity competes with natural gas, in large part based on the cost of fuel. Our propane gas segment is unregulated and faces competition from other suppliers of propane gas as well as alternative energy source suppliers. Competition in the propane gas segment is primarily based on price and service.

Rates and Regulation

The natural gas and electric segments are highly regulated by the FPSC. The FPSC has the authority to regulate our rates, conditions of service, issuance of securities and certain other matters affecting our natural gas and electric operations. As a result, FPSC regulation has a significant effect on our results of operations. The FPSC approves rates that are intended to permit a specified rate of return on investment. Our rate tariffs allow the cost of natural gas and electricity to be passed through to customers. Increases in the operating expenses of the regulated segments may require us to request increases in the rates charged to our customers. The FPSC has granted us the flexibility of automatically passing on increased expenses for certain fuel costs to customers. Other operational expenses, such as pension and medical expenses require us to petition the FPSC for rate increases. The FPSC is likely to grant rate increases to offset increased expenditures necessary for business operations. We successfully petitioned for an electric rate increase, which became effective on March 17, 2004, and for a natural gas rate increase that went into effect on November 18, 2004. We are currently seeking electric

rate relief in 2007 for the recent storm preparedness requirements implemented to improve reliability of electric utility systems.

We are subject to federal and state regulation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies.

Prior to the widespread availability of natural gas, we manufactured gas for sale to our customers or purchased utility assets from other companies that manufactured gas. The process for manufacturing gas produced by-products and residuals such as coal tar. The remnants of these residuals are sometimes found at former gas manufacturing sites. These sites face environmental regulation from various agencies including the FDEP and EPA on necessary cleanup and restoration.

Franchises
We hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Generally, these franchises have terms ranging from 10 to 30 years and terminate on varying dates. We are currently in negotiations with certain municipalities for new service areas within our current operating divisions, and renewals of existing franchises. We continue to provide services to these municipalities and do not anticipate any interruption in our service.

Employees
As of January 18, 2007, we had 362 employees, of which 9 were part-time and 2 were temporary. Of these employees, 175 were covered under union contracts with two labor unions, the Internal Brotherhood of Electric Workers and the International Chemical Workers Union. We believe that our labor relations with employees are good.

Available Information
We file periodic reports including our Form 10-Qs, Form 10-Ks, and Form 8-Ks with the Securities and Exchange Commission (SEC). The most recent copies of Form 10-Qs and Form 10-Ks as well as a copy of our Code of Ethics Policy can be obtained through our website (http://www.fpuc.com).

Item 1A. Risk Factors

A substantial portion of our revenues and, to a large extent, our profitability, depends upon rates determined by the FPSC.

FPSC regulates many aspects of our natural gas and electric operating segments, including the retail rates that we may charge customers for natural gas and electric service. Our retail rates are set by the FPSC using a cost-of-service approach that takes into account our historical operating expenses, our fixed obligations and recovery of our capital investments, including potentially stranded obligations. Using this approach, the FPSC sets rates at a level calculated to recover such costs, adjusted to reflect known and measurable changes, and a permitted return on investment. Any rate adjustments to recover increased costs or to otherwise improve our profitability must be obtained through a petition filed with the FPSC, which is referred to as a rate case. The rates permitted by the FPSC in rate cases will determine a substantial portion of our revenues for succeeding periods and may have a material impact on our consolidated earnings, cash flows and

financial position, as well as our ability to maintain our common stock dividend at current levels or to increase our dividend in the future.

Some of our natural gas and electric service costs may not be fully recovered through retail rates.

Our natural gas and electric service retail rates, once established by the FPSC, remain fixed until changed in a subsequent rate case. We may at any time elect to file a rate case to request a change in our rates or intervening parties may request that the FPSC review our rates for possible adjustment, subject to any limitations that may have been ordered by the FPSC. Earnings could be reduced to the extent that our operating costs increase more than our revenues during the period between rate cases, which may occur because of maintenance and repair of plants, fuel and purchased power expenses, employee or labor costs, inflation or other factors. In addition, even if we decide to file rate cases, our requests for rate adjustments in such rate cases may be rejected. Other parties to a rate case or the FPSC staff may contend that our current rates, or rates proposed in a rate case, are excessive and our petition for rate adjustments may be denied on that or another basis.

Our segments are sensitive to variations in weather.

Our segments are affected by variations in general weather conditions and unusually severe weather. We forecast energy sales on the basis of normal weather, which represents a long-term historical average. Significant variations from normal weather could have a material impact on energy sales. Unusual weather, such as hurricanes, could also adversely affect operating costs and sales.

Our natural gas and propane gas customers use gas primarily for heating purposes. As a result, our natural gas and propane gas sales peak in the winter and are more weather sensitive than electricity sales, which peak in both summer and winter periods. Mild winter weather in Florida can be expected to negatively impact results from our natural gas and propane gas operations. Severe weather conditions could also interrupt or slow down service and increase the operating costs of all our segments.

We operate in an increasingly competitive industry, which may affect our future earnings.

Natural Gas
The natural gas distribution industry has been subject to competitive forces for several years. We receive our supply of natural gas at thirteen city gate stations connected to an interstate pipeline system owned by FGT and one gate station connected to an intrastate pipeline owned by Florida City Gas Company. Gulfstream Natural Gas System currently also serves peninsular Florida with interstate natural gas transmission service; however we cannot predict if this system will be extended to areas near our existing facilities and how it could affect our natural gas operations.

Electric
The U.S. electric power industry has been undergoing restructuring. There is competition in wholesale power sales on a national level. Some states have mandated or encouraged competition at the retail level. While there is active wholesale competition in Florida, the retail electric business has remained substantially free from direct competition. Changes

in the competitive environment occasioned by legislation, regulation, market conditions or initiatives of other electric power providers, particularly with respect to retail competition, could adversely affect our financial condition and results of operations. To the extent competitive pressures increase and the pricing and sale of electricity assumes more of the characteristics of a commodity business, the economics of our electric operating segment may come under increasing pressure. In addition, regulatory changes may increase access to electricity transmission grids by utility and non-utility purchasers and sellers of electricity, thus potentially resulting in a significant number of additional competitors.

Propane Gas

Our propane gas business is our only non-regulated business segment. Because the propane gas business is not regulated, we face significant competition in this segment. Our propane gas business competes directly with other distributors of propane gas, and other sources of energy including natural gas and electric. We may encounter increased competition in the propane gas business in the future. Our inability to compete effectively in the propane gas business, whether on the basis of price, customer service, alternative energy sources or otherwise, could have a material adverse effect on our financial condition and results of operations.

Our business could be adversely affected if our supply of natural gas is interrupted.

FGT's pipeline system transports all of our natural gas. FGT is owned by Citrus Corporation, which is jointly owned by Cross Country Energy Corporation and El Paso Corporation. Our ability to receive our normal supply of natural gas could be adversely affected by an interruption in FGT's service.

General economic conditions may adversely affect our segments.

Our segments are affected by general economic conditions. The consumption of the energy we supply is directly tied to the economy. A downturn in the economy in our local areas of operations, as well as on the state, national and international levels, could adversely affect the performance of our segments. Changes in political climate, including terrorist activities, could further negatively impact our performance. If tourism is down, then the demand for the energy we supply is reduced.

Commodity price changes may affect the operating costs and competitive position of our segments.

Our segments are sensitive to changes in coal, gas, oil and other commodity prices. If we are unable to increase the rates we charge to customers to reflect increases in these commodity prices, our margins and earnings will be lowered. If increased prices for any of these commodities persist for substantial periods, our competitive position could be adversely affected by customers who switch to cheaper energy sources. Further, natural gas prices have been increasingly volatile and, accordingly, the earnings from our natural gas operations are increasingly difficult to predict.

We could incur material expenses as a result of our obligations to comply with existing and new environmental laws and regulations.

We are subject to environmental regulations in connection with the ongoing conduct of our business and to civil and criminal liability for failure to comply with these regulations. In addition, new environmental laws and regulations, or new interpretations of existing laws and regulations, affecting our operations or facilities may be adopted which may cause us to incur additional material expenses.

We are subject to federal and state legislation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the EPA and other federal and state agencies. We may incur material future expenditures in order to comply with these existing environmental laws and regulations.

We rely on a limited number of natural gas and electric suppliers, the loss of which could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under several contracts having expiration dates from 2007 to 2023 transport our natural gas to us. These contracts have provisions, which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2007 and 2017. We have renegotiated a new contract for the one that is set to expire in 2007 with the same supplier for electric service beginning in 2008 which we are currently awaiting approval for from the FPSC. If we were to lose any of these contracts, we might not be able to replace the corresponding energy source on acceptable terms, if at all. In addition, in the event of the expiration of the contracts, we might not be able to renew them on favorable terms, if at all. As a result, the loss of any of these suppliers, the terminations of any of these supply contracts or the non-renewal of any of these supply contracts before or upon their expiration could have material adverse effects on our financial condition and results of operations.

New supply contracts could result in substantial increases to our prices, and could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under firm contracts having expiration dates from 2007 to 2023 transport our natural gas to us. All of these contracts have provisions which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2007 and 2017.

The recent renewal of the electricity supply contract that was terminated in 2006 and the one that will expire in 2007 will result in the cost of electricity more than doubling over existing prices. Extensions or renewals of our natural gas contracts could result in the cost of natural gas increasing. Although these increases are currently passed through to our customers, these could have a significant impact on our financial condition and results of operations due to decreased consumption or if costs cannot be passed through in the future.

Fluctuation in prices under long-term purchase and transportation commitments may have an adverse effect on our financial condition and results of operations.

To ensure a reliable supply of electricity and natural gas at competitive prices, we have entered into purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2023. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices.

As of December 31, 2006, we have firm purchase and transportation commitments adequate to supply our expected sales requirements for electricity with contracts that will expire in 2017. Our contract in the Northeast division of the electric segment began January 1, 2007 and expires on December 31, 2017. We have a contract with a supplier for the Northwest division beginning January 1, 2008 and expiring December 31, 2017. We are currently seeking approval with the FPSC for the Northwest division contract. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division.

Our natural gas pipeline transportation contracts expire in parts in 2010, 2015 and 2023. We are committed to pay demand or similar fixed charges monthly through 2023 related to the natural gas pipeline transportation agreements. Significant fluctuation in prices under these long-term purchase and transportation commitments may have a material adverse effect on our financial condition and results of operations.

Problems with operations could materially adversely impact us.

We are subject to various operational risks, including accidents, outages, equipment breakdowns or failures, or operations below expected levels of performance or efficiency. Problems such as the breakdown or failure of transmission lines, pipelines or other equipment or processes and interruptions in service which would result in performance below affected levels of output or efficiency, particularly if extending for prolonged periods of time, would have a material adverse effect on our financial condition and results of operations.

We are vulnerable to interest rate changes and may not have access to capital at favorable rates, if at all.

Changes in interest rates can affect our cost of borrowing on our line of credit, on refinancing of debt maturities and on incremental borrowing to fund new investments. Because our stock is not widely held and has a low trading volume, we may not be able to access the equity market or may be limited in the amount of equity financing. If we are unable to obtain equity or debt financing on terms satisfactory to us, our ability to fund capital expenditures and other commitments will be impaired. Moreover, even if available, the cost of such financing could reduce our margins and materially adversely affect our results of operations.

Failure to effectively and efficiently manage our growth, as well as changes in our business strategies, could have a negative impact on our performance.

An essential part of our business strategy is to grow our businesses. Much of our growth depends on our ability to find attractive development opportunities and to obtain the necessary financing for them. Our outlook is based on our expectation that we will be successful in finding and capitalizing on development opportunities, but our efforts may not be successful. Our failure to effectively and efficiently manage our growth, as well as changes in our business strategies, may have a material adverse effect on our financial

condition and results of operations. If we grow our business with acquisitions there is a risk the acquisition will not have a positive effect on our financial condition.

Our ability to pay dividends on our common stock is limited.

We cannot guaranty that we will continue to pay dividends at our current annual dividend rate or at all. In particular, our ability to pay dividends in the future will depend upon, among other things, our future earnings, our cash requirements and our debt covenants.

Provisions in our certificate of reincorporation, certain agreements, and the Florida Business Corporation Act may inhibit a takeover, which could adversely affect the value of our common stock.

Our certificate of reincorporation as well as provisions of the Florida Business Corporation Act (FBCA), contain provisions that could delay or prevent a change of control in our management that shareholders might consider favorable and may prevent them from receiving a takeover premium for their shares.

Our certificate of reincorporation contains provisions that make it more difficult to obtain control of our company through transactions, which have not received the approval of our board of directors. These provisions include supermajority voting requirements for certain transactions with affiliated persons, staggering the terms of the members of our board of directors, and certain procedural requirements relating to shareholder meetings and amendments to our certificate of reincorporation or bylaws.

In addition, Florida has enacted legislation that may deter or frustrate takeovers of Florida corporations. Subject to certain exceptions, the "Control Share Acquisitions" section of the FBCA generally provides that shares acquired in excess of certain specified thresholds, beginning at 20% of a corporation's outstanding voting shares, will not possess any voting rights unless such voting rights are approved by a majority vote of the corporation's disinterested shareholders.

The "Affiliated Transactions" section of the FBCA generally requires majority approval by disinterested directors or supermajority approval by disinterested shareholders of certain specified transactions (such as mergers, consolidations, sales of assets, issuance or transfer of shares or reclassifications of securities) between a corporation and a holder of more than 10% of the outstanding shares of the corporation, or any affiliate of such shareholder.

Finally, we have agreements with three of our executive officers that provide for significant payments to those executives upon a change in control under certain circumstances. The existence of these contracts may make an acquisition of our company less attractive to a possible buyer.

Conflict or turmoil in oil producing countries could impact future prices for commodities including natural gas, propane gas and electricity, and increases in these prices could materially affect our financial condition and results of operations.

Worldwide turmoil could cause the cost of crude oil and its associated products to rise on

concerns of the conflicts interfering with the production of crude oil. If these conflicts are large, escalate or spread, the impact to the cost of all fuel related commodities could increase substantially. These increases could materially adversely affect our financial condition and results of operations.

Item 1B. Unresolved Staff Comments

None

Item 2. Properties

We have natural gas, electric and propane gas utility related properties. These properties include transmission, distribution, storage and general facilities at various locations in our service areas. We do not have generating facilities. We maintain property that is adequate for our current operations and we expand our existing facilities as required by growth or other operational needs.

We own natural gas mains that distribute gas through 1,558 miles of pipe located in Central and South Florida. Additionally, we have adequate gate stations in each distribution system.

In the electric segment, we own 22 miles of electric transmission lines located in Northeast Florida and 1,082 miles of electric distribution lines located in Northeast and Northwest Florida. The distribution lines are installed both under and above ground with many of the coastal locations having under ground facilities. All transmission lines are installed above ground. Additionally, we own various substations and regulator stations that are used in our operations.

Our propane gas segment has bulk storage facilities and tank installations on the customers' premises. We also have 16 community gas systems that distribute propane gas to customers in a specific area. These systems are subject to the Federal Department of Transportation Office of Pipeline Safety Regulations.

We own office and warehouse facilities in Northwest, Northeast, Central, West and South Florida, which are used for our operations and materials storage by the natural gas, electric, and propane gas segments. We also have various easements and other assets located throughout our service areas that are utilized by all of our operations.

We also own a three-story building in West Palm Beach, where our corporate headquarters is located.

All of our property is subject to a lien collateralizing our funded indebtedness under our Mortgage Indenture as discussed in Note 1-I in Notes to Consolidated Financial Statements.

Item 3. Legal Proceedings

In our operations, we currently use or have used several contamination sites that have pending or threatened environmental litigation. We are in the process of investigating and assessing this litigation. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover losses or expenses incurred as a result of this

litigation. We believe all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the combined sum of any insurance proceeds received and any rate relief granted.

West Palm Beach Site

We are currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property we own in West Palm Beach, Florida. We previously operated a gasification plant at this site. We entered into a Consent Order with the FDEP effective April 8, 1991. This requires us to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. We have submitted numerous reports to FDEP describing the results of soil and groundwater sampling conducted at the site. We completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant performed a feasibility study to evaluate appropriate remedies for the site. The feasibility study was transmitted to FDEP on November 30, 2006.

The feasibility study evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the feasibility study ranged from a low of $2.8 million to a high of $54.6 million. Based on the likely acceptability of proven remedial technologies described in the feasibility study and implemented at similar sites, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from $4.6 million to $17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA) or some combination of these remedies. The feasibility study proposed a remedy of superficial soil excavation, and installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from $4.6 million to $9.9 million.

Prior to FDEP's approval of a final remedy for the site, we are unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately $4.8 million to $18 million.

Sanford Site

We own a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to our acquisition of the property. Following discovery of soil and groundwater impacts on the property, we have participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, we executed an Administrative Order on Consent (AOC) with the four former owners and operators (Group) and the United States Environmental Protection Agency (EPA) that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RI/FS AOC and RI/FS Participation Agreement is now complete and we have no further obligations under either document.

In late September 2006, EPA sent us a Special Notice Letter, notifying us of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the other Group members and us sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended Record of Decision (ROD) for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, we, along with the Group, submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1 through OU3.

In January, we, along with the other members of the Group signed a Third Participation Agreement, which provides for funding the remediation work specified in the RODs for OU1 through OU3 and supercedes and replaces the Second Participation Agreement. Our share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13 million or $650,000. At present, it is not anticipated that the total cost of remediation will exceed $13 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13 million. In any such event, we do not expect our share of such additional costs to be greater than 5% and our share of such additional costs may be less than 5%.

Our future legal costs and expenses and our share future remediation expenses for this site are currently projected to be approximately $710,000.

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Pensacola Site

We are the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that we were one of several responsible parties for any environmental impacts associated with the former gasification plant site, we entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. Our share of these costs is less than $2,000 annually or a total cost of $27,000.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to us in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, we have not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, we are unable to determine whether additional fieldwork or site remediation will be required by EPA and, if so, the scope or costs of such work.

Key West Site

From 1927-1938, we owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the current site owner and us and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified us that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished disposition is recommended." FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 31, 2006, we have received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such work. In 1999, we received an estimate from our consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, our share would be approximately $83,000.

Item 4. Submission of Matters to a Vote of Security Holders

None

Executive Officers of the Registrant

The following sets forth certain information about the executive officers of the Company as of February 17, 2007.

Name	Age	Position	Date
John T. English	63	Chairman of the Board	2006 - Present
		Chief Executive Officer	1998 - Present
		President	1997 - Present
		Chief Operating Officer	1997 2000
Charles L. Stein	57	Senior Vice President	1997 - Present
		Chief Operating Officer	2001 - Present
George M. Bachman	47	Corporate Secretary	2004 - Present
		Chief Financial Officer	2001 - Present
		Treasurer	2001 - Present

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Mr. English was Senior Vice President from 1993 preceding his appointment as President and Chief Operating Officer.

Mr. Stein was Vice President from 1993 preceding his appointment as Senior Vice President.

Mr. Bachman was Controller from 1996 preceding his appointment as Chief Financial Officer and Treasurer.

Each of these executive officers has an employment agreement for a three-year term, which can be renewed at the Board Meeting preceding the expiration of the agreement subject to his earlier resignation or removal. There are no family relationships among any of the executive officers and directors of the Company.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Quarterly Stock Prices and Dividends Paid

Our common shares are traded on the American Stock Exchange under the symbol FPU. The quarterly dividends declared and the reported last sale price range per share of our common stock for the most recent two years were as follows:

	2006			2005		
	Stock Prices		Dividends	Stock Prices *		Dividends
Quarter ended	Low	High	Declared	Low	High	Declared*
March 31	$13.25	$14.50	$0.1033	$11.47	$13.49	$0.1000
June 30	11.86	14.40	0.1075	11.45	12.67	0.1033
September 30	12.61	14.42	0.1075	12.67	16.84	0.1033
December 31	13.10	14.05	0.1075	13.46	16.44	0.1033

* On July 25, 2005 we issued a three for two stock split in the form of a stock dividend to our shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split.

As of February 16, 2007, there were approximately 3,900 holders of record of our common shares.

We intend to continue to pay quarterly cash dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon future earnings, cash flow, financial condition, capital requirements and other factors. Our Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9 million of retained earnings were free of such restriction and therefore available for the payment of dividends.

Securities Authorized for Issuance under Equity Compensation Plans

Equity Compensation Plan Information

Plan Category	Number of Securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	72,749*
Equity compensation plans not approved by security holders	-
Total	72,749

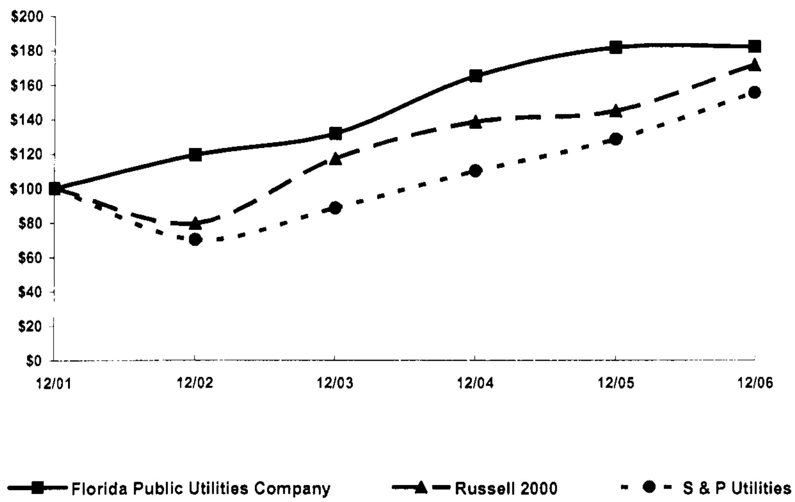
* This includes 20,714 shares for the Non-Employee Director Compensation Plan. This plan was adopted by the Board of Directors on March 18, 2005 and was approved at the 2005 meeting of shareholders. This also includes 52,035 shares for the Employee Stock Purchase Plan.

PERFORMANCE GRAPH

The following graph compares the yearly percentage change and the cumulative total of shareholder return on the Company's common stock with the cumulative return on the Russell 2000 Index (Russell 2000) and Standard & Poor's Utilities Index (S&P Utilities) for the last five calendar years. These comparisons assume the investment of $100 in the Company's common stock and each of the indices on January 1, 2001 and the reinvestment of dividends. The stock price performance shown in the graph below should not be considered indicative of

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among Florida Public Utilities Company, The Russell 2000 Index
And The S & P Utilities Index



* $100 invested on 12/31/01 in stock or index-including reinvestment of dividends. Fiscal year ending December 31.

future stock performance.

	12/01	12/02	12/03	12/04	12/05	12/06
Florida Public Utilities Company	100.00	119.25	131.72	165.01	181.67	182.09
Russell 2000	100.00	79.52	117.09	138.55	144.86	171.47
S & P Utilities	100.00	70.01	88.39	109.85	128.35	155.29

Item 6. Selected Financial Data

(Dollars in thousands, except per share data)

Years Ended December 31,	2006	2005	2004	2003	2002
Revenues	$ 134,235	$ 130,023	$ 110,039	$ 102,723	$ 88,461
Gross profit	$ 48,264	$ 47,219	$ 40,689	$ 37,733	$ 34,929
Earnings:					
Continuing operations	$ 4,264	$ 4,248	$ 3,594	$ 2,522	$ 2,761
Discontinued operations (1)	-	-	-	9,901	602
Net income	$ 4,264	$ 4,248	$ 3,594	$ 12,423	$ 3,363
Earnings per common share (basic and diluted):					
Continuing operations	$ 0.71	$ 0.71	$ 0.60	$ 0.43	$ 0.47
Discontinued operations (1)	-	-	-	1.69	0.10
Total	$ 0.71	$ 0.71	$ 0.60	$ 2.12	$ 0.57
Dividends declared per common share	$ 0.43	$ 0.41	$ 0.40	$ 0.39	$ 0.38
Total assets	$ 181,155	$ 182,666	$ 170,503	$ 160,944	$ 148,487
Utility plant – net	$ 129,211	$ 123,061	$ 117,191	$ 107,942	$ 103,357
Current debt	$ 3,466	$ 9,558	$ 5,825	$ 2,278	$ 19,183
Long-term debt	$ 50,702	$ 50,620	$ 50,538	$ 50,454	$ 50,367
Common shareholders' equity	$ 47,624	$ 45,503	$ 43,213	$ 41,463	$ 30,883

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Note to the Selected Financial Data:

(1) On December 3, 2002, FPU entered into an agreement to sell the assets of its water utility system to the City of Fernandina Beach. The transaction closed on March 27, 2003. Revenues, Gross profit and Utility plant-net do not include discontinued operations.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation

RESULTS OF OPERATIONS

General

Effects of seasonal weather conditions, the timing of rate increases, fluctuations in demand due to the cost of fuel passed on to customers and the migration of winter residents and tourists to Florida during the winter season all have an impact on income.

Revenues and Gross Profit Summary

Revenues include cost recovery revenues. The FPSC allows cost recovery revenues to directly recover costs of fuel, conservation and revenue-based taxes in our natural gas and electric segments. Revenues collected for these expenses have no effect on results of operations and fluctuations could distort the relationship of revenues between periods. Gross profit is defined as gross operating revenues less fuel, conservation and revenue-based taxes that are passed directly through to customers. Because gross profit eliminates these cost recovery revenues, we believe it provides a more meaningful basis for evaluating utility revenues. The following summary compares gross profit between periods and units sold in One thousand Dekatherm (MDth) (gas) and Megawatt Hour (MWH) (electric).

Revenues and Gross Profit
(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Natural Gas			
Revenues	$70,981	$69,094	$55,962
Cost of fuel and other pass through costs	43,909	42,815	34,232
Gross Profit	$27,072	$26,279	$21,730
Units sold: (MDth)	6,230	6,224	6,124
Electric			
Revenues	$48,527	$47,450	$42,910
Cost of fuel and other pass through costs	34,259	33,352	29,732
Gross Profit	$14,268	$14,098	$13,178
Units sold: (MWH)	849,124	814,353	766,349
Propane Gas			
Revenues	$14,727	$13,479	$11,167
Cost of fuel and other pass through costs	7,803	6,637	5,386
Gross Profit	$ 6,924	$6,842	$5,781
Units sold: (MDth)	621	640	614
Consolidated			
Revenues	$134,235	$130,023	$110,039
Cost of fuel and other pass through costs	85,971	82,804	69,350
Gross Profit	$ 48,264	$ 47,219	$ 40,689

Natural Gas

Natural gas revenues increased $1.9 million, or 3% in 2006 over 2005 primarily due to increased revenue collected for taxes passed directly through to customers. A change in legislature regarding the calculation of Gross Receipts tax became effective January 1, 2006, and along with an increase to overall revenues, increased these taxes paid by our

customers by approximately $500,000. Franchise fee revenues also increased by $500,000 due to increased rates and area expansion.

Natural gas gross profit increased by $793,000, or 3% in 2006 over 2005. We had higher revenue and gross profit in 2006 compared to 2005 primarily due to billed revenue not exceeding the FPSC allowable earnings as much as in the prior year. In 2006 we reduced billed revenues and gross profit by our estimate of over-earnings of $230,000 for the year. Our estimate for 2005 was recorded at $700,000 in 2005 and we reduced that estimate in 2006 by $50,000 to $650,000. The combined effect of this was to increase our revenues and gross profit over the prior year by approximately $500,000. Other factors contributing to the increase in revenues and gross profit were 2% customer growth and storm surcharge revenues, which became effective November 2005. The revenues and gross profit increases were slightly offset by the loss of approximately $100,000 of revenue from two customers who went off-line for several months to do maintenance work.

Natural gas revenues increased $13.1 million in 2005 over 2004 primarily due to an $8.6 million increase in the cost of fuel and other costs that were passed through to customers. The cost of natural gas increased significantly over prior years, partially as a result of hurricanes and their impact on supplies. Gross profit increased $4.5 million, or 21%, primarily as a result of rate relief effective in November 2004, normal customer growth and a 2% increase in units sold. Offsetting these increases was the estimated over-earnings for 2005 of $700,000, which reduced revenues and gross profit.

Electric

Electric revenues increased $1.1 million in 2006 over 2005. Cost of fuel and other costs that were passed through to customers contributed approximately $900,000 of the increase. Gross profit increased $170,000 or 1% in 2006 over 2005. The increase in gross profit was primarily due to a slight increase in customer growth and units sold.

Electric revenues increased $4.5 million in 2005 over 2004. Cost of fuel and other costs that were passed through to customers contributed $3.6 million of the increase. Gross profit increased $920,000 or 7% in 2005 over 2004. The increase in gross profit was primarily due to a 6% increase in units sold along with the rate increases granted in March 2004. A large distribution center was built in our Northwest division and increased revenues by approximately $700,000 and gross profit by approximately $91,000 in 2005 over 2004.

Propane Gas

Propane revenues increased $1.2 million, or 9% and gross profit increased $82,000 or 1% in 2006 compared to 2005. Revenues increased primarily due to rising fuel costs. Although customers increased by 5% in 2006, the usage per customer declined by 8% contributing to a decrease of 3% in units sold. Warmer weather was the primary reason for this decrease in usage per customer in 2006 compared to 2005. The increase in gross profit was minimal when compared to last year primarily due to pre-buy gains of $383,000 realized in 2005 but not in 2006.

Propane revenues increased $2.3 million and gross profit increased $1.1 million or 18% in 2005 compared to 2004. The Company realized gains of approximately $383,000 as a result of buying propane supplies before market price increases. The remaining increase

of 12% from the previous year resulted from propane unit sales increasing 4% due primarily to a 13% growth in residential bulk customers and units sold.

Operating Expenses

Operating expenses include operation, maintenance, depreciation, amortization and taxes other than income taxes, and exclude fuel costs, conservation and taxes based on revenues that are directly passed through to customers and recovered in revenues.

Operating Expenses
(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Natural gas	$ 20,954	$ 20,230	$ 16,752
Electric	11,131	10,596	9,825
Propane gas	5,850	5,756	5,126
Total Operating Expenses	$ 37,935	$ 36,582	$ 31,703

Natural Gas

Natural gas operating expenses increased $724,000, or 4%, in 2006 as compared with 2005. Outside of the normal inflationary impacts on our expenses, customer account expenses increased by $237,000 as a result of our customer service focus initiated in 2005 based on our strategic plan. We continued the focus on this area and increased the number of employees in an effort to respond more effectively to customers. Bad debt provision increased $49,000 over the prior year primarily due to increasing revenues, aging accounts receivable on several major accounts, and the slowing housing economy. We increased our collection efforts in the fourth quarter of 2006 and will continue to do so in 2007.

In 2006 we had additional increases of $90,000 to sales expense resulting from initiatives to boost sales by increasing sales staff. Depreciation expense increased $137,000 principally due to construction of mains and new meters to distribute gas to a growing number of new developments in South Florida and increasing capacity requirements for existing customers.

Natural gas operating expenses increased $3.5 million or 21%, in 2005 as compared with 2004. Amortization expense increased $1 million. The bare steel replacement program and recovery of future environmental costs approved in our 2004 natural gas rate proceeding were the primary reasons for this increase. We are currently under a 50-year program to replace all bare steel mains and service lines with coated steel and polyethylene lines. We have received approval to recover the funds necessary to replace these mains and services over the 50-year period. Pursuant to an FPSC mandate, we accrue an amortization expense as an offset to the revenues received, and record a contribution reducing the related construction expenditures. The FPSC also approved recovery of our expected environmental liability over a 20-year period.

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Customer account expense increased $373,000 in 2005 as compared to 2004 primarily due to increased payroll expenses for additional staffing and facility and equipment upgrades. There were also increased bad debt provisions as a result of the increases in accounts receivable due to general and fuel rate increases. The purchase of additional safety equipment, tools, hardware and office furniture contributed to a $942,000 increase in other operating expense. Other items affecting expenses included a research marketing study to provide us with data to better serve our customers and additional payroll

expenses relating to hurricane preparedness and wage increases. Maintenance expense increased by $208,000 primarily due to maintenance expenditures in Central Florida for cleaning and painting a distribution regulator and gate stations and the purchase of maintenance related safety equipment and tools.

Electric
Electric operating expenses increased $535,000, or 5%, in 2006 as compared with 2005. As a result of our efforts to inform and educate our electric customers about the expected 2007 and 2008 fuel rate increases in upcoming bills, sales expense increased by $120,000. Customer account expenses increased $106,000 in 2006 over the prior year mainly due to increased bad debt provisions due to higher sales and slower housing economy. Depreciation expense increased $202,000 largely due to major construction work done in the latter part of 2005 and the beginning of 2006. This included the rebuilding of a transmission sub-station, the rebuilding of an entire distribution sub-station with two transformers and the replacement of a failed sub-distribution station transformer. Additional significant work on transformers is expected in 2008.

Electric operating expenses increased $771,000, or 8%, in 2005 as compared with 2004. As we continued to focus on improving service reliability, we increased maintenance expense by $397,000 for additional tree trimming and the use of a temporary mobile substation while a new transformer was purchased and put into service. Depreciation expense increased $100,000 due to normal increases in plant assets. In 2005, other operating expenses increased $114,000 due to a shift from work on capital assets to operational needs along with personnel raises.

Propane Gas
Propane gas operating expenses increased $94,000, or 2%, in 2006 as compared with 2005. Depreciation expense increased $99,000 for the addition of plant assets including a propane gas delivery system that will increase the efficiency of our deliveries and improve our overall customer satisfaction. Aging accounts receivable, slowing housing economy and increasing revenues contributed to an increase in our bad debt expense over the prior year.

Propane gas operating expenses increased $630,000, or 12%, in 2005 as compared with 2004. As we continued to focus on increasing our propane gas business, other operating costs increased $467,000. We placed additional emphasis in the sales area, which resulted in signing up new housing developments that will utilize propane gas. We incurred increased expenditures for piping homes, delivering propane gas, implementing a new delivery system and increasing commission payments. This increased effort in our sales area contributed to an increase of 150 customers and 4% overall units sold in our propane gas segment.

Administrative Expenses
Administrative expenses increased $177,000, or 2%, in 2006 over 2005. These expenses generally are related to all of our operating segments. To continue to adequately support our internal and external customers, we increased staffing in our administrative areas. Payroll increases of $322,000 related to an increased number of employees, annual pay raises and normal inflationary impacts. In 2006, we discontinued eligibility to our defined benefit pension plan for new employees and replaced the defined benefit pension plan with a 401K-match plan for new employees. Although this change will take time to reduce pension expense, we did experience a reduction of $107,000 in our pension expenses in

2006. Medical costs increased $120,000 over the prior year and these costs are expected to continue to rise.

Regulatory storm surcharge expenses approved in our 2005 natural gas petition increased natural gas expenses by $180,000.

Administrative expenses increased $996,000, or 13%, in 2005 over 2004. Pension expense increased $274,000 due to our estimate that the return on the pension's assets will not keep pace with growing pension liabilities. Medical insurance premiums continue to rise, increasing $130,000 in 2005. Compliance costs related to Sarbanes-Oxley and internal control requirements, as well as audit fees, increased outside services expenses by $156,000. With the impact from our focus on hurricane preparations and the 2005 hurricanes, our safety expense increased by $235,000. A portion of this increase related to compensation for an additional safety employee and costs for a new safety incentive program.

Total Other Income and Deductions
Other income and deductions include revenues and expenses from sales and installation, service of merchandise, gains or losses on disposal of property, interest expense and other income and expenses. The largest components of this section are merchandise sales, services income and interest expenses. Our service activities include the installation of merchandise and other contract work. Interest expense consists of interest on bonds, short-term borrowings and customer deposits.

Merchandise and Services Revenue and Expenses
Although merchandise and services revenue decreased by approximately $268,000 in 2006, the overall profitability in this area increased by $325,000 compared to 2005. This was primarily a result of significant strategic changes made by management. These changes included revising the product markup structure, increasing installation fees and increasing employee training. We experienced a revenue decrease due to lower demand for merchandise as a result of a quiet hurricane season and the slow down of new construction projects in our areas due to the downturn in the housing market.

Merchandise and services revenues and expenses increased in 2005 from 2004 but profitability decreased $114,000. We experienced an increase in revenues and cost of sales primarily due to an increased demand for electric to gas conversions and installations of customer owned propane gas tanks to supply back-up generators. We had increased expenses from sub-contractors that were not passed on to customers in sales prices.

Interest Expenses
In 2005, total interest expense increased $106,000. Interest on short-term debt increased $37,000. This was due to the increase in the average outstanding loan balance on the line of credit and higher interest rates. Interest on customer deposits increased $48,000 due to increased customer deposits primarily as a result of additional deposits required after implementing increased rates in our natural gas operation.

Other
Other revenues increased $51,000 compared to 2005 due to additional interest income associated with the sale of the water assets.

Income Taxes

Income tax expense decreased in 2006 over the normal tax rate on net income by $67,000. This decrease was due to tax return adjustments related to the regulatory deferred tax liabilities.

Income tax expense decreased in 2005 over the normal tax rate on net income by $43,000. Tax return adjustments related to the sale of our water assets and the regulatory deferred tax liabilities decreased expenses by $118,000. We had an offsetting increase of $75,000 related to our IRS audit of the 2002 and 2003 income tax returns.

Liquidity and Capital Resources

Summary of Primary Sources and Uses of Cash

(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Sources of Cash:			
Operating activities, including working capital changes	$20,090	$10,213	$11,673
Net proceeds on short-term debt	-	3,733	3,547
Other sources of cash	1,179	1,214	648
Uses of Cash:			
Construction expenditures	13,116	12,441	13,731
Dividends paid	2,551	2,448	2,368
Net payment on short-term debt	6,092	-	-
Other uses of cash	121	75	129
Net (use) source of cash	$ (611)	$ 196	$ (360)

Cash Flows

Operating Activities

Net cash flow provided by continuing operating activities increased in 2006 by approximately $10 million compared to 2005. Fuel and other pass through costs accounted for $6.5 million of the increase. This increase resulted from the collection of the prior year's under-recoveries of $3.4 million and over-recoveries of $3.1 million in 2006. Amounts over-recovered will be refunded to customers in subsequent calendar years. Lower fuel costs during the latter part of the year in our natural gas segment contributed to a decrease in receivables and increase in cash of $3 million. The lower fuel costs and timing of payments to our major fuel suppliers resulted in a decrease to operating cash of $1 million. Income taxes paid increased by approximately $600,000 primarily due to the tax effect of the collection of prior year's fuel under-recoveries.

Net cash flow provided by continuing operating activities decreased in 2005 by approximately $1.5 million compared to 2004. Payments for fuel exceeded the amount collected from customers by an additional $3.1 million in 2005. The under-recovery of fuel costs is collected in the following calendar year. Income tax payments increased approximately $1.5 million, primarily as a result of less tax depreciation and higher income. The deduction for tax depreciation was higher in 2004 as a result of bonus depreciation, resulting in lower taxes in that year. We also received a refund in 2004 relating to the deferral of the gain on our water assets sale.

Offsetting the decreases to 2005 cash flow was additional cash received from rate increases in our natural gas segment. The rate increases also contributed to an increase to accounts receivable of $4 million. Accounts payable increased $3.3 million in 2005 primarily due to the increased cost of fuel in our natural gas segment.

Investing Activities
Capital expenditures increased in 2006 compared to 2005 by approximately $700,000. The increase in 2006 included expenditures for transportation equipment in our electric segment for approximately $400,000, vehicles in our natural gas segment above 2005 levels of approximately $600,000, and various other typical capital expenditures. Offsetting total 2006 increases was a $663,000 transformer replacement in 2005.

Capital expenditures decreased in 2005 compared to 2004 by approximately $1.3 million. In 2004, there were large projects to rebuild two substations in our electric segment and additional propane community gas systems costing approximately $3.3 million. In 2005 such expenditures were lower and consisted of the purchase of a transformer in our electric segment for $663,000, a new natural gas mapping system to track our assets used in serving our customers for approximately $300,000, a propane delivery system for approximately $300,000, additional propane community gas systems for approximately $300,000 and other various capital expenditures.

Financing Activities
Short-term borrowings decreased by $6 million in 2006. Over-recovery of fuel costs provided a large source of cash during 2006 as well as the recovery of the prior year's under-recovery of fuel costs in 2006, reducing the need for short-term borrowings.

Although additional sources of cash were provided by our rate increases and lower construction expenditures in 2005, the additional expenditures from the under-recovery of fuel costs and additional income taxes increased our short-term debt. Short-term borrowings increased in 2005 over 2004 by approximately $3.7 million.

Capital Resources
We currently have a $12 million line of credit, which expires on July 1, 2008. Upon 30 days notice by us we can increase the line of credit to a maximum of $20 million. The line of credit contains affirmative and negative covenants that, if violated, would give the bank the right to accelerate the due date of the loan to be immediately payable. The covenants include certain financial ratios. All ratios are currently met and management believes we are in full compliance with all covenants and anticipates continued compliance. We reserve $1 million of the line of credit to cover expenses for any major storm repairs in our electric segment and an additional $250,000 for a letter of credit insuring propane gas facilities. As of December 31, 2006, the amount borrowed on the line of credit was $3.5 million. The line of credit, long-term debt and preferred stock as of December 31, 2006 comprised 53% of total capitalization and debt.

In prior years we periodically paid off short-term borrowings under lines of credit using the net proceeds from the sale of long-term debt or equity securities. We may use similar types of proceeds in the future to pay off short-term borrowings, dependent on the amount borrowed from the line of credit, prevailing market conditions for debt and equity, the impact to our financial covenants and the effect on income.

Our 1942 Indenture of Mortgage and Deed of Trust, which is a mortgage on all real and personal property, permits the issuance of additional bonds based upon a calculation of unencumbered net real and personal property. At December 31, 2006, such calculation would permit the issuance of approximately $39.3 million of additional bonds.

On November 30, 2006 we received approval from the FPSC to issue and sell or exchange an additional amount of $45 million in any combination of long-term debt, short-term notes and equity securities and/or to assume liabilities or obligations as guarantor, endorser or surety during calendar year 2007. We will seek approval from the FPSC in 2007 for any possible financing in 2008.

We have $3.4 million in invested funds for payment of future environmental costs. We expect to use some of these funds in 2007.

Capital Requirements
Portions of our business are seasonal and dependent upon weather conditions in Florida. This factor affects the sale of electricity and gas and impacts the cash provided by operations. Construction costs also impact cash requirements throughout the year. Cash needs for operations and construction are met partially through short-term borrowings from our line of credit.

Capital expenditures are expected to be higher in 2007 compared to 2006 by approximately $3.9 million. The primary reason for the expected increase in expenditures is the anticipated purchase of land for a new South Florida division office. The current division office is on environmentally impacted property, which requires relocating the office to allow for clean up of the property. It is not possible to rebuild at the current location since the property has been rezoned with a residential designation. The estimated cost of land is $3.8 million. We are planning to build and complete this new facility in the next five years. We do not have any commitments for capital expenditures in 2007 other than vehicles of approximately $102,000.

Cash requirements will increase significantly in the future due to environmental clean up costs, sinking fund payments on long-term debt and pension contributions. Environmental clean up is forecast to require payments of approximately $600,000 in 2007, with remaining payments, which could total approximately $13.1 million, beginning in 2008. Annual long-term debt sinking fund payments of approximately $1.4 million will begin in 2008 and will continue for eleven years. Based on current projections, we will make voluntary contributions in our defined benefit pension plan of $250,000 in 2007 and $500,000 in 2008. Required contributions will begin in 2009 and are forecast to be approximately $2 million in 2009 and 2010.

Based on our current expectations for cash needs, including the possible land purchase and related South Florida office construction, we may choose to consider an equity or debt financing in 2008 to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time. In addition, if we experience significant environmental expenditures in the next two or three years it is possible we may need to raise additional funds. If interest rates remain favorable we may consider re-financing one of our mortgage bonds. If refinancing is deemed beneficial, we may re-issue the bond for additional principal. There can be no assurance, however, that equity or debt transaction financing will be available on favorable terms or at all when we make the decision to proceed with a financing transaction.

Outlook

Pension and Insurance Expenses

Insurance costs have been increasing and are expected to continue to increase while we expect pension costs to decrease. Pension expenses decreased $107,000 in 2006 and our actuarial estimates show pension expense decreasing by $142,000 in 2007. Insurance expenses including Medical, Liability and Workers' Compensation increased $70,000 in 2006 and are expected to increase further in 2007.

The regulated segments received rate relief for some of the historical pension and insurance increases in 2003 and 2004. Increases beyond those experienced through 2005, which are allocated to the regulated segments, may require requesting future rate relief. The propane gas segment may recover these expenses by increasing rates, depending on market conditions in the propane gas industry and the ability to remain competitive.

Due to significant cost increases for our defined benefit pension plan over the past several years and with expectations that these cost increases will continue in the years ahead, we discontinued eligibility to our pension plan for all new hires.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service.

Electric Power Supply Contracts

Contracts with our two electric suppliers were originally set to expire on December 31, 2007. Those contracts provided electricity to our customers at rates much lower than market rates. As part of our negotiations, we agreed to end the current contract terms for our Northeast division on December 31, 2006 and executed an amended contract to begin January 1, 2007 and expire December 31, 2017. Although the contract rates will increase for 2007, this enabled us to obtain lower rates for the longer term of the contract than would have been available if we had not revised the contract. The savings are passed through to our customers without profit to us.

We executed a contract for the provider of electricity in our Northwest division in December 2006 and are seeking approval of this contract and its related terms and conditions from the FPSC on or before July 1, 2007. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division. This contract will be for the purchase of electricity beginning January 1, 2008. We anticipate that contract will result in rates closer to market, which could cause our customers' bills to double over existing prices in the next several years.

We are unable to estimate what impact, if any, the higher rates could have on electric consumption.

Propane Gas

We are currently reviewing the possibility of hedging activities in 2007 to help mitigate the risk of price changes for our cost of propane gas. We are unable to determine the impact this activity will have on our future operating income.

We used advance purchase agreements made in the normal course of procuring propane gas supplies in past years. These agreements resulted in a loss of gross profit of approximately $5,000 in 2006 and additional gross profit of approximately $383,000 in 2005 and $242,000 in 2004.

Over-earnings-Natural Gas Segment
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We currently estimate over-earnings in 2006 of $230,000 and in 2005 of $650,000. We revised our prior year's 2005 estimate of $700,000 during 2006. These liabilities have been included in an over-earnings liability on our balance sheet, with the potential of rate refunds to customers. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

Our 2005 and 2006 estimates of our over-earnings liabilities could change upon the FPSC finalization and review of our earnings in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

In 2007 we requested that the 2005 natural gas over-earnings be used to provide additional funds to our regulatory liability – storm reserve and reduce the costs currently being recovered from our customers through a storm surcharge. If the FPSC approves this disposition, we will end the storm surcharge in 2007.

Electric Customers
A large commercial customer in our electric division closed its operations in late 2006. As a result we anticipate annual revenues to be reduced by approximately $300,000 and annual gross profit to be reduced by approximately $50,000.

A large distribution center was built in our Northwest division in 2004 and a second facility was added in 2006. A third distribution facility is expected to be added by the end of 2007. Additional industrial and commercial development is planned for this general area, which should increase load significantly. Additional gross profit is anticipated in the future to increase between $30,000 and $50,000 as a result of the additional developments.

Natural Gas Customers

Two natural gas customers went off-line for approximately six months in 2006 due to lower production, market slow down and maintenance work on their facilities. We anticipate that they will not be fully operational until mid-2007. The decreased revenue and gross profit is estimated to be $100,000 in 2007.

Indiantown Gas Agreement

The FPSC approved our joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We began construction in the Indiantown area to install natural gas mains in the first phase of this development, for approximately 100 homes. Two more developments are slated for construction of approximately 1,000 homes in 2007.

Storm Preparedness Expenses

Regulators continue to focus on hurricane preparedness and storm recovery issues for utility companies. Newly mandated storm preparedness initiatives could impact our operating expenses and capital expenditures beginning in 2007. The initial forecasts of these annual expenditures are approximately $700,000. It is possible that additional regulation and rules will be mandated regarding storm related expenditures over the next several years. We requested that the FPSC allow us to recover the cost of the newly mandated storm preparedness initiatives and to defer these storm-related expenditures until we receive recovery through a rate increase. If approved, both the recovery and expenditures may occur by mid-2007. If the FPSC does not approve our request, we plan to file a rate proceeding in 2007 as an alternative option for recovery of these expenditures.

Land Purchase

We are currently reviewing multiple sites for the new South Florida division office. We expect to purchase land for the new South Florida division office during 2007.

Contractual Obligations

Table of Contractual Obligations
(Dollars in thousands)

Payments due by period:	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Long-term Debt Obligations	$52,500	$ -	$2,818	$2,818	$46,864
Long-term Debt Interest	63,904	3,949	7,623	7,074	45,258
Operating Lease Obligations	352	151	163	38	-
Natural Gas and Propane Gas Purchase Obligations	64,904	37,768	16,244	4,568	6,324
Electric Purchase Obligations	487	53	98	91	245
Other Purchase Obligations	2,682	940	1,726	14	2
Total	$184,829	$42,861	$28,672	$14,603	$98,693

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Long-term Debt Obligations

The Long-term debt obligations are principal amounts.

Long-term Debt Interest

The Long-term debt interest represents the interest obligation on our Mortgage Bonds.

Operating Lease Obligations

Our total operating lease obligation is $352,000. We are leasing property from the City of Fernandina Beach in our Northeast division. The total obligation for the duration of this lease is about $107,000 over the next five years. We lease our appliance showroom in the same division for approximately $35,000 annually. We also have other operating lease agreements with various terms and expiration dates.

Purchase Obligations

A purchase order is considered an obligation if it is associated with a contract or is authorizing a specific purchase of material. The Other Purchase Obligation amount presented above represents the amount of open orders.

Pension, Medical Postretirement and Other Obligations
Our pension plan continues to meet all funding requirements under ERISA regulations; however, under current actuarial assumptions, contributions may be required as early as 2009. Current projections indicate that we will make voluntary contributions of $250,000 in 2007, $500,000 in 2008 and make required contributions of approximately $2 million in 2009 and 2010, decreasing to under $1 million in 2011. These payments are not included in the Contractual Obligations table.

Environmental clean up is anticipated to require approximately $600,000 in 2007, the remainder to be paid in following years. These payments are not included in the Contractual Obligations table.

We have medical postretirement payments relating to retiree medical insurance. These payments are not included in the Contractual Obligations table. Estimated future payments are described in Note 12 in the Notes to Consolidated Financial Statements.

Dividends
We have historically paid dividends. It is our intent to continue to pay quarterly dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon our future earnings, cash flow, financial condition, capital requirements and other factors.

Other

Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48
In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings, and case law and determined that the Company has no material uncertain tax positions. Additionally, the IRS concluded an audit of the 2002 and 2003 tax years in September of 2005.

In February of 2007, the IRS informed us that it selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings as the result of the impending IRS audit.

Based on the aforementioned, we believe that the adoption of FASB Interpretation No. 48 will not have a material impact on our financial condition or results of operation.

Financial Accounting Standard No. 157

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, that is, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard No. 158

In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 requires the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

The Company uses December 31 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company currently uses this date as the measurement date, and has used it for all periods presented.

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The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on the non-regulated portion of the liability has been recorded as a deferred income tax asset. As an offset, the regulatory portion of this liability has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining expense for recording the liability has been included in other comprehensive income. The fair value of retirement plan assets and obligations are subject to change based on market fluctuations. The table below summarizes the effects to our financial statements.

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FASB 158 Implementation Summary
(Dollars in thousands)

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$ -	$829	$829
Liabilities and Equity:			

Accumulated other comprehensive income/(loss)	-	(146)	(146)
Other accruals and payables	2,034	151	2,185
Long term medical and pension reserve	3,819	912	4,731
Deferred income taxes	16,224	(88)	16,136

Staff Accounting Bulletin No. 108

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes an assessment from both an income statement and a balance sheet focus. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

Critical Accounting Policies and Estimates

Regulatory Accounting

We prepare our financial statements in accordance with the provisions of SFAS No. 71 "Accounting for the Effects of Certain Types of Regulation" and it is our most critical accounting policy. In general, SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. As a result, a regulated utility may defer recognition of a cost (a regulatory asset) or recognize an obligation (a regulatory liability) if it is probable that, through the rate making process, there will be a corresponding increase or decrease in revenues or expenses. SFAS No. 71 does not apply to our unregulated propane gas operations.

Use of Estimates

We are required to use estimates in preparing our financial statements so they will be in compliance with accounting principles generally accepted in the United States of America. Actual results could differ from these estimates. We believe that the accruals for potential liabilities are adequate. The estimates in our financial statements included the accrual for pensions, environmental liabilities, over-earnings liability, unbilled revenues, allowances for doubtful accounts, uninsured liability claims and the regulatory deferred income tax and deferred income liabilities.

- Pension and post retirement benefits-An actuary calculates the estimated pension liability in accordance with FASB 87, FASB 88 as amended by FASB 132 and FASB 158.
- Environmental liabilities-These liabilities are subject to certain unknown future events. The Company reviews the environmental issues regularly with the geologists performing the feasibility studies and their legal counsel specializing in manufactured gas plant issues and negotiates with the environmental regulators and the other participating parties to determine the adequacy of the estimated liability for environmental reserves.

Deleted: ***Financial Accounting Standard No. 154***

In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We adopted SFAS No. 154 as of January 1, 2006; however, we did not have any impact to our financial statements in 2006 as a result of this adoption.

Deleted: ***Financial Accounting Standard Board Interpretation No. 47***

In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. We adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

This Interpretation addresses the legal obligation to retire an asset when the timing and (or) met[... [1]

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- Over-earnings liability-This liability is subject to regulatory review and possible disallowance of some expenses in determining the amount of over-earnings.
- Unbilled revenues-Unbilled revenue is estimated with certain assumptions including unaccounted for units and the use of current month sales to estimate unbilled sales.
- Allowances for doubtful accounts- This liability is estimated based on historical information and trended current economic conditions, certain assumptions, and is subject to unknown future events. Actual results could differ from our estimates.
- Uninsured liability claims-We are self-insured for the first $250,000 of each general and auto liability claim and accrue for estimated losses occurring from both asserted and unasserted claims. The estimate for unasserted claims arising from unreported incidents is based on an analysis of historical claims data and judgment.
- Regulatory deferred income tax and deferred income tax liabilities-These liabilities are estimated based on historical data and are subject to finalization of our income tax return. Actual results could differ from our estimates.

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Revenue Recognition
We bill utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. We accrue estimated revenue for gas and electric customers for consumption used but not yet billed for in an accounting period. Determination of unbilled revenue relies on the use of estimates and historical data. We believe that the estimates for unbilled revenue materially reflect the unbilled gross profit for our customers for units used but not yet billed in the current period.

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Any earnings in excess of this maximum amount are accrued for as an over-earnings liability and revenues are reduced for this same amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves or reducing any depreciation reserve deficiency.

Effects of Inflation
Our tariffs for natural gas and electric operations provide for fuel clauses that adjust annually for changes in the cost of fuel. Increases in other utility costs and expenses not offset by increases in revenues or reductions in other expenses could have an adverse effect on earnings due to the time lag associated with obtaining regulatory approval to recover such increased costs and expenses, the uncertainty of whether regulatory commissions will allow full recovery of such increased costs and expenses and any effect on unregulated propane gas operations.

Environmental Matters
We currently use or have used in the past, several contamination sites that are currently involved in pending or threatened environmental litigation as discussed in Note 10-"Contingencies" in the Notes to Consolidated Financial Statements. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover

any expected losses or expenses. We believe that the aggregate of all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the insurance proceeds received and any rate relief granted. The final 2004 natural gas rate relief granted by the FPSC provided future recovery of $8.9 million for environmental liabilities. The remaining balance to be recovered from customers through future recovery is included on the balance sheet as "Other regulatory assets-environmental".

Off-Balance Sheet Arrangements
We do not have any off-balance sheet arrangements.

Forward-Looking Statements (Cautionary Statement)
This report contains forward-looking statements including those relating to the following expectations:

- Based on our current expectations for cash needs, including cash needs relating to the possible land purchase and related construction, we may choose to consider an equity or debt financing in 2008 to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time.
- Pension expenses will continue to decrease in 2007.
- Other insurance costs will increase in 2007.
- Our anticipation of continued compliance in the foreseeable future with our line of credit covenants.
- Our expectation that cash requirements will increase significantly in the future due to environmental clean-up costs, sinking fund payment on long-term debt and pension contributions.
- Electric storm related expenditures may be necessary beginning in mid-2007 and the total cost may be significant. We may receive recovery for these expenditures.
- Propane gas hedging activity may occur in 2007.
- The fuel supply contract in our Northwest Florida division beginning January 1, 2008 will be approved by the FPSC in 2007 and will be effective for the purchase of fuel supply beginning in 2008.
- Our 2005 and 2006 over-earnings liabilities in natural gas will materialize as estimated after the FPSC reviews and audits.
- We expect to have higher fuel costs for 2007, 2008 and beyond.
- The development in Indiantown will occur as estimated.
- The purchase of land for our new natural gas and propane gas division office will occur in 2007.
- The FPSC will allow our natural gas over-earnings to fund a future storm reserve and reduce our current regulatory asset related to historic storm costs and discontinue the related natural gas storm surcharge in 2007.
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- The commercial and industrial growth will occur as expected in our Northwest division providing increases in our revenues and gross profit.
- The two customers that went off-line in 2006 will be fully operational by mid-2007.

Deleted: We have increased our focus on collection efforts of bad debt and we expect our bad debt expense to return to normal levels in 2007 and beyond.

These statements involve certain risks and uncertainties. Actual results may differ materially from what is expressed in such forward-looking statements. Important factors

that could cause actual results to differ materially from those expressed by the forward-looking statements include, but are not limited to, those set forth above in "Risk Factors".

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

All financial instruments held by us were entered into for purposes other than for trading. We have market risk exposure only from the potential loss in fair value resulting from changes in interest rates. We have no material exposure relating to commodity prices because under our regulatory segments, we are currently fully compensated for the actual costs of commodities (natural gas and electricity) used in our operations. Any commodity price increases for propane gas are normally passed through monthly to propane gas customers as the fuel charge portion of their rate.

None of our gas or electric contracts are accounted for using the fair value method of accounting. While some of our contracts meet the definition of a derivative, we have designated these contracts as "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

Beginning in 2007 we plan, on a rolling four-quarter basis, to purchase a "cap" on approximately one-third of our forecast propane gas volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane gas purchases. The remaining one-third will fluctuate with the market price. Our energy strategy allows us to participate in two-thirds of price declines but only one-third of price increases. As of December 31, 2006, we have not entered into any hedging activities. When we do enter into hedging activities, we will determine whether they meet the definition of normal sales and purchases and if not, we will determine whether we can use hedge accounting.

We have no exposure to equity risk, as we do not hold any equity instruments. Our exposure to interest rate risk is limited to investments held for environmental costs, the water sale long term receivable and short-term borrowings on the line of credit. The investments held for environmental costs are short-term fixed income debt securities whose carrying amounts are not materially different than fair value. The short-term borrowings were $3.5 million at the end of December 2006. Therefore, we do not believe we have material market risk exposure related to these instruments. The indentures governing our two first mortgage bond series outstanding contain "make-whole" provisions, which are pre-payment penalties that charge for lost interest, which render refinancing impracticable.

Our non-interest bearing long-term receivable from the sale of the water operations was discounted at 4.34%. A hypothetical 0.5% (50 basis points) increase in the interest rate used would change the current fair value from $6 million to $5.9 million.

In 2006, a hypothetical 0.5% (50 basis points) decrease in the long-term interest rate on $52.5 million debt excluding unamortized debt discount would change the fair value from $63 million to $66.9 million.

Changes in short-term interest rates could have an effect on income depending on the balance borrowed on the variable rate line of credit. We had short-term debt of $3.5 million on December 31, 2006 and $9.6 million on December 31, 2005. A hypothetical 1% increase in interest rates would have resulted in a decrease in annual earnings for 2006 by $35,000 and for 2005 by $96,000, based on year-end borrowings.

Item 8. Financial Statements and Supplementary Data

CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share data)

	Years Ended December 31		
Revenues	**2006**	**2005**	**2004**
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910
Propane gas	14,727	13,479	11,167
Total revenues	134,235	130,023	110,039
Cost of Fuel and Other Pass Through Costs	85,971	82,804	69,350
Gross Profit	48,264	47,219	40,689
Operating Expenses			
Operation	23,724	22,881	20,068
Maintenance	3,484	3,566	2,982
Depreciation and amortization	7,742	7,266	5,900
Taxes other than income taxes	2,985	2,869	2,753
Total operating expenses	37,935	36,582	31,703
Operating Income	10,329	10,637	8,986
Other Income and (Deductions)			
Merchandise and service revenue	4,322	4,590	3,366
Merchandise and service expenses	(4,071)	(4,664)	(3,326)
Other income	620	569	625
Other deductions	(33)	(29)	20
Interest expense on long-term debt	(3,949)	(3,949)	(3,949)
Interest expense on short-term borrowings	(108)	(79)	(42)
Customer deposits and other interest expense	(551)	(540)	(471)
Total other deductions – net	(3,770)	(4,102)	(3,777)
Earnings Before Income Taxes	6,559	6,535	5,209
Income Taxes	(2,295)	(2,287)	(1,615)
Net Income	4,264	4,248	3,594
Preferred Stock Dividends	29	29	29
Earnings for Common Stock	$ 4,235	$ 4,219	$ 3,565
Earnings Per Common Share (basic and diluted)	$ .71	$ .71	$ .60
Dividends Declared Per Common Share	$ .43	$ .41	$ .40
Average Shares Outstanding	5,993,589	5,952,684	5,908,220

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in thousands)

	Years Ended December 31		
	2006	2005	2004
Net income	$ 4,264	$ 4,248	$ 3,594
Other comprehensive income/(loss), net:			
Retirement plans adjustment	(234)	-	-
Deferred income taxes benefit	88	-	-
Comprehensive income	$ 4,118	$ 4,248	$ 3,594

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See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	December 31, 2006	December 31, 2005
ASSETS		
Utility Plant		
Natural gas	$ 95,393	$ 89,835
Electric	72,776	70,084
Propane gas	17,153	15,500
Common	3,646	3,859
Total	188,968	179,278
Less accumulated depreciation	59,757	56,217
Net utility plant	129,211	123,061
Current Assets		
Cash	84	695
Accounts receivable	12,199	15,780
Notes receivable	298	299
Allowance for uncollectible accounts	(429)	(272)
Unbilled receivables	1,957	1,918
Inventories (at average or unit cost)	4,120	3,781
Prepaid expenses	962	951
Income tax prepayments	98	1,159
Under-recovery of fuel costs	862	3,375
Total current assets	20,151	27,686
Other Assets		
Investments held for environmental costs	3,364	3,258
Other regulatory assets – storm reserve	270	452
Other regulatory assets – environmental	8,284	8,868
Other regulatory assets – retirement plans	829	-
Long-term receivables and other investments	5,740	5,794
Deferred charges	6,496	6,751
Goodwill	2,405	2,405
Intangible assets (net)	4,405	4,391
Total other assets	31,793	31,919
Total	$ 181,155	$ 182,666

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See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	December 31,	
CAPITALIZATION AND LIABILITIES	**2006**	**2005**
Capitalization		
Common shareholders' equity	$ 47,624	$ 45,503
Preferred stock	600	600
Long-term debt	50,702	50,620
Total capitalization	98,926	96,723
Current Liabilities		
Line of credit	3,466	9,558
Accounts payable	10,279	13,166
Insurance accrued	181	296
Interest accrued	789	1,014
Other accruals and payables	2,185	1,984
Taxes accrued	1,277	1,512
Deferred income tax	579	1,066
Over-earnings liability	880	700
Over-recovery of fuel costs	3,656	-
Over-recovery of conservation	355	24
Customer deposits	9,608	8,851
Total current liabilities	33,255	38,171
Other Liabilities		
Deferred income taxes	16,136	17,568
Unamortized investment tax credits	335	411
Environmental liability	13,753	14,001
Regulatory liability – cost of removal	8,800	8,256
Regulatory tax liabilities	876	991
Long-term medical and pension reserve	4,731	2,663
Customer advances for construction	2,707	2,346
Regulatory liability – storm reserve	1,636	1,536
Total other liabilities	48,974	47,772
Total	$ 181,155	$ 182,666

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See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CAPITALIZATION
(Dollars in thousands)

	December 31, 2006	December 31, 2005
Common Shareholders' Equity		
Common stock, $1.50 par value, authorized 10,000,000 shares; issued 6,166,648 shares in 2006; issued 6,152,676 shares in 2005	$ 9,250	$ 9,229
Paid-in capital	6,054	5,998
Retained earnings	35,308	33,625
Accumulated other comprehensive income/(loss), retirement plan adjustment, net of income tax benefit	(146)	-
Treasury stock - at cost (160,349 shares in 2006, 188,994 shares in 2005)	(2,842)	(3,349)
Total common shareholders' equity	47,624	45,503
Preferred Stock		
4 ¾% Series A, $100 par value, redemption price $106, authorized and outstanding 6,000 shares	600	600
4 ¾% Series B Cumulative Preferred, $100 par value, redemption price $101, authorized 5,000 and none issued	-	-
$1.12 Convertible Preference, $20 par value, redemption price $22, authorized 32,500 and none issued	-	-
Total preferred stock	600	600
Long-Term Debt		
First mortgage bonds series		
9.57 % due 2018	10,000	10,000
10.03 % due 2018	5,500	5,500
9.08 % due 2022	8,000	8,000
4.90 % due 2031	14,000	14,000
6.85 % due 2031	15,000	15,000
Unamortized debt discount	(1,798)	(1,880)
Total long-term debt	50,702	50,620
Total Capitalization	$ 98,926	$ 96,723

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY
(Dollars in thousands)

	Common Stock						
	Shares Issued	Aggregate Par Value	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)	Treasury Shares Cost	Treasury Shares
Balances as of December 31, 2003	6,097,478	$9,146	$5,632	$30,638	$ -	$(3,953)	223,062
Net income	-	-	-	3,594	-	-	-
Dividends	-	-	-	(2,383)	-	-	-
Stock plans	32,619	49	174	-	-	316	(17,821)
Balances as of December 31, 2004	6,130,097	9,195	5,806	31,849	-	(3,637)	205,241
Net income	-	-	-	4,248	-	-	-
Dividends	-	-	-	(2,472)	-	-	-
Stock plans	22,579	34	192	-	-	288	(16,247)
Balances as of December 31, 2005	6,152,676	9,229	5,998	33,625		(3,349)	188,994
Net income	-	-	-	4,264	-	-	-
Other comprehensive loss, retirement plans adjustment, net of tax	-	-	-	-	(146)	-	-
Dividends	-	-	-	(2,581)	-	-	-
Stock plans	13,972	21	56	-	-	507	(28,645)
Balances as of December 31, 2006	6,166,648	$9,250	$6,054	$35,308	$(146)	$(2,842)	160,349

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

	Years Ended December 31,		
	2006	2005	2004
Cash Flows from Operating Activities:			
Net income	$ 4,264	$ 4,248	$ 3,594
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation and amortization	7,742	7,266	5,900
Deferred income taxes	(1,946)	(153)	2,470
Bad debt expense	623	359	409
Investment tax credits	(75)	(81)	(83)
Other	805	751	121
Interest income from sale of non-utility property	(252)	(192)	(271)
Compensation expense from the issuance of stock	88	58	91
Effects of changes in:			
Receivables	3,115	(4,513)	(1,688)
Unbilled receivables	(39)	367	(612)
Inventories and prepayments	711	(495)	2,746
Accounts payable and accruals	(1,128)	5,560	1,131
Over (under) recovery of fuel and other pass through costs	6,500	(3,171)	(1,991)
Area expansion program deferred costs	238	109	(372)
Environmental liability	584	429	(586)
Other	(1,140)	(329)	814
Net cash provided by operating activities	20,090	10,213	11,673
Cash Flows from Investing Activities:			
Construction expenditures	(13,116)	(12,441)	(13,731)
Customer advances received for construction	361	454	144
Purchase of long-term investments	(106)	(75)	(34)
Proceeds received on notes receivable	321	304	57
Issuance of notes receivable	-	-	(95)
Other	(15)	-	-
Net cash used in investing activities	(12,555)	(11,758)	(13,659)
Cash Flows from Financing Activities:			
Net change in short-term borrowings	(6,092)	3,733	3,547
Proceeds from common stock plans	497	456	447
Dividends paid	(2,551)	(2,448)	(2,368)
Net cash provided by (used in) financing activities	(8,146)	1,741	1,626
Net Increase (Decrease) in Cash	(611)	196	(360)
Cash at Beginning of Year	695	499	859
Cash at End of Year	$ 84	$ 695	$ 499
Supplemental Cash Flow Information			
Cash was paid during the years as follows:			
Interest	$ 4,777	$ 4,469	$ 4,357
Income taxes	$ 3,298	$ 2,698	$ 1,215

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting and Reporting Policies

A. General

The Company is an operating public utility engaged principally in the purchase, transmission, distribution and sale of electricity and in the purchase, transmission, distribution, sale and transportation of natural gas. The Company is subject to the jurisdiction of the FPSC with respect to its natural gas and electric operations. The suppliers of electric power to the Northwest Florida division and of natural gas to the natural gas divisions are subject to the jurisdiction of the FERC. The Northeast Florida division is supplied most of its electric power by a municipality which is exempt from FERC and FPSC regulation. The Company also distributes propane gas through a non-regulated subsidiary.

B. Basis of Presentation

The consolidated financial statements include the accounts of Florida Public Utilities Company (FPU) and its wholly owned subsidiary, Flo-Gas Corporation. All significant intercompany balances and transactions have been eliminated. The Company's accounting policies and practices conform to accounting principles generally accepted in the United States of America (GAAP) as applied to regulated public utilities and are in accordance with the accounting requirements and rate-making practices of the FPSC and in accordance to the rule requirements of the Securities and Exchange Commission (SEC).

C. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Some of these estimates include the accruals for pensions, allowances, environmental liabilities, liability reserves, unbilled revenue, regulatory deferred tax liabilities and over-earnings liability. Actual results may differ from these estimates and assumptions.

D. Reclassifications

Certain amounts in the prior years' financial statements have been reclassified to conform to the 2006 presentation.

E. Regulation

The financial statements are prepared in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 71 – "Accounting for the Effects of Certain Types of Regulation". SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. A regulated utility may defer recognition of a cost (a regulatory asset) or show recognition of an obligation (a regulatory liability) if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in revenues. The Company has recognized certain regulatory assets and liabilities in the consolidated balance sheets. The Company believes that the FPSC will continue to allow recovery of

such items through rates. As these regulatory assets and liabilties are recovered through rates or paid through a reduction of rates, the assets and liabilities are amortized to revenue and expense. In the event that a portion of the Company's operations are no longer subject to the provisions of SFAS No. 71, the Company would be required to write-off related regulatory assets and liabilities that are not specifically recoverable through regulated rates. In addition, the Company would be required to determine if an impairment related to other assets exists, including plant, and write-down the assets, if impaired, to their fair value.

Summary of Regulatory Assets and Liabilities
(Dollars in thousands)

	2006	2005
Assets		
Deferred development costs (1)	$ 3,952	$ 4,190
Unamortized fuel related regulatory costs (6)	48	24
Environmental assets (2)	8,284	8,868
Storm Reserve assets (3)	270	452
Deferred retirement plan costs (5)	829	-
Unamortized Rate Case expense	368	541
Under-recovery of fuel costs	862	3,375
Unamortized piping and conversion costs (1)	1,521	1,587
Unamortized loss on reacquired debt (1)	209	227
Total Regulatory Assets	$16,343	$19,264
Liabilities		
Tax liabilities	$ 876	$ 991
Cost of removal	8,800	8,256
Storm reserve liabilities	1,636	1,536
Over-recovery of fuel costs	3,656	-
Over-recovery of conservation	355	24
Over-earnings liability (4)	880	700
Total Regulatory Liabilities	$16,203	$11,507

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(1) Deferred development costs, unamortized piping and conversion costs, and unamortized loss on reacquired debt are included in deferred charges in the consolidated balance sheets.
(2) The Company has included the amount due from customers as a regulatory asset for environmental costs. The FPSC authorized recovery of these environmenatl costs from customers over 20 years.
(3) The FPSC has authorized the Company to recover storm damages incurred in 2004 in their natural gas operations. Recovery of these costs from customers over 30 months began November 2005.
(4) The Company originally estimated the 2005 over-earnings for regulated natural gas operations at $700,000. In 2006 the estimate was reduced to $650,000. The Company has estimated 2006 over-earnings for regulated natural gas operations of $230,000. The Company has recorded these liabilities which reduced revenues. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.
(5) The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006

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resulted in a regulatory asset for the portion of the loss of $829,000 to be recovered in future rate proceedings.

(6) The Company has deferred certain regulatory fuel related costs and as of January 2006 has been amortizing these over five years according to a FPSC order in the November 2005 fuel hearings.

The base revenue rates for regulated segments are determined by the FPSC and remain constant until a request for an increase is filed and approved by the FPSC or the FPSC orders the Company to reduce their rates. For the Company to recover increased costs from the effects of inflation and construction expenditures for regulated segments, a request for an increase in base revenues would be required. Separate filings would be required for the electric and natural gas segments. The Company is currently seeking rate relief for electric storm preparedness initiatives required in 2007.

F. Derivatives

None of the Company's gas or electric contracts are accounted for using the fair value method of accounting. All material contracts that meet the definition of derivative instruments are considered "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

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G. Revenue Recognition

The Company's revenues consist of base revenues, fuel adjustment charges, conservation charges and the pass-through of certain governmental imposed taxes based on revenues.

The FPSC approves base revenue rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Fuel adjustment charges, conservation charges and the pass-through of certain governmental imposed taxes based on revenues are approved by the FPSC to allow recovery of fuel, conservation and revenue based taxes from the Company's customers. Any over or under-recovery of these expense items are deferred and subsequently refunded or collected in the following period.

Annually, any earnings in excess of this maximum amount permitted in the base rates are accrued for as an over-earnings liability and revenues are reduced an equivalent amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

The Company bills utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. The Company accrues estimated revenue for gas and electric customers on usage not yet billed for the accounting period. Determination of unbilled revenue relies on the use of estimates, fuel purchases and historical data.

H. Allowance for Doubtful Accounts

The Company records an allowance for doubtful accounts based on historical information and trended current economic conditions. The following is a summary of the activity in Allowance for Doubtful Accounts for the years ending December 31:

Allowance for Doubtful Accounts				
	Balance at Beginning of Year	Write-offs	Provisions to Bad Debt Expense	Balance at End of Year
2004	$ 180,000	320,000	409,000	$ 269,000
2005	$ 269,000	292,000	295,000	$ 272,000
2006	$ 272,000	350,000	50[illegible],000	$ 429,000

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I. Utility Plant and Depreciation

Utility plant is stated at original cost. The propane gas utility plant that has been acquired in acquisitions was stated at fair market value when acquired. Additions to utility plant include contracted services, direct labor, transportation and materials for additions. Units of property are removed from utility plant when retired. Maintenance and repairs of property and replacement and renewal of items determined not to be units of property are charged to operating expenses. Substantially all of the utility plant and the shares of Flo-Gas Corporation collateralize the Company's first mortgage bonds.

Utility Plant
(Dollars in thousands)

Plant Classification	Annual Composite Depreciation Rate	2006	2005
Land		$ 1,130	$ 1,124
Buildings	2.0% to 4.9%	6,991	6,862
Distribution	2.0% to 8.6%	158,010	147,580
Transmission	2.2% to 3.8%	6,878	6,799
Equipment	2.0% to 20.0%	12,700	11,534
Furniture and Fixtures	4.8% to 20.0%	392	369
Work-in-Progress		2,867	5,010
		$ 188,968	$ 179,278

Depreciation for the Company's regulated segments is computed using the composite straight-line method at rates prescribed by the FPSC for financial accounting purposes. Propane gas depreciation is computed using a composite straight-line method at an average rate based on estimated average life of approximately 20-30 years. Such rates are based on estimated service lives of the various classes of property. Depreciation provisions on average depreciable property approximate 3.9% in 2006, 3.9% in 2005 and 3.6% in 2004.

J. Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48

In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings and case law and determined that the Company has no material uncertain tax positions. Additionally, the IRS concluded an audit of the 2002 and 2003 tax years in September of 2005.

In February of 2007, the IRS informed us that it selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings as the result of the impending IRS audit.

Based on the aforementioned, we believe that the adoption of FASB Interpretation No. 48 will not have a material impact on our financial condition or results of operations.

Financial Accounting Standard No. 157

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, that is, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard No. 158

In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 requires the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

The Company uses December 31 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company currently uses this date as the measurement date, and has used it for all periods presented.

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on the non-regulated portion of this liability has been recorded as a deferred income tax asset. As an offset, the regulatory portion of this liability has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining expense from recording the liability has been included in other comprehensive income. The fair value of retirement plan assets and obligations are subject to change based on market fluctuations. The table below summarizes the effects to our financial statements.

FASB 158 Implementation Summary
(Dollars in thousands)

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$ -	$829	$829
Liabilities and Equity:			
Accumulated other comprehensive income/(loss)	-	(146)	(146)
Other accruals and payables	2,034	151	2,185
Long term medical and pension reserve	3,819	912	4,731
Deferred income taxes	16,224	(88)	16,136

Staff Accounting Bulletin No. 108

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes an assessment from both an income statement and a balance sheet focus. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

2. **Goodwill and Intangible Assets**

In accordance with SFAS No. 142, "Goodwill and Other Intangible Assets", the Company does not amortize goodwill or intangibles with indefinite lives. The Company periodically tests the applicable reporting segments, natural gas and propane gas, for

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In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We adopted SFAS No. 154 as of January 1, 2006; however, we did not have any impact to our financial statements in 2006 as a result of this adoption.¶

Deleted: ***Financial Accounting Standard Board Interpretation No. 47¶***
In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. The Company adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This w ... [2]

impairment. In the event a segment becomes impaired, the Company would write down the associated goodwill and intangible assets to fair value. The impairment tests performed in 2005 and 2006 showed no impairment for either reporting segment.

Goodwill associated with the Company's acquisitions is identified as a separate line item on the consolidated balance sheet and consists of $500,000 in the natural gas segment and $1.9 million in the propane gas segment. Isn't this backwards – 1.9 NG and $500K Propane

Intangible assets associated with the Company's acquisitions and software have been identified as a separate line item on the balance sheet. Summaries of those intangible assets at December 31 are as follows:

Intangible Assets
(Dollars in thousands)

		2006	2005
Customer distribution rights	(Indefinite life)	$ 1,900	$ 1,900
Customer relationships	(Indefinite life)	900	900
Software	(Five to nine year life)	3,122	2,971
Non-compete agreement	(Five year life)	-	35
Accumulated amortization		(1,517)	(1,415)
Total intangible assets, net of amortization		$4,405	$ 4,391

The 2006 amortization expense of computer software is approximately $300,000. The Company expects the amortization expense of computer software to be approximately $300,000 annually over the next five years, with the current level of software investment. The non-compete agreements expired in 2006.

3. *Over-earnings-Natural Gas*

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. The Company has agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

The Company estimated 2005 over-earnings for regulated natural gas operations of $700,000. The 2005 over-earnings estimate was revised in 2006 to be $650,000. The Company estimated 2006 over-earnings for regulated natural gas operations of $230,000. These liabilities have been included in the over-earnings liability on the Company's balance sheet. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

The Company feels the estimates of the 2005 and 2006 over-earnings liabilities are accurate, but the amounts could change upon the FPSC finalization and review of earnings expected in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, increasing storm damage or environmental reserves or reducing any depreciation reserve deficiency.

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4. *Storm Reserves*

As of December 31, 2006, the electric segment storm reserve was approximately $1.6 million. Since the last order on the 1999 disposition of electric over-earnings, the FPSC has allowed the Company the flexibility of automatically applying the electric over-earnings to the storm damage reserves each year since 1999 and allowing additional storm damage accruals up to a cap of $2.9 million. In 2006, 2005 and 2004 there were no electric over-earnings and accordingly no additional over-earnings amounts were added to the storm damage reserves.

In October 2005, the FPSC approved recovery of 2004 natural gas segment storm costs plus interest and revenue taxes over a 30-month period beginning November 2005. The Company deferred storm costs as a regulatory asset due from customers on the balance sheet. As of December 31, 2006, the unrecovered amount of natural gas regulatory asset relating to storm costs was $270,000.

The Company has requested that the FPSC allow 2005 over-earnings in natural gas to be used to recover the regulatory asset -storm and discontinue this storm surcharge. As part of this same request, the Company has also asked the FPSC to allow any excess over-earnings amount to provide additional funds for the "regulatory liability- storm reserve" for natural gas. We expect the FPSC to rule on this request during 2007.

In 2005, the FPSC approved applying 2002 natural gas over-earnings of $118,000 to the storm reserve to cover future storm costs.

5. Income Taxes

Deferred income taxes are provided on all significant temporary differences between the financial statements and tax basis of assets and liabilities at currently enacted tax rates. Investment tax credits have been deferred and are amortized based upon the average useful life of the related property in accordance with the rate treatment.

A. Income Taxes related to Deferred Gain on Water Sale

On March 27, 2003, the Company sold substantially all of its assets of the water division to the City of Fernandina Beach. The sale was made pursuant to a "threat of condemnation" during the fourth quarter of 2002. For tax purposes the Company elected to defer the gain on the sale of the assets pursuant to Code Section 1033 of the Internal Revenue Code of 1986 (IRC). Section 1033 allows non-recognition of gain if property is disposed as a result of threat of condemnation and property that is similar or related in service or use is purchased to replace the disposed property. To qualify, the replacement property must be purchased within the replacement period, which begins on the earlier of date of disposition (March 27, 2003) or date of threat of condemnation (December 31, 2002) and ending two years after the close of the year of sale (December 31, 2005). For real property, the replacement period is extended to three years (December 31, 2006).

The Company purchased property that is similar or related in service or use within the replacement periods with the exception of the intangible assets. During the IRS audit in 2005, the IRS disallowed a portion, approximately $900,000 of the deferral relating to the intangible assets, since replacement was no longer expected.

A $2.9 million estimated tax payment was made in 2003 related to the gain on the sale of the water division. It was subsequently determined that the income tax would be deferred. The Company applied for a refund and received $3.9 million in July 2004, which included other estimated tax overpayments.

B. Provision for Income Taxes

The provision (benefit) for income taxes consists of the following:

(Dollars in thousands)	Years ended December 31, 2006	2005	2004
Current payable			
Federal	$ 3,652	$ 2,150	$ (566)
State	664	370	(96)
Current – net	4,316	2,520	(662)
Deferred			
Federal	(1,674)	(143)	2,003
State	(272)	(9)	358
Deferred – net	(1,946)	(152)	2,361
Investment tax credit	(75)	(81)	(84)
Total income taxes	$ 2,295	$ 2,287	$ 1,615

C. Effective Tax Rate Reconciliation

The difference between the effective income tax rate and the statutory federal income tax rate applied to pretax income is of continuing operations accounted for as follows:

(Dollars in thousands)	Years ended December 31, 2006	2005	2004
Federal income tax at statutory rate (34%)	$ 2,230	$ 2,222	$ 1,771
State income tax, net of federal benefit (5.5%)	238	237	189
Investment tax credit	(75)	(81)	(84)
Tax exempt interest	(85)	(71)	(94)
Other	(13)	(20)	(167)
Total provision for income taxes	$ 2,295	$ 2,287	$ 1,615

D. Deferred Income Taxes

Temporary timing differences which produce deferred income taxes in the accompanying consolidated balance sheets are as follows:

(Dollars in thousands)	Years ended December 31, 2006	2005
Deferred tax assets:		
Environmental	$ 2,063	$ 1,932
Self insurance	774	731
Storm reserve liability	509	408
Vacation pay	357	320
Other deferred credits	15	61
Allowance for uncollectible accounts receivable	162	103
General liability	68	111
Rate refund	331	263
Pension	698	286

Under/over-recovery of conservation costs	134	9
Other	37	37
Total deferred tax assets	5,148	4,261
Deferred tax liabilities:		
Utility plant related	20,274	20,319
Deductible intangibles	696	577
Under-recovery of fuel costs	643	1,704
Rate case expense	138	204
Loss on reacquired debt	79	85
Other	33	6
Total deferred tax liabilities	21,863	22,895
Net deferred income taxes liabilities	$ 16,715	$ 18,634

Deferred tax liabilities included in the consolidated balance sheets are as follows:

(Dollars in thousands)	2006	2005
Deferred income tax – current	$ 579	$ 1,066
Deferred income tax – long term	16,136	17,568
Net deferred income tax liabilities	$ 16,715	$ 18,634

E. IRS Audit

The IRS has informed us that it has selected our 2003 and 2004 tax returns for examination. Management does not expect any material adjustments from the audit but the effects, if any, that result from the final resolution of this IRS audit will be recorded when they become known and estimable. The Company expects the audit will be completed before the end of 2007.

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The IRS completed an audit in 2005 of the Company's 2002 and 2003 federal income tax returns. The audit resulted in a current income tax payable amount of $361,000 due to adjustments to depreciation, reserve accounts and recognition of a portion of the water sale gain that was previously deferred. This amount was partially offset by $285,000 in deferred tax liabilities previously established.

6. Capitalization

A. Stock Dividend

On July 25, 2005 a three-for-two stock split in the form of a stock dividend was issued to the shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split for all periods presented.

B. Common Shares Reserved

The Company has 3,833,352 authorized but unissued shares and 160,349 treasury shares as of December 31, 2006. The Company has reserved the following common shares for issuance as of December 31, 2006:

Dividend Reinvestment Plan	54,071
Employee Stock Purchase Plan	52,035

Board Compensation Plan	20,714

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C. Preferred Stock

The Company has 6,000 shares of 4 ¾% Series A preferred stock $100 par value authorized for issuance of which 6,000 were issued and outstanding at December 31, 2006. The preferred stock is included in stockholders' equity on the balance sheet.

The Company also has 5,000, 4 ¾% Series B preferred stock $100 par value authorized for issuance none of which has been issued.

The Company also has 32,500, $1.12 Convertible Preference stock, $20 par value and $22 redemption price, authorized for issuance none of which has been issued.

D. Dividend Restriction

The Company's Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9 million of retained earnings were free of such restriction and therefore available for the payment of dividends. The line of credit agreement contains covenants that, if violated, could restrict or prevent the payment of dividends. At December 31, 2006 the Company is not in violation of these covenants.

E. Treasury Shares

In prior years, common shares resulting from stock dividends have been allocated to common shares held as treasury shares. Treasury shares are not eligible to receive such allocations. Some of these treasury shares were subsequently reissued, resulting in an overstatement of additional paid-in capital. Accordingly, the Company has restated all periods presented to reflect the correct number of treasury shares and the value of treasury shares and additional paid-in capital at each year-end. As the adjustment is a reallocation of amounts between treasury stock and additional paid-in capital, there is no effect on net income, earnings per common share or total stockholders' equity in any period presented.

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F. Employee Stock Purchase Plan

The Company's Employee Stock Purchase Plan offers common stock at a discount to qualified employees.

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¶
Year ... [3]

G. Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan is offered to all Company shareholders and allows the shareholder to reinvest dividends received and purchase additional shares without a fee.

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¶
Year ... [4]

7. Long-term Debt

The Company issued its Fourteenth Series of FPU's First Mortgage Bond on September 27, 2001 in the aggregate principal amount of $15 million as security for the 6.85% Secured Insured Quarterly Notes, due October 1, 2031 (IQ Notes). Interest on the pledged bond accrues at the annual rate of 6.85% payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year beginning January 1, 2002.

The Company issued $14 million of Palm Beach County municipal bonds (Industrial Development Revenue Bonds) on November 14, 2001 to finance development in the area. The interest rate on the thirty-year callable bonds is 4.90%. The bond proceeds were restricted and held in trust until construction expenditures were actually incurred by the Company. In 2002 the remaining $8 million was drawn from the restricted funds held by the trustee.

In 1992, the Company issued its First Mortgage Bond 9.08% Series in the amount of $8 million. The thirty-year bond is due in June 2022.

The Company issued two of its Twelfth Series First Mortgage bond series on May 1, 1988; the 9.57% Series due 2018 in the amount of $10 million and 10.03% Series due 2018 in the amount of $5.5 million. These two issuances require sinking fund payments of $909,000 and $500,000 respectively, beginning in 2008.

Long-term debt on the balance sheet has been reduced for unamortized debt discount. The unamortized debt discount at December 31 included in long-term debt on the balance sheet is $1.8 million in 2006 and $1.9 million in 2005.

Annual Maturities of Long-Term Debt
(Dollars in thousands)

	Total	2007	2008	2009	2010	2011	Thereafter
Long-term Debt	$52,500		$1,409	$1,409	$1,409	$1,409	$ 46,864

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8. Notes Payable

In 2004, FPU entered into an amended and restated loan agreement that allows the Company to increase the line of credit upon 30 days notice by the Company to a maximum of $20 million. In 2006 the agreement was renewed with an expiration date of July 1, 2008. We have not exercised our option to increase the line of credit limit which is currently at $12 million with an outstanding balance of $3.5 million and a remaining amount available of $8.5 million. The Company reserves $1 million of the line of credit to cover expenses for any major storm repairs in its Northwest Florida division. An additional $250,000 of the line of credit is reserved for a 'letter of credit' insuring our propane facilities.

The average interest rates for the line of credit were as follows as of December 31:

Year	Rate
2006	6.2%
2005	5.3%
2004	3.3%

9. Fair Value of Financial Instruments

The carrying amounts reported in the balance sheet for investments held in escrow for environmental costs, notes payable, taxes accrued and other accrued liabilities approximate fair value. The fair value of long-term debt excluding the unamortized debt discount is estimated by discounting the future cash flows of each issuance at rates

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(in thousands)	2006		2005	
	Carrying Amounts	Approximate Fair Value	Carrying Amounts	Approximate Fair Value
Long-term debt	$ 52,500	$63,000	$52,500	$ 63,000

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10. Contingencies

Environmental

The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. Except as discussed below, the Company does not expect to incur material future expenditures for compliance with existing environmental laws and regulations.

(Dollars in thousands)

Site	Range From	Range To
West Palm Beach	$ 4,801	$ 18,027
Sanford	710	710
Pensacola and Other	110	110
Total	$ 5,621	$ 18,847

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The Company currently has $13.8 million reserved as an environmental liability. The FPSC approved up to $14 million for total recovery from insurance and rates based on the original 2005 projections as a basis for rate recovery. The Company has recovered a total of $5.5 million from insurance and rate recovery, net of costs incurred to date. The remaining balance of $8.3 million is recorded as a regulatory asset. On October 18, 2004 the FPSC approved recovery of $9.1 million for environmental liabilities (the remaining amount to be recovered is $8.3 million and is included on the balance sheet as "Other regulatory assets – environmental"). The amortization of this recovery and reduction to the regulatory asset began on January 1, 2005. The majority of environmental cash expenditures are expected to be incurred before 2010, but may continue for another 10 years.

West Palm Beach Site

The Company is currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property owned by it in West Palm Beach, Florida upon which the Company previously operated a gasification plant. The Company entered into a Consent Order with the FDEP effective April 8, 1991, that requires the Company to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. The Company completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant was retained to perform a feasibility study to evaluate appropriate remedies for the site. The feasibility study was transmitted to FDEP on November 30, 2006.

The feasibility study evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the feasibility study ranged from a low of $2.8 million to a high of $54.6 million. Based on the likely acceptability of proven remedial technologies described in the feasibility study and implemented at similar sites, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from $4.6 million to $17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA) or some combination of these remedies. The feasibility study proposed a remedy of superficial soil excavation, and installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from $4.6 million to $9.9 million.

Prior to FDEP's approval of a final remedy for the site, the Company is unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately $4.8 million to $18 million.

Sanford Site
The Company owns a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to its acquisition of the property. Following discovery of soil and groundwater impacts on the property, the Company has participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, the Company executed an Administrative Order on Consent (AOC) with the four former owners and operators (collectively, the Group) and the EPA that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RI/FS AOC and RI/FS Participation Agreement is now complete and the Company has no further obligations under either document.

In late September 2006, EPA sent a Special Notice Letter to the Company, notifying the Company of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the Company and the other Group members sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended Record of Decision (ROD) for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, the Company and the Group submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1 through OU3.

In January, the Company along with the other members of the Group signed a Third Participation Agreement, which provides for funding the remediation work specified in the RODs for OU1 through OU3 and supercedes and replaces the Second Participation Agreement. The Company's share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13 million, or $650,000. At present, it is not anticipated that the total cost of remediation will exceed $13 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13 million. In any such event, the Company does not expect our share of such additional costs to be greater than 5%; and its share of such additional costs may be less than 5%.

The Company's future legal costs and expenses and its share future remediation expenses for this site are currently projected to be approximately $710,000.

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Pensacola Site
The Company is the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that the Company was one of several responsible parties for any environmental impacts associated with the former gasification plant site, the Company entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. The Company's share of these costs is less than $2,000 annually or a total of $27,000.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to the Company in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, the Company has not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, the Company is unable to determine whether additional field work or site remediation will be required by EPA and, if so, the scope or costs of such work.

Key West Site
From 1927 to 1938, the Company owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the Company and the current site owner and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified the Company that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished disposition is recommended."

FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 31, 2006, the Company has received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such work. In 1999, the Company received an estimate from its consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, the Company's share would be approximately $83,000.

11. Commitments

A. General

To ensure a reliable supply of electric and natural gas at competitive prices, the Company has entered into long-term purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2015. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices. At December 31, 2006, the Company has firm purchase and transportation commitments adequate to supply its expected future sales requirements. The Company is committed to pay demand or similar fixed charges of approximately $37.8 million during 2007 related to gas purchase agreements. Substantially all costs incurred under the electric and gas purchase agreements are recoverable from customers through fuel adjustment clause mechanisms.

B. Operating Leases

The Company's total operating lease obligation is $352,000. The Company is leasing property from the City of Fernandina Beach in our Northeast division. The Company is in the process of renegotiating the terms of this lease and it may be able to terminate this lease at an earlier date. The Company leases an appliance showroom in the same division for approximately $35,000 annually. The Company also has other operating lease agreements with various terms and expiration dates. The following table shows the approximate future obligations under noncancelable agreements.

	2007	2008	2009	2010	2011
Operating Lease Obligations	$151,000	$116,000	$47,000	$38,000	-

12. Employee Benefit Plans

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans, pension plan and retirees medical plan. See Footnote 1J, Impact of Recent Accounting Standards, Financial Accounting Standard 158 for a summary of the impact to our financial statements.

A. Pension Plan

The Company sponsors a qualified defined benefit pension plan for non-union employees that were hired before January 1, 2005 and for unionized employees that work under one of the six Company union contracts and were hired before their respective contract dates in 2005.

Deleted: that approved this change in 2005. Our six union contracts have accepted this change for their new members hired after

The following tables provide a reconciliation of the changes in the plan's benefit obligations and fair value of assets over the 3-year period ending December 31, 2006 and a statement of the funded status as of December 31, of all three years:

Benefit Obligations and Funded Status

			Years Ended December 31,		
			2006	2005	2004
(1)		Change in Projected Benefit Obligation			
	(a)	Projected Benefit Obligation at the Beginning of the Year	$36,349,925	$34,926,383	$31,540,942
	(b)	Service Cost	1,225,495	1,195,723	1,084,564
	(c)	Interest Cost	2,160,719	2,000,099	1,940,122
	(d)	Actuarial (Gain) or Loss	541,865	(842,777)	1,708,132
	(e)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
	(f)	Change in Plan Provisions	-	584,838	-
	(g)	Curtailment	(97,858)	-	
	(h)	Projected Benefit Obligation at the End of the Year	$38,650,888	$36,349,925	$34,926,38
	(i)	Accumulated Benefit Obligation at the End of the Year	$33,693,860	$31,966,513	$30,518,393
(2)		Change in Plan Assets			
	(a)	Fair Value of Plan Assets at the Beginning of the Year	$32,936,666	$32,385,214	$31,081,063
	(b)	Actual Return on Plan Assets	3,977,806	2,065,793	2,651,528
	(c)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
	(d)	Employer Contributions	250,000	-	-
	(e)	Fair Value of Assets at the End of the Year	$35,635,214	$32,936,666	$32,385,21
(3)		Funded Status: (2)(e) - (1)(h)	$(3,015,674)	$(3,413,259)	$(2,541,16
(4)		Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
	(a)	Prepaid (Accrued) Benefit Cost	$(1,760,785)	$(721,333)	$725,619
	(b)	Net Asset (liability)	$(1,760,785)	$(721,333)	$725,61
	(c)	Charge to Accumulated Other Comprehensive Income:			
(5)		Adjustments Caused by Applying FAS 158			
	(a)	Increase in Net Asset (Liability): (3) – (4)(b)	$(1,254,889)	N/A	N/
	(b)	Increase in Charge to Accumulated Other Comprehensive Income:	276,076	N/A	N/
	(c)	Increase in Charge to Regultory Asset retirement plans	978,813	N/A	N/A
	(d)	Subtotal of Adjustments: (a)+(b)+(c)		N/A	N/
(6)		Amount Recognized in Statement of Financial Position After applying FAS 158			

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	(a) Net Asset (Liability): (4)(l) + (5)(a)	$(3,015,674)	$(721,333)	$725,61
	(b) Charge to Accumulated Other Comprehensive Income: (4)(c) + (5)(b)	$276,076	-	
	(c) Regulatory Asset-Retirement Plans (5)(c)	$978,813	-	
(7)	Net Asset (Liability) Recognized in the Statement of Financial Position After applying FAS 158			
	(a) Noncurrent Assets	-	N/A	N/A
	(b) (Current Liabilities)	-	N/A	N/A
	(c) (Noncurrent Liabilities)	$(3,015,674)	N/A	N/A
	(d) Total Net Asset (Liability): (a) + (b) + (c)	$(3,015,674)	N/A	N/A
(8)	Amount Recognized in Accumulated Other Comprehensive Income And Regulatory Asset –Retirment Plans After applying FAS 158			
	(a) Transition Obligation (Asset)	-	N/A	N/A
	(b) Prior Service Cost (Credit)	$3,992,489	N/A	N/A
	(c) Net (Gain) or Loss	(2,737,600)	N/A	N/A
	(d) Total	$1,254,889	N/A	N/A
(9)	Weighted Average Assumption at End of Year			
	(a) Discount Rate	6.00%	5.90%	5.75%
	(b) Rate of Compensation Increase	3.25%	3.15%	3.00%
	(c) Mortality	GAM 83	GAM 83	GAM 83

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The following table provides the components of net periodic benefit cost for the plans for fiscal years 2006, 2005 and 2004:

Net Periodic Pension Costs

		Years Ended December 31, 2006	2005	2004
(1)	Service Cost	$1,225,495	$1,195,723	$1,084,564
(2)	Interest Cost	2,160,719	2,000,099	1,940,122
(3)	Expected Return on Plan Assets	(2,736,019)	(2,485,985)	(2,591,099)
(4)	Amortization of Transition Obligation/(Asset)	-	-	-
(5)	Amortization of Prior Service Cost	737,115	737,115	698,211
(6)	Amortization of Net (Gain) or Loss	-	-	-
(7)	Total FAS 87 Net Periodic Pension Cost	$1,387,310	$1,446,952	$1,131,798
(8)	FAS 88 Charges / (Credits)			
	(a) Curtailment	(97,858)	-	-
	(b) Total	(97,858)	-	-
(9)	Total Net Periodic Pension Cost and Comprehensive Income	$1,289,452	$1,446,952	$1,131,798

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(10)	Weighted Average Assumptions			
(a)	Discount Rate at Beginning of the Period	5.90%	5.75%	6.25%
(b)	Expected Return on Plan Assets	8.50%	8.50%	8.50%
(c)	Rate of Compensation Increase	3.15%	3.00%	3.50%

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Plan Assets

		Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets				
(a)	Equity Securities	40%-60%	68%	67%	69%
(b)	Debt Securities	25%-40%	30%	32%	30%
(c)	Real Estate	5%-15%	0%	0%	0%
(d)	Other	5%-15%	2%	1%	1%
(e)	Total		100%	100%	100%

Expected Return on Plan Assets

The expected rate of return on plan assets is 8.5%. The Company expects 8.5% to fall within the 40 to 50 percentile range of returns on investment portfolios with asset diversification similar to that of the Pension Plan's target asset allocation.

Investment Policy and Strategy

The Company has established and maintains an investment policy designed to achieve a long-term rate of return, including investment income and appreciation, sufficient to meet the actuarial requirements of the Pension Plan. The Company seeks to accomplish its return objectives by investing in a diversified portfolio of equity, fixed income and cash securities seeking a balance of growth and stability as well as an adequate level of liquidity for pension distributions as they fall due. Plan assets are constrained such that no more than 10% of the portfolio will be invested in any one issue.

Cash Flows

(1)	Expected Contributions for Fiscal Year Ending December 31, 2007	
	(a) Expected Employer Contributions	$250,000
	(b) Expected Employee Contributions	-
(2)	Estimated Future Benefit Payments Reflecting Expected Future Service for the years ending December 31,	
	(a) 2007	$1,756,069
	(b) 2008	$1,839,843
	(c) 2009	$1,975,656
	(d) 2010	$2,092,003
	(e) 2011	$2,182,628
	(f) 2012 – 2016	$13,040,794
(3)	Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07	-

Other Accounting Items

		Years Ended December 31,		
		2006	2005	2004
(1)	Market-Related Value of Assets as of the Beginning of fiscal year	$32,936,666	$30,016,761	$31,222,154
(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	$ 0	$ 0	$ 0
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	10.80	10.95	10.95
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

B. Medical Plan

The Company sponsors a postretirement medical program. The medical plan is contributory with participants' contributions adjusted annually. The following tables provide required financial disclosures over the three-year period ended December 31, 2006:

Benefit Obligations and Funded Status

			Fiscal Year Ending		
			12/31/2006	12/31/2005	12/31/20
(1)		Change in Accumulated Postretirement Benefit Obligation			
	(a)	Accumulated Postretirement Benefit Obligation at the Beginning of the Year	$2,343,583	$1,925,254	$1,807
	(b)	Service Cost	59,982	100,054	70
	(c)	Interest Cost	105,483	127,312	106
	(d)	Actuarial (Gain) or Loss	(568,755)	282,812	32
	(e)	Benefits Paid	(117,459)	(135,166)	(119
	(f)	Change in Plan Provisions	-	-	
	(g)	Plan Participant's Contributions	42,519	43,317	27
	(h)	Accumulated Postretirement Benefit Obligation at the End of the Year	$1,865,353	$2,343,583	$1,925
(2)		Change in Plan Assets			
	(a)	Fair Value of Plan Assets at the Beginning of the Year	$ 0	$ 0	

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	(b)	Benefits Paid	(117,459)	(135,166)	(119,
	(c)	Employer Contributions	74,940	91,849	91,
	(d)	Plan Participant's Contributions	42,519	43,317	27,
	(e)	Fair Value of Assets at the End of the Year	$ 0	$ 0	
(3)		Net Amount Recognized			
	(a)	Funded Status: (2)(e) - (1)(i)	$(1,865,353)	$(2,343,583)	$(1,925,
(4)		Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
	(a)	Prepaid (Accrued) Benefit Cost	(2,057,833)	(1,942,393)	(1,763,
	(b)	(Additional Liability due to an Unfunded ABO)	-	-	
	(c)	Intangible Asset	-	-	
	(d)	Net Asset (Liability): (a) + (b) + (c)	($2,057,833)	$(1,942,393)	$(1,763,
	(e)	Charged to Accumulated Other Comprehensive Income:	-	-	
(5)		Adjustments Caused by Applying FAS 158			
	(a)	Increase in Net Asset (Liability): (3) – (4)(d)	192,480	N/A	
	(b)	Increase in charge to Accumulated Other Comprehensive Income:	(42,346)	N/A	
	(c)	Increase in charge to Regulatory Asset-retirement plans	(150,134)	N/A	
	(d)	Subtotal of Adjustments: (a) + (b) + (c)		N/A	
(6)		Amounts Recognized in the Statement of Financial Position After applying FAS 158			
	(a)	Net Asset (Liability): (4)(d) +(5)(a)	(1,865,353)	(1,942,393)	(1,763,
	(b)	Charge to Accumulated Other Comprehensive Income: (4)(e) + (5)(b)	(42,346)	-	
	(c)	Charge to Regulatory Asset-Retirement Plans (5)(c)	(150,134)	-	
(7)		Net Asset (Liability) Recognized in the Statement of Financial Position After Applying FAS 158			
	(a)	Noncurrent Assets	-	N/A	N/A
	(b)	(Current Liabilities)	(150,589)	N/A	N/A
	(c)	(Noncurrent Liabilities)	(1,714,764)	N/A	N/A
	(d)	Total Net Asset (Liability): (a) + (b) + (c)	$(1,865,353)	N/A	N/A
(8)		Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Asset After Applying FAS 158			
	(a)	Transition Obligation (Asset)	-	N/A	N/A
	(b)	Prior Service Cost (Credit)	-	N/A	N/A
	(c)	Net (Gain) or Loss	(192,480)	N/A	N/A
	(d)	Total	$(192,480)	N/A	N/A
(9)		Weighted Average Assumptions at the End of the Year			
	(a)	Discount Rate	6.00%	5.90%	5.75%
	(b)	Rate of Compensation Increase	N/A	N/A	N/A
	(c)	Mortality	GAM 83	GAM 83	GAM 83
(10)		Assumed Health Care Cost Trend Rates			
	(a)	Health Care Cost Trend Rate Assumed for Next Year	11.50%	9.00%	10.00%
	(b)	Ultimate Rate	5.00%	5.00%	5.00%
	(c)	Year that the Ultimate Rate is Reached	2014	2010	2010

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Net Periodic Postretirement Benefit Cost

		Years ended December 31,		
		2006	2005	2004
(1)	Service Cost	$59,982	$100,054	$70,300
(2)	Interest Cost	105,483	127,312	106,079
(3)	Amortization of Transition Obligation/(Asset)	42,896	42,896	42,896
(4)	Amortization of Prior Service Cost	-	-	-
(5)	Amortization of Net (Gain) or Loss	(17,981)	-	(8,666)
(6)	Total Net Periodic Benefit Cost	$190,380	$270,262	$210,609
(7)	Weighted Average Assumptions			
	(a) Discount Rate	5.90%	5.75%	6.25%
	(b) Expected Return on Plan Assets	N/A	N/A	N/A
	(c) Rate of Compensation Increase	N/A	N/A	N/A
(8)	Assumed Health Care Cost Trend Rates			
	(a) Health Care Cost Trend Rate Assumed for Current Year	12.50%	10.00%	12.00%
	(b) Ultimate Rate	5.00%	5.00%	5.00%
	(c) Year that the Ultimate Rate is Reached	2014	2010	2010

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Expected Amortizations

		Years ended December 31,		
		2007	2006	2005
(1)	Expected Amortization of Transition Obligation (Asset)	-	N/A	N/A

(2)	Expected Amortization of Prior Service Cost (Credit)	-	N/A	N/A
(3)	Expected Amortization of Net Loss (Gain)	$(536)	N/A	N/A

(9) Impact of One-Percentage-Point Change in Assumed Health Care Cost Trend Rates

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		Increase	Decrease
(a)	Effect on Service Cost + Interest Cost	$20,533	$(17,812)
(b)	Effect on Postretirement Benefit Obligation	$203,809	$(179,005)

Plan Assets

			Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets					
	(a)	Equity Securities	N/A	N/A	N/A	N/A
	(b)	Debt Securities	N/A	N/A	N/A	N/A
	(c)	Real Estate	N/A	N/A	N/A	N/A
	(d)	Other	N/A	N/A	N/A	N/A
	(e)	Total	N/A	N/A	N/A	N/A

Cash Flows

(1) Expected Contributions for Fiscal Year Ending 12/31/2007

(a)	Expected Employer Contributions	$150,589
(b)	Expected Employee Contributions	$48,832

(2) Estimated Future Benefit Payments Reflecting Expected Future Service for the Fiscal Year(s) Ending

		Total	Medicare Part-D Reimbursement	Employee	Employer
(a)	12/31/2007	$199,421	$0	$48,832	$150,589
(b)	12/31/2008	$143,659	$8,266	$36,130	$99,263
(c)	12/31/2009	$146,580	$8,749	$36,535	$101,296
(d)	12/31/2010	$160,560	$9,504	$41,759	$109,297
(e)	12/31/2011	$199,681	$10,062	$51,049	$138,570
(f)	12/31/2012 – 12/31/2016	$1,407,957	$61,062	$350,375	$996,520

(3) Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07 $0

Other Accounting Items

		Years Ended December 31, 2006	2005	2004
(1)	Market-Related Value of Assets	N/A	N/A	N/A

(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	-	-	-
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	11.10	13.35	12.48
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

Voluntary Prescription Drug Coverage

Legislation enacted in December 2003 provides for the addition of voluntary prescription drug coverage under Medicare starting in 2006. The legislation also provides for a 28% tax-free subsidy for each qualified covered retiree's drug cost between certain thresholds if the employer's coverage is at least actuarially equivalent to the standard Medicare drug benefit. Based on the final regulations issued by the Centers for Medicare and Medicaid Services on January 21, 2005, we determined our prescription drug coverage of the Postretirement Medical Benefits plan to be actuarially equivalent to Medicare Part D.

Discount Rate Assumption

The discount rate assumption used to determine the postretirement benefit obligations is based on current yield rates in the double A bond market. The current year's discount rate was selected using a method that matches projected payouts from the plan with a zero-coupon double A bond yield curve. This yield curve was constructed from the underlying bond price and yield data collected as of the plan's measurement date and is represented by a series of annualized, individual discount rates with durations ranging from six months to thirty years. Each discount rate in the curve was derived from an equal weighting of the double A or higher bond universe, apportioned into distinct maturity groups. These individual discount rates are then converted into a single equivalent discount rate, which is then used for FAS discount purposes. To assure that the resulting rates can be achieved by a postretirement benefit plan, only bonds that satisfy certain criteria and are expected to remain available through the period of maturity of the plan benefits are used to develop the discount rate. Prior years' discount rate assumptions were set based on investment yields available on double A, long-term corporate bonds.

Actuarial Equivalent

In determining "Actuarial Equivalence," our plan's actuary, Aon Consulting, proprietary prescription drug pricing tool, Aon Rx, was used. This tool allowed us to determine the estimated Per Member Per Month (PMPM) prescription drug cost

for both the Company plan and the Medicare plan. The two PMPM's were adjusted for monthly retiree contributions. We assumed that 60% of the monthly combined medical and prescription drug retiree contribution for the Company plan applies towards prescription drugs.

Deleted: Because the subsidy is the same regardless of the cost sharing structure unless the plan is not "Actuarial Equivalent", in general a plan that has higher cost sharing would reduce their annual cost as a percentage greater than a plan would that has lower cost sharing.

C. Health Plan

In December 2003, the Company became fully insured for its employee and retiree's medical insurance. Net health care benefits paid by the Company for active employees were approximately $1.7 million in 2006, $1.6 million in 2005 and $1.5 million in 2004, excluding administrative and stop-loss insurance.

D. 401K Plan

The Company has discontinued eligibility to the defined benefit pension plan for all new hires, and replaced it with a new 401K match.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a Company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service. The expenses incurred in 2005 and 2006 relating to the Company's 401K plan are not material.

E. Employee Stock Purchase Plan

The Company offers an employee stock purchase plan to substantially all of its employees. The plan offers a 15% discount on the Company's stock at market price fixed six months prior to the date of purchase. The recorded stock compensation expense relating to the Company's employee stock purchase plan is not material.

13. Segment Information

The Company is organized into two regulated business segments: natural gas and electric, and one non-regulated business segment, propane gas. There are no material inter-segment sales or transfers.

Identifiable assets are those assets used in the Company's operations in each business segment. Common assets are principally cash and overnight investments, deferred tax assets and common plant.

Business segment information for 2006, 2005 and 2004 is summarized as follows:

(Dollars in thousands)	2006	2005	2004
Revenues			
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910

Propane gas	14,727	13,479	11,167	
Consolidated	$ 134,235	$ 130,023	$ 110,039	
Operating income, excluding income tax				
Natural gas	$ 6,118	$ 6,049	$ 4,978	
Electric	3,137	3,502	3,353	
Propane gas	1,074	1,086	655	
Consolidated	$ 10,329	$ 10,637	$ 8,986	
Identifiable assets				
Natural gas	$ 93,689	$ 96,106	$ 87,729	
Electric	52,251	51,317	48,687	**Deleted:** 51,389
Propane gas	19,239	19,567	15,731	
Common	15,976	15,676	18,356	
Consolidated	$ 181,155	$ 182,666	$ 170,503	**Deleted:** 180,293
Depreciation and amortization				
Natural gas	$ 4,095	$ 3,928	$ 2,752	
Electric	2,610	2,404	2,323	
Propane gas	720	621	560	
Common	317	313	265	
Consolidated	$ 7,742	$ 7,266	$ 5,900	
Construction expenditures				
Natural gas	$ 7,643	$ 6,357	$ 5,314	
Electric	3,184	3,775	6,793	
Propane gas	1,885	2,133	1,339	
Common	404	176	285	
Consolidated	$ 13,116	$ 12,441	$ 13,731	
Income tax expense				
Natural gas	$ 1,336	$ 1,283	$ 843	
Electric	577	666	565	
Propane gas	136	245	130	
Common	246	93	77	
Consolidated	$ 2,295	$ 2,287	$ 1,615	

14. Quarterly Financial Data (Unaudited)

The quarterly financial data presented below reflects the influence of seasonal weather conditions, the timing of rate increases and the migration of winter residents and tourists to Central and South Florida during the winter season. Significant increases in the fourth quarter of 2005 expenses relate to the performance of previously delayed expenditures from previous quarters.

(Dollars in thousands, except per share amounts):	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2006				
Revenues	$ 43,348	$ 29,878	$ 29,415	$ 31,594
Gross profit	$ 14,135	$ 11,402	$ 10,867	$ 11,860
Operating income	$ 4,528	$ 2,065	$ 1,488	$ 2,248
Earnings before income taxes	$ 3,507	$ 1,162	$ 609	$ 1,281

Net Income	$ 2,221	$ 738	$ 475	$ 830
Earnings per common share (basic and diluted):				
Continuing operations	$ 0.37	$ 0.12	$ 0.08	$ 0.14
2005				
Revenues	$ 35,438	$ 28,329	$ 29,190	$ 37,066
Gross profit	$ 13,619	$ 10,963	$ 10,374	$ 12,263
Operating income	$ 4,684	$ 2,215	$ 1,578	$ 2,160
Earnings before income taxes	$ 3,711	$ 1,205	$ 573	$ 1,046
Net Income	$ 2,353	$ 851	$ 260	$ 784
Earnings per common share (basic and diluted):				
Continuing operations	$ 0.40	$ 0.14	$ 0.04	$ 0.13

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Directors and Shareholders of FPU:

We have audited the accompanying consolidated balance sheets and statements of capitalization of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation as of December 31, 2006 and 2005 and the related consolidated statements of income, comprehensive income, common shareholders' equity and cash flows for each of the three years in the period ended December 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedules, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation at December 31, 2006 and 2005, and the results of its operation and its cash flows for each of the three years in the period ended December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

BDO Seidman, LLP
Certified Public Accountants
West Palm Beach, Florida
March 13, 2007

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2006, our disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended December 31, 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None

PART III

Item 10. Directors and Executive Officers of the Registrant

Information required by this item concerning directors and nominees of the Registrant will be included under the caption "Information About Nominees and Continuing Directors" in the Registrant's Proxy Statement for the 2007 Annual Meeting of Shareholders (the "2007 Proxy Statement") and is incorporated by reference herein. Information required by this item regarding the Audit Committee will be included under the caption "Board of Directors and Committees" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding the Code of Ethics will be included under the caption "Code of Ethics" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding compliance with Section 16(a) of the Exchange Act will be set forth in the 2007 Proxy Statement under "Section 16(a) Beneficial Ownership Reporting Compliance" and is incorporated by reference herein. Information required by this Item concerning executive officers is set out in Part I of this Form 10-K, above.

Item 11. Executive Compensation

Information required by this Item concerning executive compensation is included under the captions "Board of Directors and Committees", "Executive Compensation", and "Compensation Committee Interlocks and Inside Participation" in the 2007 Proxy Statement is incorporated by reference herein.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required by this Item concerning the security ownership of certain of the Registrant's beneficial owners and management is included under the caption "Security Ownership of Management and Certain Beneficial Owners" in the 2007 Proxy Statement and is incorporated by reference herein. See Item 5 above for equity compensation plan information, which is incorporated by reference herein.

Item 13. Certain Relationships and Related Transactions

None.

Item 14. Principal Accountant Fees and Services

Information required by this Item is set forth in the Registrant's 2007 Proxy Statement under the caption "Principal Accountant Fees and Services" and is incorporated by reference herein.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of this report:

(1) Financial Statements
The following consolidated financial statements of the Company are included herein and in the Registrant's 2006 Annual Report to Shareholders:

Consolidated Statements of Income
Consolidated Statements of Comprehensive Income
Consolidated Balance Sheets
Consolidated Statements of Capitalization
Consolidated Statements of Common Shareholders' Equity
Consolidated Statements of Cash Flows
Notes to Consolidated Financial Statements
Report of Independent Registered Public Accounting Firm

(2) Financial Statement Schedules
The following valuation and qualifying accounts table is included in Note 1.H. herein and in the Registrant's 2006 Annual Report to Shareholders:

Allowance for Doubtful Accounts

(3) Exhibits

3(i)	Amended Articles of Incorporation (Incorporated herein by reference as Exhibit 3(i) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)
3(ii)	Amended By-Laws (Incorporated herein by reference as Exhibit 3(ii) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)
4(a)	Indenture of Mortgage and Deed of Trust of FPU dated as of September 1, 1942 (Incorporated by reference herein to Exhibit 7-A to Registration No. 2-6087)
4(b)	Fourteenth Supplemental Indenture dated September 1, 2001. (Incorporated by reference to exhibit 4(b) on FPU's annual report on Form 10-K for the year ended December 31, 2001)
4(c)	Fifteenth Supplemental Indenture dated November 1, 2001. (Incorporated by reference to exhibit 4(c) on FPU's annual report on Form 10-K for the year ended December 31, 2001)

10(a) First Amendment to Amended and Restated Loan Agreement and Promissory Note between FPU and Bank of America dated August 25, 2006. (Incorporated by reference to exhibit 10(2) on FPU's Form 10-Q for third quarter ending September 30, 2006, File No. 001-10608)

10(b) Contract for the transportation of natural gas between FPU and the City of Lake Worth dated March 25, 1992 (Incorporated by reference to exhibit 10(f) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(c) Contract for the purchase of electric power between FPU and Jacksonville Electric Authority dated January 29, 1996. (Incorporated by reference to exhibit 10(h) on FPU's annual report on Form 10-K for the year ended December 31, 2000)

10(d) Contract for the purchase of electric power between FPU and Gulf Power Company effective November 21, 1996. (Incorporated by reference to exhibit 10(i) on FPU's annual report on Form 10-K for the year ended December 31, 2000)

10(e) Contract for the purchase of as-available capacity and energy between FPU and Container Corporation of America dated September 19, 1985 (Incorporated by reference to exhibit 10(i) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(f) Contract for the sale of electric service between FPU and Container Corporation of America dated August 26, 1982 (Incorporated by reference to exhibit 10(j) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(g) Contract for the sale of electric service between FPU and ITT Rayonier Inc. Dated April 1, 1982 (Incorporated by reference to exhibit 10(k) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(h) Form of Stock Purchase and Sale Agreement between FPU and three persons who, upon termination of two trusts, will become the record and beneficial owners of an aggregate of 313,554 common shares of the Registrant (Incorporated by reference to exhibit 10(p) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(i) Contract for the sale of certain assets comprising FPU's water utility business to the City of Fernandina Beach dated December 3, 2002. (Incorporated by reference to exhibit 10(o) on FPU's annual report on Form 10-K for the year ended December 31, 2002)

10(j) Transportation agreement between FPU and the City of Lake Worth (Incorporated by reference to exhibit 99.2 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)

10(k) A Mutual Release agreement, as of March 31, 2003, by and between FPU, Lake Worth Generation, LLC, The City of Lake Worth, and The AES Corporation. (Incorporated by reference to exhibit 99.3 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)

10(l)	Amended and Restated loan agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(n) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(m)	Security agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(o) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(n) #	Non-Employee Director Compensation Plan, approved by Board of Directors on March 18, 2005. (Incorporated by reference as exhibit 10(p) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(o)	Amendment to Electric Service Contract by and between JEA and FPU dated September 25, 2006, effective January 1, 2007. (Incorporated by reference as Exhibit 10.1 to our Form 10-Q, for the quarter ending September 30, 2006, File No. 001-10608)
10(p) #	Employment Agreement between the Company and John T. English dated March 31, 2006 (Incorporated by reference as Exhibit 10.1 to our Form 8-K, filed on March 31, 2006)
10(q) #	Employment Agreement between the Company and Charles L. Stein dated March 31, 2006 (Incorporated by reference as Exhibit 10.2 to our Form 8-K, filed on March 31, 2006)
10(r) #	Employment Agreement between the Company and George M. Bachman dated March 31, 2006 (Incorporated by reference as Exhibit 10.3 to our Form 8-K, filed on March 31, 2006)
10(s) *	Contract for the Agreement for Generation Services by and between FPU and Gulf Power Company dated December 28, 2006, effective January 1, 2008
14	Ethics Policy (Incorporated by reference to exhibit 99.3 on FPU's Form 10-K, filed March 30, 2004 File No. 001-10608)
16	Change in certifying accountants (Incorporated herein by reference as exhibit 16 to FPU's current report on Form 8-K, filed April 18, 2003)
21	Subsidiary of the registrant (Incorporated by reference to exhibit 21 on FPU's annual report on Form 10-K, for the year ended December 31, 2000)
23	Independent Registered Public Accounting Firm's Consent BDO Seidman LLP
31.1	Certification of Principal Executive Officer (302)
31.2	Certification of Principal Financial Officer (302)

32 Certification of Principal Executive Officer and Principal Financial Officer (906)

# Denotes management contract or compensatory plan or arrangement

* Confidential treatment is being requested for a portion of this agreement

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FLORIDA PUBLIC UTILITIES COMPANY

/s/ George M Bachman
George M Bachman, Chief Financial Officer
(Duly Authorized Officer)

Date: **March 15, 2007**

Each person whose signature appears below hereby constitutes and appoints John T. English, Chief Executive Officer and President, and George M. Bachman, Chief Financial Officer, and each of them, the true and lawful attorneys-in-fact and agents of the undersigned, with full power undersigned, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and hereby grants to such attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

/s/ John T. English Date: **March 15, 2007**
John T. English
Chairman of the Board, President, Chief Executive Officer, and Director (Principal Executive Officer)

/s/ George M. Bachman Date: **March 15, 2007**
George M Bachman, Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

/s/ Ellen Terry Benoit Date: **March 15, 2007**
Ellen Terry Benoit, Director

/s/ Richard C. Hitchins Date: **March 15, 2007**
Richard C. Hitchins, Director

/s/ Dennis S. Hudson III Date: **March 15, 2007**
Dennis S. Hudson III, Director

/s/ Paul L. Maddock, Jr. Date: **March 15, 2007**
Paul L. Maddock, Jr., Director

/s/ Troy W. Maschmeyer, Jr. Date: **March 15, 2007**
Troy W. Maschmeyer, Jr., Director

FLORIDA PUBLIC UTILITIES COMPANY
EXHIBIT INDEX

Regulation S-K
Item Number

10(s) *	Contract for the Agreement For Generation Services by and between FPU and Gulf Power Company dated December 28, 2006, effective January 1, 2008
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31.2	Certification of Principal Financial Officer (302)
32	Certification of Principal Executive Officer and Principal Financial Officer (906)

* Confidential treatment is being requested for a portion of this agreement

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Financial Accounting Standard Board Interpretation No. 47

In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. We adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

This Interpretation addresses the legal obligation to retire an asset when the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the Company. This Interpretation is effective no later than the end of fiscal years ending after December 15, 2005 (December 31, 2005 for calendar-year entities). We adopted FIN No. 47 as of January 1, 2006. The adoption of this Interpretation has not had an impact to our financial condition or results of operations.

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Financial Accounting Standard Board Interpretation No. 47

In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. The Company adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

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. The following table shows the number of shares issued under the Plan and the total aggregate consideration received:

Year	Shares	Consideration
2006	25,655	$ 287,000
2005	22,427	$ 236,000
2004	24,164	$ 220,000

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The following table shows the number of shares issued under the Plan and the total aggregate consideration received:

Year	Shares	Consideration
2006	13,972	$ 190,000
2005	14,456	$ 193,000
2004	18,513	$ 217,000

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Plan Participant Contributions

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(Additional Liability due to an Unfunded ABO)

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Intangible Asset

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Special Termination Benefits

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Other Changes in Plan Assets and Benefit Obligations Recognized as a Charge to Other Comprehensive Income

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Prior Service Cost (Credit)

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N/A

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Net (Gain) or Loss

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Amortization of Transition Obligation

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Amortization of Prior Service Cost (Credit)

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Amortization of Net (Gain) or Loss

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Increase in Minimum Liability Included in OCI

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Expected Return on Plan Assets

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Total FAS 106 Net Periodic Benefit Cost

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$190,380

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$270,262

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$210,609

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Other Charges / (Credits)

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Settlement

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Curtailment

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Special Termination Benefits

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Page 67: [35] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

(10)

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Other Changes in Plan Assets and Benefit Obligations Recognized as a Charge to Other Comprehensive Income

Page 67: [36] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

(a)

Page 67: [36] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

Prior Service Cost (Credit)

Page 67: [36] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [36] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [36] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [37] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

(b)

Page 67: [37] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

Net (Gain) or Loss

Page 67: [37] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [37] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [37] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [38] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

(c)

Page 67: [38] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

Amortization of Transition Obligation

Page 67: [38] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [38] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [38] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [39] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

(d)

Page 67: [39] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

Amortization of Prior Service Cost (Credit)

Page 67: [39] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [39] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [39] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [40] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

(e)

Page 67: [40] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

Amortization of Net (Gain) or Loss

Page 67: [40] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [40] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [40] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

N/A

Page 67: [41] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

(f)

Page 67: [41] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

Increase in Minimum Liability Included in OCI

Page 67: [41] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

-

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Page 67: [41] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

-

Page 67: [42] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

(g)

Page 67: [42] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

Total: (a)+(b)+(c)+(d)+(e)+(f)

Page 67: [42] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

$0

Page 67: [42] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

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Page 67: [42] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

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Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

(11)

Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

Total Recognized in Net Periodic Pension Cost and other Comprehensive Income: (9) + (10)(g)

Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

$190,380

Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

$270,262

Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

$210,609

D:\Exhibit 2.8\KHOJASTEH

Back Search Folders

Address D:\Exhibit 2.8\KHOJASTEH

Folders	Name	Size	Type	Date Modified	Location
	Files Currently on the CD				
nents	Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
:	RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
19	Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Jser Files	10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ink	10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ooks	10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
isic	10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
tures	2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
k	ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
uter	Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
oppy (A:)	ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
14 (C:)	ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
)122 (D:)	AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ibit 2.8	Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BACHMAN	BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
COX	BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
KHOJASTEH	Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
MARTIN	expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
MESITE	FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
r on 'fp2\hor	FW 10K.msg	1,592 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
'Fp1\Data\Ps	FW Analytical Comments.msg	139 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
on 'FP3 (fp3'	FW Balance Sheet (12).msg	43 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
'Fp1\Data\Ps	FW Balance Sheet.msg	46 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
'Fp1\Data\Ps	FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
'Fp1\Data\P	FW JE999.msg	158 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
n 'Fp1' (S:)	FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
r on 'fp1\dat	FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
os on 'fp1\Da	FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
'fp1\data\Pu	Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
on 'fp1\Data'	JE999.msg	1,067 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ol Panel	MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
ork Places	Propane Projections - Impairme...	32 KB	HTML Document	10/16/2007 9:25 AM	Files Currently on the...
in	RE 10q redline and clean versio...	408 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
	RE 10K (2).msg	1,593 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
	RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
	RE Audit Requests.msg	126 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
	RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
	RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

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Friday, Apr 11, 2008 10:57 AM

Clara Leider

From:	Mesite Jim
Sent:	Wednesday, January 24, 2007 12:13 PM
To:	'Dale at BDO (dbuschmann@bdo.com)'; 'Jacqueline Gibbons'
Cc:	Khojasteh Mehrdad
Subject:	FW: Analytical Comments
Attachments:	ANALYTICAL 12.31.06.xls

Attached are responses to various assigned accounts. Chris Snyder responded to the natural gas purchase and revenue accounts.

The worksheet rows are in the original order; rows assigned to others have been hidden.

Please contact me if I may be of further assistance.

Thank you,

Jim

Senior Project Accountant
jmesite@fpuc.com
phone (561) 838-1733
fax (561) 366-1533

-----Original Message-----
From: Khojasteh Mehrdad
Sent: Tuesday, January 23, 2007 16:51
To: Bhatia Nadira; Cox Doreen; Grimeson Bill; Jaeger Melanie; Jones Tanzanika; Mahan Claudette; Mesite Jim; Morizio Beth; Palacios Cindy; Wilson Audra; Young Curtis
Cc: 'Jacqueline Gibbons'; 'Dale Buschmann'; Martin Cheryl; Napier Michelle
Subject: Analytical Comments

Please provide your explanations for the accounts assigned to you on the attached file and e-mail it back to Dale - dbuschmann@bdo.com and Jackie - jgibbons@bdo.com

Pleas make sure to CC me on your e-mails.

Thanks,

Mehrdad

-----Original Message-----
From: Jacqueline Gibbons [mailto:JGibbons@bdo.com]
Sent: Tuesday, January 23, 2007 12:33 PM
To: Martin Cheryl
Cc: Dale Buschmann
Subject: Analytical comments

Cheryl attached please find spreadsheet of variances between 12.31.05 & 12.31.06. Please type comments on the same spreadsheet and email back to us. I will be here until Friday afternoon, so you can choose to email me the responses up to that date or just send them directly to Dale.

Thanks

Florida Public Utilities
Balance Sheet and Profit & Loss
Analytical Comments
Y/e 12.31.2006

Variances $77,250 & 10%

	Account	2006	2005	Amount Changed	%
Jim	100-1080-1 Cost of removal reclass	-	8,256,355.00	(8,256,355.00)	-100%

The 2006 amount is $8,799,830. This entry is for reporting purposes. BDO has been provided with details of the computation and will prepare the 2006 entry.

	Account	2006	2005	Amount Changed	%
Jim	114-1010.391305 SOFTWARE	360,744.00	-	360,744.00	10000%

During 2006 the Northeast Florida Electric Division completed installation of a computerized Automated Mapping and Facilities Management (AM/FM) System. This amount represents the software cost of the system.

	Account	2006	2005	Amount Changed	%
Jim	121-1860.21 MISC DEF-DR.-UNDERRE	-	1,319,418.00	(1,319,418.00)	-100%

Allocation between divisions is for internal accounting purposes. Accounts 1860.21,2530.21,4000.4951, and 4010.8051 are all interdependant. Charges to the accounts are based on the mothly PGA (Purchase Gas Adjustment) computation that reconciles fuel purchases and fuel revenues. See "Monthly PGA Computation", below.

	Account	2006	2005	Amount Changed	%
Jim	121-2530.21 OVER REC-FUEL ADJ-PU	(4,009,675.00)	-	(4,009,675.00)	100%

Allocation between divisions is for internal accounting purposes. Accounts 1860.21,2530.21,4000.4951, and 4010.8051 are all interdependant. Charges to the accounts are based on the mothly PGA (Purchase Gas Adjustment) computation that reconciles fuel purchases and fuel revenues. See "Monthly PGA Computation", below.

	Account	2006	2005	Amount Changed	%
Jim	123-1860.21 MISC DEF-DR.-UNDERRE	-	1,596,481.00	(1,596,481.00)	-100%

Allocation between divisions is for internal accounting purposes. Accounts 1860.21,2530.21,4000.4951, and 4010.8051 are all interdependant. Charges to the accounts are based on the mothly PGA (Purchase Gas Adjustment) computation that reconciles fuel purchases and fuel revenues. See "Monthly PGA Computation", below.

	Account	2006	2005	Amount Changed	%
Jim	123-2530.21 OVER REC-FUEL ADJ-PU	353,654.00	-	353,654.00	100%

Allocation between divisions is for internal accounting purposes. Accounts 1860.21,2530.21,4000.4951, and 4010.8051 are all interdependant. Charges to the accounts are based on the mothly PGA (Purchase Gas Adjustment) computation that reconciles fuel purchases and fuel revenues. See "Monthly PGA Computation", below.

2

Jim	100-2800-1 Deferred Credit Cost of Removal	-	(8,256,355.00)	8,256,355.00	-100%

The 2006 amount is ($8,799,830). This entry is for reporting purposes. BDO has been provided with details of the computation and will prepare the 2006 entry.

Jim	121-4000.4951 OVER REC;FUEL ADJ- P	4,009,675.00	(411,003.00)	4,420,678.00	-1076%

Allocation between divisions is for internal accounting purposes. Accounts 1860.21,2530.21,4000.4951, and 4010.8051 are all interdependant. Charges to the accounts are based on the mothly PGA (Purchase Gas Adjustment) computation that reconciles fuel purchases and fuel revenues. See "Monthly PGA Computation", below.

Jim	123-4000.4951 OVER REC;FUEL ADJ- P	(353,654.00)	(697,128.00)	343,474.00	-49%

Allocation between divisions is for internal accounting purposes. Accounts 1860.21,2530.21,4000.4951, and 4010.8051 are all interdependant. Charges to the accounts are based on the mothly PGA (Purchase Gas Adjustment) computation that reconciles fuel purchases and fuel revenues. See "Monthly PGA Computation", below.

C Snyder	121-4000.48002 FUEL REVENUE-RESIDEN	(8,281,260.00)	(7,302,886.00)	(978,374.00)	13%

The PGA was 8.2% higher in 2006 than in 2005; this percentage was signficant during the period of higher consumption (Jan-Apr) and would account for the large variance.

C Snyder	121-4000.48102 C/S FUEL REVENUES-CO	(9,211,422.00)	(7,998,557.00)	(1,212,865.00)	15%

The PGA was 8.2% higher in 2006 than in 2005; this percentage was signficant during the period of higher consumption (Jan-Apr) and would account for the large variance.

C Snyder	121-4000.48122 FUEL REV.-INTERRUPTI	-	(287,378.00)	287,378.00	-100%

The last interruptible customer in the South Florida division transitioned to transportation service; therefore, there will not be any fuel revenues for interruptible service.

C Snyder	121-4000.48982 POOLMANAGER SVC FUEL	737,020.00	369,312.00	367,708.00	100%

Pool Manager Fuel Revenue is dependent upon the imbalance that is created between deliveries by Pool Managers and the consumption of their customers. During 2006, Florida Extruders was offline for maintenance which contributed significantly to this increase; however, the overall increase in the PGA (the basis upon imbalances are paid to/received from the Pool Managers) was higher during 2006 than 2005 as discussed above.

C Snyder	123-4000.48002 FUEL REVENUE-RESIDEN	(3,997,083.00)	(3,469,698.00)	(527,385.00)	15%

The PGA was 8.2% higher in 2006 than in 2005; this percentage was signficant during the period of higher consumption (Jan-Apr) and would account for the large variance.

C Snyder	123-4000.48102 C/S FUEL REVENUE-COM	(2,526,351.00)	(2,078,142.00)	(448,209.00)	22%

The PGA was 8.2% higher in 2006 than in 2005; this percentage was signficant during the period of higher consumption (Jan-Apr) and would account for the large variance.

C Snyder	123-4000.48112 C/L FUEL REVENUE-COM	(6,698,501.00)	(5,154,636.00)	(1,543,865.00)	30%

The PGA was 8.2% higher in 2006 than in 2005; this percentage was signficant during the period of higher consumption (Jan-Apr) and would account for the large variance.

3

C Snyder	121-4010.8011 COMMODITY OTHER-SYST	20,211,180.00	24,627,795.00	(4,416,615.00)	-18%

Although the PGA was 8.2% higher during 2006 than 2005, FPUC actual cost of gas was less during 2006 than in 2006. The PGA was higher in order to recover from an undercollected position with our customers.

C Snyder	121-4010.8042 COMMODITY PIPELINE-S	299,309.00	406,242.00	(106,933.00)	-26%

FGT's commodity rate to move gas on the pipeline was lower during 2006 than in 2005.

Jim	121-4010.8051 UNDER RECOVERY PURCH	1,319,418.00	(1,319,418.00)	2,638,836.00	-200%

Allocation between divisions is for internal accounting purposes. Accounts 1860.21,2530.21,4000.4951, and 4010.8051 are all interdependant. Charges to the accounts are based on the mothly PGA (Purchase Gas Adjustment) computation that reconciles fuel purchases and fuel revenues. See "Monthly PGA Computation", below.

C Snyder	123-4010.8045 DEMAND - SYSTEM SUPP	1,294,113.00	1,144,557.00	149,556.00	13%

The increase in demand costs for the Central Florida division is attributible to the allocation of costs between the divisions.

Jim	123-4010.8051 UNDER RECOVERY PURCH	1,596,481.00	(1,596,481.00)	3,192,962.00	-200%

Allocation between divisions is for internal accounting purposes. Accounts 1860.21,2530.21,4000.4951, and 4010.8051 are all interdependant. Charges to the accounts are based on the mothly PGA (Purchase Gas Adjustment) computation that reconciles fuel purchases and fuel revenues. See "Monthly PGA Computation", below.

Jim	115-4030.1 DEPRECIATION EXPENSE	1,504,419.00	1,318,759.00	185,660.00	14%

Transposrtation plant is not included in depreciation expense. During 2005,the Northeast Electric Division's non-transportation plant increased by $4M, 11%. $3M of the increase was during the final two months of 2005. For 2006, non-transportation plant increased $2.3M, 6%. The 2006 increases were even throughout the year. The 14% increase in 2006 depreciation expense, in effect, reflects the sum of plant increases for both 2005 and 2006.

<u>Monthly PGA Computation:</u> Accounts 4010.8051 and 4000.4951 are charged with the income statement results from the monthly over/under recovery PGA computation. Accounts 1860.21 and 2530.21 reflect the cumulative balance sheet effect of charges from the monthly PGA computation. When the cumulative PGA is an over-recovery, accounts 2530.21 (Cr.) and 4000.4951 (Dr.) are charged with the monthly computational results: when the cumulative PGA is an under-recovery, accounts 1860.21 (Dr.) and 4010.8051 (Cr.) are charged. During 2006, the company had total over-recoveries of $6,426,754 resulting from a recovery rate increase granted in January 2006. This over-recovery included the true-up of prior years' under-recoveries of $2,915,896 plus 2006 interest of $145,162. The December 2006 over-recovery balance of $3,656,021 in account 2530.21 is in anticipation of winter increases in gas costs and unit sales.

D:\Exhibit 2.8\KHOJASTEH

Back Search Folders

Address D:\Exhibit 2.8\KHOJASTEH

Folders

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9
User Files
Link
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Name	Size	Type	Date Modified	Location
Files Currently on the CD				
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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FW Analytical Comments.msg	139 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW Balance Sheet.msg	46 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE999.msg	158 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
JE999.msg	1,067 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

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Friday, Apr 11, 2008 11:09 AM

Clara Leider

From: Cox Doreen
Sent: Monday, June 11, 2007 3:16 PM
To: Bachman George; Khojasteh Mehrdad; Lundgren April; Martin Cheryl
Subject: FW: Balance Sheet

fyi

From: Hawn, Dan [mailto:Dan.Hawn@rsmi.com]
Sent: Monday, June 11, 2007 3:16 PM
To: Cox Doreen
Subject: RE: Balance Sheet

Doreen,

Thanks for the update. I will incorporate into the valuation analysis and send an updated draft report to you.

Regards,
Dan

Daniel P. Hawn, CPA*/ABV, ASA
Director, Business Valuations
RSM McGladrey, Inc.
100 N.E. Third Avenue
Suite 300
Fort Lauderdale, FL 33301

Main: 954.462.6351
Direct: 954.356.5736
Mobile: 954.881.6981
Fax: 954.462.4607

Dan.Hawn@rsmi.com
www.rsmmcgladrey.com

*Regulated by The State of Florida

RSM McGladrey, Inc. is not a licensed CPA firm.

From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Monday, June 11, 2007 12:32 PM
To: Hawn, Dan
Cc: Bachman George; Khojasteh Mehrdad; Lundgren April; Martin Cheryl
Subject: RE: Balance Sheet

Dan
Attached is the revised Balance Sheet Allocation worksheet. As we discussed the revisions made are as follows:

1. Re-allocation of Special LT Deposits 1340.1 entirely to Electric. This deposit relates to our Electric Fuel Contracts.
2. Re-classification of the net fuel over/under recoveries to capital in order to eliminate the associated timing differences, which are refunded or collected from our customers in the next period. These over/under recoveries directly affect our Notes Payable Balance and have therefore been re-classified to our ST Debt Capital Component.

This approach has been discussed with our external auditors – the auditor agrees with the concept, but she will also discuss and get the opinion of their valuation expert.

Please review and let us know if the re-classifications are not appropriate from a business valuation perspective.
Thanks
Doreen
(561) 838-1797

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Address D:\Exhibit 2.8\KHOJASTEH

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Friday, Apr 11, 2008 11:09 AM

Clara Leider

From: Cox Doreen
Sent: Tuesday, June 12, 2007 8:23 AM
To: Bachman George; Khojasteh Mehrdad; Lundgren April; Martin Cheryl
Subject: FW: Balance Sheet

fyi

From: Cox Doreen
Sent: Tuesday, June 12, 2007 8:14 AM
To: 'Hawn, Dan'
Subject: RE: Balance Sheet

Dan,
Other Investments is left in so that we can tie to the General Ledger, but I do believe we need to be consistent and remove it on the basis of it being considered non-operating. Everything else looks fine.
Thanks
Doreen

From: Hawn, Dan [mailto:Dan.Hawn@rsmi.com]
Sent: Monday, June 11, 2007 7:07 PM
To: Cox Doreen
Subject: RE: Balance Sheet

Doreen,

The adjustments seem appropriate. Should I use the balance sheet as is was sent over? It appears that you left in other investments. Last year we adjusted as a non-operating asset (and reduced the carrying value). I can do the same this year, but would rather leave it in current assets. If it is removed, a working capital short-fall is created. I then would have to make an adjustment and discuss in the report. I can do that if you want, but it is a much cleaner presentation to leave the other investments as a component of other current assets. Attached is the balance sheet for the Natural Gas Reporting Unit. Please let me know your thoughts.

Thanks,
Dan

Daniel P. Hawn, CPA*/ABV, ASA
Director, Business Valuations
RSM McGladrey, Inc.
100 N.E. Third Avenue
Suite 300
Fort Lauderdale, FL 33301

Main: 954.462.6351
Direct: 954.356.5736
Mobile: 954.881.6981
Fax: 954.462.4607

Dan.Hawn@rsmi.com
www.rsmmcgladrey.com

*Regulated by The State of Florida

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From: Cox Doreen [mailto:dorcox@fpuc.com]
Sent: Monday, June 11, 2007 12:32 PM
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Friday, Apr 11, 2008 11:10 AM

Clara Leider

From:	Cox Doreen
Sent:	Monday, February 05, 2007 4:26 PM
To:	Khojasteh Mehrdad
Subject:	FW: Dir-Quest.2007-FINAL
Attachments:	Dir-Quest.2007-FINAL.doc

-----Original Message-----
From: Cox Doreen
Sent: Friday, February 02, 2007 3:54 PM
To: Martin Cheryl; Erdek Bonnie
Subject: RE: Dir-Quest.2007-FINAL

Bonnie
Attached is the Questionnaire for Directors and Officers updated with the highlighted numbers updated with data as at December 31, 2006 as requested. Please note the following:

1. Page 7 Ques 9 - the highlighted figure was previously shown as a dollar amount, but since the section relates to shares I have removed the $ sign.
2. Page 11 Ques 17 – in addition to the figure highlighted in section (ii), I have updated the figure in section (i) which was not highlighted but refers to the same gross revenues.

The information is based on our un-audited financial results which could therefore be subject to change. Please let me know if you have any questions, or would like any additional information.
Thanks
Doreen

> -----Original Message-----
> **From:** Cox Doreen
> **Sent:** Monday, January 29, 2007 3:45 PM
> **To:** Martin Cheryl; Erdek Bonnie
> **Subject:** RE: Dir-Quest.2007-FINAL
>
> Bonnie
> With regard to this request I'm still waiting on the updated financials – which should be available later today.
> Doreen
>
>> -----Original Message-----
>> **From:** Martin Cheryl
>> **Sent:** Friday, January 26, 2007 10:44 AM
>> **To:** Cox Doreen
>> **Subject:** FW: Dir-Quest.2007-FINAL
>>
>> Doreen, would you mind getting BOnnie this information later today? We are posting a few entries this morning.
>>
>> Thanks,

Cheryl Martin
Controller, FPUC
561-838-1725

-----Original Message-----
From: Erdek Bonnie
Sent: Friday, January 26, 2007 10:02 AM
To: Martin Cheryl
Cc: Bellechases Dina
Subject: FW: Dir-Quest.2007-FINAL

Hi Cheryl. Just wondering if we were getting close to having the numbers we need so I can release the D&O questionnaire. I'm just trying to stay in the forefront of your thoughts.

Thanks,
Bonnie

From: Erdek Bonnie
Sent: Thursday, January 04, 2007 8:51 AM
To: Martin Cheryl
Subject: Dir-Quest.2007-FINAL

Good morning and Happy New Year. Cheryl, I'm meant to release the D&O questionnaires to the parties tomorrow. I've revised our current questionnaire to reflect this year's dates but there are several areas I've highlighted which require accounting input. The highlighted figures were used in last year's questionnaire.

Can you please get back with me with these numbers today or advise me with whom I can follow-up? Thanks for your help,

Bonnie

FLORIDA PUBLIC
UTILITIES

QUESTIONNAIRES FOR DIRECTORS AND OFFICERS

Directors' and Officers' Proxy Statement Questionnaire

GENERAL INSTRUCTIONS

In preparing of the Proxy Statement for the 2007 Annual Meeting of Shareholders of Florida Public Utilities Company (the "Company"), we must obtain from you written verification of certain information required to be disclosed in the Proxy Statement.

In order to obtain such verification, this Questionnaire is being sent to each person who, during the Company's Last Fiscal Year (as defined below), served as an officer or director of the Company, as well as current, officers and directors and all nominees for election as a director and to certain officers or employees of the Company's subsidiaries or other principal business units or divisions who may be considered executive officers of the Company under rules of the SEC. Please fill in the answers to the following questions, sign and date the Questionnaire, and return one signed copy to Bonnie Erdek in the enclosed pre-addressed envelope not later than February 5th, 2007. The remaining copy is for your files.

Please use the utmost care in responding to this Questionnaire. You should be aware that if the Proxy Statement contains any false or misleading statements which are material to the election of directors or other actions taken at the Annual Meeting, the validity of such actions could be questioned and under certain - circumstances the Company and those in control of the Company, including officers and directors, could be subject to liability. If the answer to any of the questions is "no" "none" or "not applicable," please so indicate. Please do not leave any questions unanswered.

As used herein. "Last Fiscal Year" refers to the Company's fiscal year ended December 31, 2006. Other italicized terms are defined in **Appendix A** to this Questionnaire. **Appendix B** contains a list of all of the subsidiaries of the Company.

If at any time before the Annual Meeting *you* discover that your answer to any question was inaccurate, or if any event occurring subsequent to your completion hereof would require a change in your answers to any questions (including any transaction reducing, increasing or otherwise affecting your beneficial ownership of the Company's securities as reported Part II of this Questionnaire), please contact George Bachman by telephone at 561.838.1731 immediately.

PART I - STOCK OWNERSHIP

Question 1:
[SEC Regulation S-K, Items 401 (a) and (b)]
Name and Date of Birth
Please set forth your full name and date of birth.
John t English

Question 2:
[SEC Regulation S-K, Item 401 (d)]
Family Relationships

If you have any family relationship, by blood, marriage or adoption not more remote than first cousin, with any director, ***executive officer***, or nominee' or person chosen to become a director or ***executive officer*** of the Company, its parent, any of its subsidiaries (as listed in Appendix B), or other ***affiliates***, or any individual who has been employed by the Company in the past three years as an ***executive officer***, please identify such relative and describe the nature of the relationship.

Question 3:
[SEC Regulation S-K, Items 401 (a), (b), (c), (e), 4020)(1)(ii)]
Principal Occupation and Employment

(a) Please give a brief account of your business experience during the past five years (together with applicable dates); include your principal occupations and employment during that period, including but not limited to any ***executive officer*** position and directorships; the name and principal business of any company, partnership or other entity in which such occupations and employment were carried on; and whether any such company, partnership or other entity is a parent, subsidiary or other ***affiliate*** of the Company. If you are an ***executive officer*** of the Company and have been employed by the Company for less than five years, include a brief explanation of the nature of your responsibilities in prior positions. What is required is information relating to the level of your professional competence, which may include, depending upon the circumstances, such specific information as the size of the operation supervised.

(b) Please indicate all executive officer positions and offices with the Company, its parent or any subsidiary that you presently hold. State your term of office and the period during which you have served as such.

(c) If you are a director, please indicate whether at any time in the past you were an ***officer*** of the Company, its parent or any of its subsidiaries. State the position you held and the dates you held such position.

Question 4:
[SEC Regulation S-K, Items 401 (e) and 4020), SEC Rule 16b-3(b)(3)]
Other Directorships and Executive Officer Positions

(a) If you are, or have been nominated to become, a director of the Company, list all other directorships held by you during the past five years with respect to any company (or "investment company" registered under the Investment Company Act of 1940) required to file periodic reports with the Securities and Exchange Commission.

COMPANY	TIME PERIOD (MO. & YR.)	EXPIRATION OF CURRENT TERM

(b) Did you serve as a director, ***executive officer***, general partner or perform similar functions of any other company, partnership or other entity (public or private) during the Last Fiscal Year? (Omit entities exempt from tax under Section 501 (c) (3) of the Internal Revenue Code.)
☐Yes ☐No

If yes:

(i) Please specify the company name(s) and your position within the company (ies):

____

(ii) Do you serve on any board committees or otherwise determine compensation for the executives of such company? If yes, please specify:
☐Yes ☐No

(iii) Did any ***executive officer*** of the Company serve on the compensation committee of the board or otherwise determine compensation of the executives of any such company during the Last Fiscal Year? If yes, please give specifics:
☐Yes ☐No

(iv) Did any ***executive officer*** of the Company serve on the board of any such company? If yes, please give specifics.
☐Yes ☐No

(v) If your answer to either Question 4(b)(iii) or 4(b)(iv) above is "yes", did any ***executive officer*** of any such company also serve on the compensation committee of the Company's board or otherwise serve on the Company's board during the Last Fiscal Year? If yes, please give specifics, including information about whether that company is a competitor of the Company.
☐Yes ☐No

Question 5:
[SEC Regulation S-K, Items 103, 401 (I) and *401 (g)]*
Involvement in Certain Legal Proceedings

Have any of the following events occurred during the last five years:

(a) Was a petition under the Federal bankruptcy laws, or any state insolvency law, filed by or against you, or was a receiver, fiscal agent or similar officer appointed by a court for the business or property of (i) yourself, (ii) any partnership in which you were a general partner at or within two years before such event or (iii) any corporation or business association of which you were an ***executive officer*** at or within two years before such event?
☐Yes ☐No

7589

(b) Were you convicted in a criminal proceeding, or are you the subject (of a criminal proceeding which is presently pending? Omit traffic violations.

☐Yes ☐No

(c) Were you the subject of any order, judgment or decree of any court (not subsequently reversed, suspended or vacated by any court) permanently or temporarily enjoining you (i) from acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission ("CFTC"). or an associated person of any of the foregoing, or as an investment advisor, underwriter, broker or dealer in securities; or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company; or from engaging in or continuing any conduct or practice in connection with such activity; or (ii) from engaging in any type of business practice; or (ill) from engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of federal or state securities laws or federal commodities laws?

☐Yes ☐No

(d) Were you the subject of any order, judgment or decree of any federal or state authority barring, suspending or otherwise limiting for more than 60 days your right to engage in any activity described in subparagraph (c) above, or to be associated with persons engaged in any such activity?

☐Yes ☐No

(e) Has any court, the SEC, CFTC, NYSE, American Stock Exchange, NASD or any commodity exchange or NASDAQ imposed a sanction against you or found you to have violated any federal or state securities or commodities laws?

☐Yes ☐No

(f) Do you or any of your associates have any claims against the Company or any of its subsidiaries; or are *you* or any of your associates a party adverse to the Company or any of its subsidiaries in any legal proceeding; or do you or any of your associates have a material interest adverse to the Company or any of its subsidiaries in any legal proceeding?

☐Yes ☐No

(g) With respect to the following, are you aware of any claims or pending legal proceedings against the Company, any of its subsidiaries or any of its properties involving:

(i) any pending legal proceeding (or group of proceedings involving the same legal or factual issues) which would involve any claim for monetary damages greater than $1,000,000; or

(ii) any pending administrative or judicial proceeding arising under any federal. State or local provisions regulating the discharge of materials into the environment or primarily for the purpose of protecting the environment which would involve a claim for monetary damages greater than $1,000,000; or

(iii) any proceeding by a governmental authority, involving the imposition of sanctions greater than $100,000; or

(iv) any material bankruptcy, receivership, or similar proceeding with respect to the registrant or any of its subsidiaries.

☐Yes ☐No

If the answer to any of the foregoing questions is "yes," provide a full description of the event or events and your connection therewith (attach a supplemental page if necessary). You may explain any mitigating circumstances associated with any event or events identified.

PART II - SECURITY OWNERSHIP

Question 6:
[For Questions 6-8: SEC Regulation S-K, Items 402, 403(b) and 405, SEC Rule 13d-3, 13d-4, 16a-2 and 16a-3]

Your Securities Holdings

(a) As to each class of ***equity securities*** of the Company, its parent or any subsidiary, state the total number of shares or other units ***beneficially owned*** by you as of January 15, 2007.

TITLE OF EQUITY SECURITY	NUMBER OF SHARES OR OTHER UNITS BENEFICIALLY OWNED
FPU Common Stock	

In the table provided on the following page:

(b) If, as a result of applying the rules regarding ***beneficial ownership*** summarized in **Appendix A** to this Questionnaire, you have included in the amount stated in answer to Question 6(a) above under "Number of Shares or Other Units Beneficially Owned" shares or units not issued in your name, please provide details as to the nature of such ***beneficial ownership*** of such shares or other units and state the amount of shares or units so owned: and

(c) If, as a result of applying the rules regarding ***beneficial ownership*** summarized in Appendix A to this Questionnaire, you have excluded from the amount stated in the answer to Question 6(a) above under "Number of Shares or Other Units Beneficially Owned" shares or units which are issued in your name, please state the amount so excluded and explain why you are not the ***beneficial owner*** of such shares or units.

	Title of Equity Security	Number of Shares or Units	Nature of Beneficial Ownership
(a) Shares or Units Included but Issued in Another's Name			
(b) Shares or Units Excluded but Issued in Your Name			

(a) Explanation: ______________________________

(b) Explanation: ______________________________

7591

(d) Of the total number of shares or units ***beneficially owned*** by you, as reported in answer to Question 6 (a), indicate below the amounts as to which you have sole or shared voting or investment power and the amount as to which you have the "right to acquire beneficial ownership" (as defined in paragraph 3 (b) of Appendix A).

	Common Stock	Other
Number of shares or units as to which you have sole voting power		
Number of shares or units as to which you have shared voting power		
Number of shares or units as to which you have sole investment power		
Number of shares or units as to which you have shared investment power		
Number of shares or units as to which you have the "right to acquire beneficial owner- ship" (see paragraph 3 (b) of Appendix A)		

(e) Has the Company adjusted the exercise price of or otherwise re-priced any of your options during the Last Fiscal Year?

☐Yes ☐No

(f) Are you aware of any transactions in the Last Fiscal Year for which you did not timely file a Form 3 or Form 4?

☐Yes ☐No

(g) Did you have any transactions, exempt from Form 4 filing, which now need to be reported on Form 5? (The most common transactions exempt from Form 4 reporting involve employee benefit plans and certain acquisitions involving less than $10.000.)

☐Yes ☐No

(h) Have you or a member of your immediate family who lives in your household entered into a contract, issued an instruction or established a plan (other than under any Company savings or compensation plan or dividend reinvestment plan) that provides for the purchase or sale of Company stock in the future (these are often called pre-arranged trading plans or Rule lOb5-1 plans).

☐Yes ☐No

Question 7:
Disclaimer of Beneficial Ownership

(a) If you wish to disclaim ***beneficial ownership*** of any securities referred to above, please set forth the number of such shares or units, the circumstances upon which the disclaimer of beneficial *ownership* is based, the name of the person or persons who should be shown as the beneficial owner(s) of such shares or units, and your relationship to that person or those persons.

____

____

(b) Do you or any of your ***affiliates*** or ***associates*** participate in investment decisions made by any nonprofit entity that owns Company securities? If yes, please provide details and indicate whether you disclaim beneficial *ownership* of such Company securities.

☐Yes ☐No

Question 8:
Securities Holdings of Your Relatives

If any ***equity securities*** of the Company, its parent or any subsidiary are ***beneficially owned*** by any relative of yours (by blood. marriage or adoption) who shares your home, please indicate below the name of each such relative, your relationship with him or her, and the amount of shares so owned. .

____

____

Question 9:
[SEC Regulation S-K, Item 403(a)]
5% Holders of Company Securities

If you know of any ***person*** (including yourself) or ***group*** which ***beneficially owns*** more than 300,000 shares of the Common Stock of the Company [1], please state name and address of such person, or the name and address of each member of such group, and the number of shares ***beneficially owned*** by each such person or group as of January 15, 2007.

Name of Person or Members of Group	Address	Number of Shares

[1] Note to Company reviewer: "x" and "y" (voting and non-voting shares of the Company's securities) should be the amounts roughly equal to 5% of the outstanding shares in the particular class of stock, perhaps rounded down to some convenient threshold Management can then determine if any person owns 5% or more.

PART III - DIRECTORS' COMPENSATION

THIS SECTION SHOULD BE COMPLETED ONLY <u>IF YOU ARE A DIRECTOR OF THE COMPANY.</u> IF YOU ARE AN OFFICER, BUT NOT A DIRECTOR, OF THE COMPANY YOU SHOULD PROCEED TO QUESTION 12.

<u>Question 10:</u>

[For Questions 10-11, SEC Regulation S-K, Items 402(g), IRS Reg. 1.162-27(e)(3)]

State the amount of compensation paid to you pursuant to any standard arrangement applicable to all directors during the Last Fiscal Year for your services as director (including any additional amounts paid to you for committee participation or special assignments).

____

____

<u>Question 11:</u>

If, as a director of the Company, you received any payment for your services as a director pursuant to any arrangement not applicable to all directors of the Company, please state the amount of such compensation and describe such arrangement.

____

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PART IV - CERTAIN TRANSACTIONS AND RELATIONSHIPS

Question 12:
[SEC Regulation S-K, Item 404(a)}
Transactions with Management

In the table on the following page, describe any transaction (or series of similar ***transactions),*** during the Company's Last Fiscal Year, or any currently proposed ***transaction*** (or series of similar ***transactions),*** to which the Company or any of its subsidiaries was or is to be a party, and in which you had or anyone in your ***immediate family*** has, a material direct or indirect financial interest[2]. Identify the person(s) involved arid state the nature of your or their interest in the *transaction,* the amount of the ***transaction,*** the amount of your or their interest in the *transaction,* and, if the person is a member of your ***immediate family,*** describe the nature of their relationship to *you* and to the Company, if any. (Attach a supplemental page if necessary.) [3]

Description of *Transaction*	Persons Involved	Nature of Interest / Relationship	Amount *of* *Transaction*[4]	Amount *of* Interest[5]

[2] A person who has a position or relationship with a firm, corporation or other entity that engages in a *transaction* with the Company or its subsidiaries may have an indirect interest in such *transaction* by reason of such position or relationship. However, you are not deemed *to* have an indirect material interest in a *transaction* where (a) your interest in the ***transaction*** arises only (i) from your position as a director of another corporation or organization which is a party *to* the *transaction* or (n) from the direct or indirect aggregate ownership of less than a 10% equity interest in another person (other than a partnership) which is a party *to* the ***transaction.*** by you, or by all other directors, nominees for director, ***officers,*** holders of more than 5% of any class of the voting securities of the Company or °members of the immediate family of any of the foregoing persons; or (ill) from both (a)(i) and (a)(ii); (b) your interest arises only from your position as a limited partnership in a partnership in which you or all other persons specified in (a) (i) and (a) (ii) have an interest of less than 10%; or (c) your interest arises solely from the holding of an equity interest (including a limited partnership interest, but excluding a general partnership interest) or a creditor interest in another person that is a party *to* the transaction with the Company, and the *transaction* is not material *to* such other person.

[3] Note *to* Company reviewer: Item 404 of Reg. S-K requires disclosure only for a transaction or series of similar transactions in which the amount involved exceeds $60,000.

[4] In computing the amount involved in the *transaction* 'or series of similar transactions include all periodic installments in the case of any lease *or* other agreement providing *for* periodic payments. *For* any *transaction* involving the purchase *or* sale of assets by *or* to the Company *or* any of its subsidiaries, otherwise than in the *ordinary* course of business, state the cost of the assets to the purchaser and. if acquired by the seller within two years prior to the *transaction* ,the cost thereof to the seller. Indicate the principle followed in determining the Company's purchase or sale price and the name' of the person making such determination.

Include information with respect to transactions that involve remuneration *from* the Company or its subsidiaries, directly or indirectly, *for* services in any capacity.

[5] The amount of your interest should be computed without regard to the amount of profit *or* loss involved in the transaction.

Question 12a:

If anyone in your ***immediate family*** is a director or officer of any company, please list their name and the Company name.

Question 13:

[SEC Regulation S-1(, *Item 404(c),* Section *402 of Sarbanes-Oxley* Act of2002]

Indebtedness of Management

If you or any ***associate*** of yours has been indebted to the Company or any of its subsidiaries at any time during the Company's Last Fiscal Year, state: (a) the name of the indebted person; (b) if the indebted person is an associate, the nature of your relationship to that person; (c) the largest aggregate amount of indebtedness outstanding at any time during the Company's Last Fiscal Year; (d). the nature of the indebtedness and of the transaction in which it was incurred; (e) the amount of indebtedness outstanding as of the latest practicable date (indicating that date); and (f) the rate of interest paid or charged thereon, if any.

Include (with respect to yourself only) any instances where the Company, either directly or indirectly (including through a subsidiary), extended or maintained credit for you, arranged for the extension of credit, or renewed any extension of credit.

You may exclude all amounts due for purchases subject to usual trade terms, for ordinary travel and expense payments and for other transactions in the ordinary course of business.

Question 14:

[SEC Regulation S-K, Item 402(h) and *403(c)]*

Agreements Affecting Control

(a) If you know of any contractual agreements, including any pledge of securities of the Company, the operation of the terms of which has resulted since the beginning of the Company's Last Fiscal Year or may, at a subsequent date, result in a change in ***control*** of the Company, please briefly describe the agreement, the parties thereto and the number and class of securities involved.

(b) Do you know of or believe that any arrangements exist pursuant to which more than 5% of the Company's stock is held or is to be held subject to any voting trust or other similar arrangement (including through a trading plan implemented under Rule 10b5-I)?

☐Yes ☐No

(c) If you are an ***executive officer*** of the Company, are you party to any employment, change in control or termination contract with the Company or its subsidiaries?

☐Yes ☐No

If your answer to either questions 14(b) or 14(c) is "yes," please explain:

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Question 15:
[SEC Regulation S-K, *Item 702J*
Indemnification

Do you know of any provision, other than the Corporation Law of (state of incorporation of the Company), the Charter and Bylaws of the Company and the Company's ***officers'*** and directors' liability insurance policy, under which any director, ***officer*** or controlling person of the Company is insured or indemnified in any manner against any liability which he or she may incur in his or her capacity as such? If so, please describe such provision.

____

____

Question 16:
SEC Regulation S-K, *Item 401* (a) and *401(b))*

Arrangements as to Election

(a) If you are a director -or a nominee for election as a director, state whether or not you were or are proposed to be elected pursuant to any arrangement or understanding between yourself and any other person or entity (except directors and ***officers*** of the Company acting solely in their capacities as such), the names of such other persons or entities and a brief description of the arrangement or understanding.

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____

(b) If you are an ***officer*** of the Company, state whether or not you were selected as an ***officer*** pursuant to any arrangement or understanding between yourself and any other person or entity (except directors and ***officers*** of the Company acting solely in their capacities as such), the names of such other persons or entities and a brief description of the arrangement or understanding.

____

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Question 17:
[SEC Regulation S-K, Item 404(b)]

Certain Business Relationships (please answer the following if you are a director or nominee for director. Otherwise, proceed to Question 19.) [6]

(a) Are you now or have you been, during the Company's Last Fiscal Year, an ***executive officer*** of, or do you now own or have you owned, during the Company's Last Fiscal Year, of record or beneficially, in excess of a 10% equity interest in, any firm, corporation, or other business or professional entity:

(i) That has made, during the Company's Last Fiscal Year or proposes to make during the Company's current fiscal year payments to the Company or any of its subsidiaries for property or services[7] in excess of (A) 5% of the Company's consolidated gross revenues for the Company's Last Fiscal Year ($6,710,000) or (B) 5% of such other entity's consolidated gross revenues for its Last Fiscal Year?
☐Yes ☐No

(ii) To which the Company has made, during the Company's Last Fiscal Year or which the Company proposes to make during the Company's current fiscal year payments for property or services in excess of (A) 5% of the Company's consolidated gross revenues for the Company's Last Fiscal Year ($6,710,000) or (B) 5% of such other entity's consolidated gross revenues for its Last Fiscal Year?
☐Yes ☐No

(iii)To which the Company was indebted,[8] at the end of the Company's Last Fiscal Year, in an aggregate amount in excess of 5% of the Company's total consolidated assets at the end of that fiscal year ($9,540,000)?

☐Yes ☐No

(b) Are you now or have you been, during the Company's Last Fiscal Year:

(i) A member of, or of counsel to, a law firm that the Company retained during the Company's Last Fiscal Year or that the Company proposes to retain during the current fiscal year?

☐Yes ☐No

(ii) A partner or executive officer of any investment banking firm or accounting firm that performed services for the Company (other than as a participating underwriter in a syndicate) during the Company's Last Fiscal Year or that the Company proposes to have perform services during the current fiscal year?

☐Yes ☐No

(c) If the answer to either Question 17(b)(i) or 17(b)(ii) is yes, does the amount of fees paid by the Company during the Last Fiscal Year or proposed to be paid during the current fiscal year exceed 5% of such firm's consolidated gross revenues for that firm's last full fiscal year?

☐Yes ☐No

(d) Are there any other relationships (financial, business or otherwise) between you and the Company or its ***executive officers***, or another Company director that are substantially similar in nature and scope to those described in this Question 17?

☐Yes ☐No

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[6] If you are using this questionnaire for the preparation of a registration statement, you should request the information in this question as to the last three fiscal years and provide three years financial information in answer to Question 11(a) (i)-(iii).

[7] In calculating payments for property and services, exclude:
(i) Payments where the rates or charges involved in the transaction are determined by competitive bids. or common contract carrier or public utility at rates or charges fixed in conformity with law or governmental authority; or
(ii) Payments that arise solely from the ownership of securities of the Company and no extra or special benefit not shared on a pro rata basis by all holders of the class of securities is received.

[8] In calculating indebtedness, exclude:
(i) Debt securities that have been publicly offered, admitted to trading on a national securities exchange or quoted on the automated quotation system of a registered securities association; or
(ii) Amounts due for purchases subject to usual trade terms.

If you have answered "Yes" to any of the items in this Question 17 above, please describe (attach a supplemental page if necessary):

(1) the identity of the entity with which the Company has such a relationship;
(2) the nature of your affiliation with such entity;
(3) the nature of the relationship between such entity and the Company; and
(4) the amount of business conducted between the Company and such entity during the Company's Last Fiscal Year pr proposed to be conducted during the Company's current fiscal year.

Question 18:

[SEC Regulation S-K, Item 4020) and *Schedule 14A, Items 7(d}, (J)]*

Board Meeting Attendance

(a) The Company's records indicate that of the nine (9) board meetings held during the Last Fiscal Year, you attended [___] of such meetings, and that of the [___] meetings of the [___] committee(s) on - which you serve, you attended [___] such meetings. Is this correct?

☐Yes ☐No

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If no, please provide correct information.

(b) If you have been nominated to stand for election to the Board of Directors of the Company at the 2006 Annual Meeting of Stockholders, do you agree to serve if elected?

☐Yes ☐No

Question 19:

[For Question 19-20, SEC Regulation S-K, Item 402(a) and *404(a)]*

If you are an ***executive officer*** of the Company, state whether: (a) you received any amount in the Last Fiscal Year (including any ***personal*** benefits) from any third party (individual or entity) or, (b) anyone in your ***immediate family*** received any amount from the Company or its subsidiaries, under any transaction or due to any relationship, including those described in Questions 12 and 13, the primary purpose of which was to furnish you such compensation for services rendered to the Company or its subsidiaries and describe and state the amount(s) of compensation received.

____

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Question 20:

If you are a director of the Company, state whether: (a) you received any amount in the Last Fiscal Year (including any ***personal benefits)*** from any third party (individual or entity) or (b) anyone in your ***immediate family*** received any amount from the Company or its subsidiaries, under any transaction or due to any relationship, including those described in Questions 12, 13 and 17, the primary purpose of which was to furnish you such compensation and describe and state the amount(s) of compensation received. .

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Question 21:

Compliance with "Outside Director" Requirements of Internal Revenue Service Regulation 1.162-27(e)(3).

Please respond to the following questions only if you are a Director of the Company.

(a) If you are a former employee of the Company, its parent or any of its subsidiaries (for purposes of this Question, the Company, its parents and its subsidiaries are referred to collectively as the "Affiliated Group") and received compensation for your prior services (other than benefits under a tax-qualified retirement plan) during the Company's last fiscal year, please state the amount and nature of such compensation and the member of the Affiliated Group from which such compensation was received.

(b) (i) During the Last Fiscal Year did *you* or any entity (including any sole proprietorship, trust, estate, partnership, corporation or other entity) in which *you* own, or have owned, in excess of a 50% ***beneficial ownership*** interest (i) receive payments, either directly or indirectly, from a member of the Affiliated Group in exchange for property or services (other than your service as a director) provided to the Affiliated Group, or (ii) enter into any (or remain a party to any previously entered into) agreement by which *you* or such entity are entitled to receive payments for property and services provided to the Affiliated Group?

☐Yes ☐No

(ii) Are you, or have *you* been during the Last Fiscal Year, an employee of, or self-employed by, or have you owned during the Last Fiscal Year, a ***beneficial ownership*** interest in excess of 5%, but less than 50% in any entity (including any sole proprietorship, trust, estate, partnership, corporation or other entity) to which the Affiliated Group made or proposes to make any payments in exchange for property or services (other than services as director of a member of the Affiliated Group)?

☐Yes ☐No

If your answer is "Yes," please, answer the following question:

(A) Does the amount of such payments made or proposed to be made by the Affiliated Group exceed the lesser of (i) 5% of such entity's gross revenues for its last fiscal year or (ii) $60,000?

☐Yes ☐No

(iii) Are you, or have *you* been during the Last Fiscal Year, employed or self employed by an entity (including any sole proprietorship, trust, estate, partnership, corporation or other entity) that performed personal services for the Affiliated Group? For purposes of this question, "Personal Services" includes personal or professional services such as legal, accounting, investment banking, management consulting, and similar services.

☐Yes ☐No

If your response to any part of question 21 (b) is yes, please indicate the amount of each such payment, the goods or services provided, the Affiliated Group member making or required to make such payments, and, if payment is not made to you, the nature of your interest in the entity receiving payment.

I hereby acknowledge, by my execution and dating of this Questionnaire in the places indicated below, that my answers to the foregoing questions are true and correct to the best of my information and belief. If I am a nominee for director, I confirm my consent to being named as such in the proxy statement and to serve if elected.

If at any time before the Annual Meeting I discover that my answer to any question was inaccurate, or if any event occurring subsequent to my completion hereof would require a change in my answers to any questions, I agree to contact George Bachman by telephone at 561.838.1731 immediately.

Dated________________________________

Signature______________________________

APPENDIX A

DEFINITIONS OF CERTAIN TERMS IN QUESTIONNAIRE

1. *"Affiliate"*
An "affiliate" of any entity is a person that, directly or indirectly, through one or more intermediaries, *controls,* is *controlled* by or is under common *control* with such person (for example, a parent subsidiary or sister corporation).

2. *"Associate"*
Associate" for the purpose of Question 5 means (1) any corporation or organization (other than the Company or a majority-owned subsidiary of the Company) of which you are an officer or partner or are, directly or indirectly, the *beneficial owner* of 10% or more of any class of equity securities; (2) any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar fiduciary capacity; and (3) any member of your *immediate family.*

"Associate" for the purpose of Question 13 means the same as the foregoing, except that subsection (1) shall state "any corporation or organization ... of which you are an *executive* officer ... "

3. *"Beneficial Ownership"*

a. General Rule Under the rules of the SEC, you are deemed to "beneficially own" or be the "beneficial owner" of any security with respect to which you have or share, directly or indirectly, through any contract, arrangement, understanding, relationship, agreement or otherwise: (1) Voting Power (which includes the power to vote, or to direct the voting of, such security); and/or (2) Investment Power (which includes the power to dispose, or to direct the disposition of, such security). You are also the beneficial owner of a security if you, directly or indirectly, create or use a trust, proxy, power of attorney, pooling arrangement or any other contract, arrangement, or device with the purpose ,or effect of divesting yourself of beneficial ownership of a security or preventing the vesting of such beneficial ownership.

Some specific applications of the above definition of beneficial ownership are:

(i) Family situations Although the determination of beneficial ownership of securities is necessarily a question to be determined in light of the facts of each particular case, family relationships may result in your having, or sharing, the power to vote, or direct the voting *of,* or dispose, or direct the disposition *of,* shares held by your family members. In view *of* the broad definition *of* "Beneficial Ownership," it may be prudent to include such shares in your beneficial ownership disclosure and then disclaim beneficial ownership *of* such securities pursuant to Question 6.

(ii) Shares held by others for your benefit There are numerous instances in which you may have, or share, voting or investment power (as defined above) over securities, although the securities are held by another person or entity. For example, you may have or share such power in securities held for you or your family members living with *you* by custodians, brokers, relatives, executors, administrators or trustees; securities held for your account by pledgees; securities owned by a partnership in which you are a member, and securities owned by a corporation which is or should be regarded as a personal holding company *of* yours or is controlled by you.

(iii)Shares held by you for the benefit *of* others Beneficial ownership *of* securities also includes securities held in your name as a trustee, custodian or other fiduciary where you have, or share, voting or investment power with respect to such securities.

b. Options and other rights to acquire securities In addition to being beneficial owner *of* securities over which you have, or share, voting or investment power, the SEC has determined that you are deemed to be the beneficial owner *of* a security if you have a right to acquire beneficial ownership *of* (i.e.. the right to obtain or share voting or investment power over) such security at any time within sixty days. Examples *of* such rights would include the right to acquire: (i) through the exercise *of* any option. warrant or similar right; (ii) through conversion *of* any security; or (iii) pursuant to the power to revoke, or the provision for automatic termination *of,* a trust, discretionary account or similar arrangement Also, if you have acquired or hold any options, convertible securities or power to revoke such a trust with the "purpose or effect" *of* changing or influencing control *of* the Company, you are deemed the beneficial owner *of* the underlying securities upon such acquisition. without regard to the sixty-day rule stated above.

4. *"Control"*

The term" control" means the possession, direct or indirect, *of* the power to direct or cause the direction *of* the management and policies of the Company, whether through the ownership *of* voting securities, by contract or otherwise. An *executive officer* or director *of* a company generally is considered to control that company. It is suggested that, if you are in doubt as to the meaning *of* "control" in a particular context, you communicate with counsel.

5. *"Equity Security"*

The definition of "equity security" encompasses more than common and preferred stock. It includes for instance convertible debt instruments as well as warrants and options to acquire stock or similar securities. If you have a question as to the proper characterization of your holdings you should consult with the Company's legal counsel.

6. *"Executive Officer"*

"Executive officer" for the purpose of this Questionnaire means the chief executive officer or president of a company, any vice president of it in charge of a principal business unit, division or function (such as sales, administration or finance), any other *officer* who performs a policy-making function or any other person who performs similar policy-making functions for the company. Executive officers of subsidiaries may be deemed executive officers of a company if they perform such policy-making functions for the company.

7. *"Group"*

A "group" exists when two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of any issuer.

8. *"Immediate Family"*

"Immediate family" for the purpose of this Questionnaire includes your spouse, parents, children, siblings, mothers- and fathers-in-law. sons- and daughters-in-law, and brothers- and sisters-in-law.

9. *"Officer"*

"Officer" means a president, vice president, secretary, treasurer or principal financial officer, comptroller or principal accounting officer, and any person routinely performing corresponding functions with respect to any organization whether incorporated or unincorporated.

10. *"Person."*

"Person" for the purpose of this Questionnaire means an individual, a corporation, a partnership, an association, a joint-stock company, a business trust, an unincorporated organization, or any other entity.

11. "Personal Benefits"

The SEC's prior interpretive releases on what the SEC views as a personal benefit or a "perk," were previously rescinded by Item 402 and as most recently revised, Item 402 does not specifically define "personal benefit." Item 402, however, does not require disclosure of personal benefits for any individual if the aggregate amount paid to that individual is less than the lesser of (i) $50,000 or (ii) 10% of that individual's compensation. In general, the position of the SEC has been that benefits which are directly related *to* job performance, as well as benefits provided to broad categories of employees and which do not discriminate in scope or terms of operation in favor of *officers* and directors, may be omitted from the calculation of total compensation, while benefits not so related should be disclosed as compensation. If you have any questions, please resolve the issue in favor of disclosure. The Company will review the necessity for disclosure in the proxy statement with its counsel.

12. "Promoter"

The term "promoter" includes (i) any person who, acting alone or in conjunction with one or more other persons, directly or indirectly took initiative in founding and organizing the business or enterprise of the Company; or (ii) any person who, in connection with the founding and organizing of the business or enterprise of the Company, directly or indirectly received, or will receive, in consideration of services or property, or both services and property, 10% or more of any class of securities of the Company or 10% or more the proceeds from the sale of any class of such securities. However, a person who received, or will receive, such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this paragraph if such person did not otherwise take part in founding and organizing the Company.

13. *"Subsidiary."*

"Subsidiary" includes all of the subsidiaries of the Company, as - listed on Appendix B.

14. *"Transaction* or *Transactions"*

"Transaction" or "transactions" is to be understood in its broadest sense, and includes the direct or indirect receipt of anything of value. No transaction or interest therein need be disclosed where: (a) the rates or charges involved in the transaction are determined by competitive bids, or the transaction involves the rendering of services as a common or contract carrier or public utility at rates or charges fixed in conformity with law or governmental authority; (b) the transaction involves services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture or similar services; or (c) the interest in question arises solely from the ownership of securities of the Company and the interested party receives no extra or special benefit not shared on a pro rata basis by all shareholders.

APPENDIX B

SUBSIDIARIES: FLO-GAS CORPORATION

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Files Currently on the CD				
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Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW 10K.msg	1,592 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Analytical Comments.msg	139 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Balance Sheet (12).msg	43 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Balance Sheet.msg	46 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
JE999.msg	1,067 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
Propane Projections - Impairme...	32 KB	HTML Document	10/16/2007 9:25 AM	Files Currently on the...
RE 10q redline and clean versio...	408 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K (2).msg	1,593 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE Audit Requests.msg	126 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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start · Inbox - Mic... · 3 Windo... · Case Manag... · Case Manag... · Links · Desktop · 11:12 AM

Friday, Apr 11, 2008 11:12 AM

Clara Leider

From: Martin Cheryl
Sent: Tuesday, January 23, 2007 5:28 PM
To: Khojasteh Mehrdad
Subject: FW: JE999
Attachments: JE999 Qtr406.XLS

Thanks,

Cheryl Martin
Controller, FPUC
561-838-1725

-----Original Message-----
From: Jennifer Starr [mailto:mstarr@bellsouth.net]
Sent: Tuesday, January 23, 2007 5:27 PM
To: Martin Cheryl
Subject: RE: JE999

Here you go, it was part of the file, but I just added reference O. Thanks, Jennifer

-----Original Message-----
From: Martin Cheryl [mailto:cherylmartin@fpuc.com]
Sent: Tuesday, January 23, 2007 4:53 PM
To: Starr Jennifer
Cc: Khojasteh Mehrdad
Subject: JE999

Can you make sure we have a list of all reclassification and elimination entry types we do as a check list? Is it part of the spreadsheet? At one time it was?

Thanks,

Cheryl Martin
Controller, FPUC
561-838-1725

JOURNAL ENTRY HEADER

BATCH TYPE (M/S) M	ACCT YEAR 2006	PERIOD 12	JE DESCRIPTION: JE# 999
JOURNAL NUMBER			YR/PD 06/12
COMPANY 099	BATCH NUMBER		RECLASSIFICATION AND
REFERENCE 999		SOURCE JE	ELIMINATION ENTRIES FOR 10Q
DESCRIPTION: 10Q		AUTO ACCRUAL? 1	

ACCOUNT NUMBER	AMOUNT DEBIT	AMOUNT CREDIT	DESCRIPTION	SUBLDG. NUMBER
099.0.0.1860.6		0.00	UNDERRECOVERIES CONSERV	
099.0.0.2530.6	0.00		OVERRECOVERIES CONSERV	
099.0.0.1310.1	36,970.00		CASH	
099.0.0.1350.1		36,970.00	WORKING FUNDS	
099.0.0.1860.2		2,012,129.00	UNDERRECOVERIES FUEL	
099.0.0.2530.2	2,012,129.00		OVERRECOVERIES FUEL	
099.0.0.2820.1	4,248,888.00	0.00	ACCUMULATED DEFERRED IT	
099.0.0.1900.1	0.00	4,248,888.00	ACCUMULATED DEFERRED IT	
099.0.0.2820.1	0.00			
099.2.0.1010.303		0.00		
099.1.0.1010.1	3,690.00		ELEC. PLANT IN SERVICE	
099.2.0.1010.1	1,263,777.00		GAS PLANT IN SERVICE	
099.0.0.1140.1		1,267,467.00	PLANT ACQUISITON ADJ	
099.0.0.1410.1	297,637.00		Current amt of water receivable & jack's lake	
099.0.0.1240.1		297,637.00	Current amt of water receivable & jack's lake	
099.1.0.1080.1	5,032,755.00		Remove COR from Acc Depreciation	
099.2.0.1080.1	3,767,075.00		Remove COR from Acc Depreciation	
099.0.0.2530.4		8,799,830.00	Reclass COR to Liability	
099.0.0.2010.1	10,000.00		COMMON STOCK	
099.0.0.2170.1	0.00		TREASURY STOCK	
099.0.0.1230.1		10,000.00	INVESTMENT IN ASSOC. COMP.	
099.0.0.2340.1	13,297,195.00		INTERCOMPANY PAYABLE	
099.0.0.1460.1		13,297,195.00	INTERCOMPANY RECEIVABLE	
099.0.0.2320.1		0.00	ACCOUNTS PAYABLE	

PAGE		DEBIT	CREDIT
1 OF 2	PAGE TOTALS	29,970,116.00	29,970,116.00
	J.E. TOTALS		

	INITIALS	DATE
PREPARED BY	JS	04/11/08
APPROVED BY		
ENTERED BY		
CHECKED BY		
POSTED BY		

FORM 02-012 12/91

JOURNAL ENTRY HEADER

BATCH TYPE (M/S)	M	ACCT YEAR 2006	PERIOD 12
JOURNAL NUMBER			
COMPANY	099	BATCH NUMBER	
REFERENCE	999		SOURCE JE
DESCRIPTION:	10Q		AUTO ACCRUAL? 1

JE DESCRIPTION: JE# 999

YR/PD 06/12

RECLASSIFICATION AND
ELIMINATION ENTRIES FOR 10Q

ACCOUNT NUMBER	AMOUNT DEBIT	AMOUNT CREDIT	DESCRIPTION	SUBLDG. NUMBER
099.0.0.1650.1	118,361.00		Prepaid taxes	
099.0.0.2360.1		118,361.00	Taxes Accrued	
099.0.0.2210.1	1,797,719.00		Net unab=mtxd debt dis to LT debt	
099.0.0.1810.1		1,797,719.00	Net unab=mtxd debt dis to LT debt	
099.1420.1	864,902.00		Reclassify credit bal AR to cust deposits	
099.2350.1		864,902.00	Reclassify credit bal AR to cust deposits	
099.2320.1	0.00		Reclassify debit bal AP to AR	
099.1420.1		0.00	Reclassify debit bal AP to AR	
099.1340.1		0.00	Rcls fuel contracts from special dep other to special LT dep	
	0.00			

PAGE		DEBIT	CREDIT
2 OF 2	PAGE TOTALS	2,780,982.00	2,780,982.00
	J.E. TOTALS	32,751,098.00	32,751,098.00

	INITIALS	DATE
PREPARED BY	JS	04/11/08
APPROVED BY		
ENTERED BY		
CHECKED BY		
POSTED BY		

FORM 02-012 12/91

FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2006

REPORT NAME: 10QCONSBS
DATE: 1/23/2007
USER: STARRJ
10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	NOTE	CONSOLIDATEC	NOTES
ASSETS							
UTILITY PLANT:							
ELECTRIC		72772608	0	3,690	A	72,776,298	
NATURAL & BOTTLED GAS		94151175	17142695	1,263,777	A + K	112,557,647	
WATER		0	0	-	K	-	
PLANT ACQUISITION ADJS.	1140	1267467	0	(1,267,467)	A	-	
COMMON PLANT		3646424	0	-		3,646,424	
TOTAL		171837674	17142695	-		188,980,369	
LESS ACCUM. DEPR. & AMORT		-63606893	-4960846	8,799,830	M	(59,767,909)	
NET UTILITY PLANT		108230781	12181849	8,799,830		129,212,460	AA
NET OTHER PLANT	1210,1220	8436	0	-		8,436	HH
INVEST IN ASSOC. CO.	1230	10000	0	(10,000)	C	-	
CURRENT ASSETS:							
CASH	1310	46668	0	36,970	D	83,638	BB
WORKING FUNDS	1350	33700	3270	(36,970)	D	-	
SPEC DEP-OTHER	1320-1340	3364143	0			3,364,143	GG
ACCOUNTS REC	1420-1430,1720	9608544	1731242	864,902	D	12,204,688	CC
NOTES REC	1410	0	0	297,637	L	297,637	
ALLOW FOR UNCOLL ACCTS	1440	-364980	-64399	-		(429,379)	DD
RECEIVABLES ASSOC. COS.	1460	13297195	0	(13,297,195)	E	-	
OTHER INVESTMENTS	1240,1280	5998414	24208	(297,637)	L	5,724,985	FF
MAT & SUPPLY	151,154-156,163	1954014	2159644	-		4,113,658	EE
PREPAYMENTS-INS & PEN	1650	961438	0	-		961,438	FF
PREPAYMENTS - OTHER - I/T		0	692	118,361	G	119,053	FF
UNBILLED REVENUES	1730	1585322	339173	-		1,924,495	CC
TOTAL		36484458	4193830	(12,313,932)		28,364,356	
DEFERRED DEBITS							
GOODWILL	1140.2	552803	1852435	-		2,405,238	HH
SPECIAL LT DEPOSITS	1340.1	0	0			-	
INTANG ASSETS-NET	1010.3031	3360930	986865	-	K	4,347,795	
UNAMORTIZED DEBT EXP	1810	1797719	0	(1,797,719)	O	-	
PREPAY PENSIONS-RETIRE	1650.3	0	0			-	HH
CLEARING ACCOUNTS	184*	0	0	-		-	HH
TEMPORARY FACILITIES	1850	12836	0	-		12,836	HH
OTHER WORK IN PROGRESS	1860.1	475117	0			475,117	HH
MISC. DEFERRED DEBITS	1860	5472737	0		I	5,472,737	HH
OTHER REG ASSETS-STORM	1820.32	270039	0			270,039	
OTHER REG ASSET-ENVIRON	1820.3	8530991	0			8,530,991	
UNDERREC FUEL	1860.21	2012129	0	(2,012,129)	F	-	II
UNDERREC CON & UNBUND	1860.6&7	0	0	-	J	-	
UNAMORT LOSS/REACQD DEBT	189(	208741	0			208,741	HH
REGULATORY ASSETS	1901	0	0	-		-	
ACCUM DEFERRED INC TAX	1900	4153265	95623	(4,248,888)	H	-	
TOTAL		26847307	2934923	(8,058,736)		21,723,494	
TOTAL ASSETS		171580982	19310602	(11,582,838)		179,308,746	

2

FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2006

REPORT NAME: 10QCONSBS
DATE: 1/23/2007
USER: STARRJ

10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	NOTE	CONSOLIDATED	NOTES
LIABILITIES							
CAPITALIZATION:							
COMMON STOCK	2010	9250472	10000	(10,000)	C	9,250,472	
PREMIUM ON COMMON	2070	5542986	0	-		5,542,986	
MISC PAID IN CAPITAL	2110	938906	0	-		938,906	
RETAINED EARNINGS	2160	32923887	2424389	-		35,348,276	
CAP STOCK EXP & DIS	2130-2150	-428441	0	-		(428,441)	
TREASURY STOCK	2170	-2841531	0	-	C	(2,841,531)	
COMMON SHARE EQUITY		45386279	2434389	(10,000)		47,810,668	
PREFERRED STOCK - A	2040	600000	0	-		600,000	
LONG TERM DEBT	2210,2240	52500000	0	(1,797,719)	O	50,702,281	
TOTAL CAPITALIZATION		98486279	2434389	(1,807,719)		99,112,949	
							JJ
CURRENT LIABILITIES:							
L-T DEBT - CURRENT		0	0	-		-	
NOTES PAYABLE	2310	3466000	0	-		3,466,000	
ACCOUNTS PAYABLE	2320	10274531	0	-	D	10,274,531	KK
PAYABLES TO ASSOC CO		0	13297195	(13,297,195)	E	-	LL
CUSTOMER DEPOSITS	2350	8024474	718150	864,902		9,607,526	
TAXES ACCRUED	2360	1824601	-1486355	118,361	G	456,607	QQ
INTEREST ACCRUED	2370	787294	1769	-		789,063	OO
DIVIDENDS DECLARED	2380	652802	0	-		652,802	NN
TAX COLLECTIONS PAYABLE	2410	640490	60737	-		701,227	OO
VACATION PAY ACCRUED	2420	1198162	0	-		1,198,162	OO
INSURANCE ACCRUED	2280	181443	0	-		181,443	OO
RATE REFUND	2420,2290	700000	0	-		700,000	MM
MISC. CURRENT LIABS.	2420	142604	0	-		142,604	OO
INACT DIVIDEND CHECKS	2420.2	0	0	-		-	OO
TOTAL		27892401	12591496	(12,313,932)		28,169,965	
DEFERRED CREDITS:							
OVERREC. FUEL	2530.21	4501485	0	(2,012,129)	F	2,489,356	
OVERREC CON & UNBUND	2530.6&7	355210	0	-	J	355,210	PP
MIS DEF -ENV INS PRO	2530.3	14000006	0		I	14,000,006	
STORM DAMAGE RESERVE	2280.11	1636118	0			1,636,118	TT
COST OF REMOVAL		0	0	8,799,830	M	8,799,830	
MED & PENSION RESERVE	2280.3	3818616	0			3,818,616	
CUST ADVANCES-CONSTR	2520.1	2314703	392376	-		2,707,079	
UNAMORTIZED I.T.C.	2550.1	335146	0	-		335,146	WW
OTHER DEF CR	2530.1,4	40653	0	-		40,653	VV
				693,000		693,000	
REGULATORY LIABILITIES	2821	876346	0	-		876,346	SS
CONTRIB IN AID	2710,2720	0	0	-		-	VV
					B		UU
TOTAL		27878283	392376	7,480,701		35,751,360	VV
ROUNDING		0	1	-		1	
ACCUM DEF I/T	2820,2830	17324019	3892341	(4,941,888)	H	16,274,472	
							RR
TOTAL LIABILITIES		171580982	19310602	(11,582,838)		179,308,746	

MEMO ITEMS - CASH FLO	CURRENT B	LAST YR DE	CHANGE
AMORTIZATION OF GAIN	-40653	-161073	120420
MISC. DEF. - AEP	3952093	4190130	-238037

	Timing Differences Adj. To Cash
Checks O/S over $5,000 for 12/00	
City of Marianna	43,200.40
Gulf Power	863,151.77
City of Fernandina	84,732.11
City of Fernandina	62,679.75
Infinium Software	32,380.88
Sandspur Housing Partners	139,000.00
Sunbelt Rentals	38,905.90
Farrens Tree Surgeons	13,992.50
American Welding & Tank	10,529.88
Equipment Controls	18,591.56
David Stanley	17,118.92
Toll Brother	6,600.00
ORCOM	7,316.00
Daniel Downey	7,350.00
Smith and Gillepsie	9,395.63
City of Lake Worth	7,770.24
City of DeLand	7,411.27
Gillette Electric Construction	9,735.00
Chris George Sales	6,440.98
Amana	5,747.00
Tri State Utilities	5,361.89
GE Supply	9,156.41
Bond Plumbing	5,092.00
Taylor Woodrow Comunities	7,225.00
Void for payroll booked in 1/01 s/b in 12/00	698,607.79
Total	2,117,492.88

Checks Outstanding
Sep-00

Sun Trust	- Beginning Balance	Sep-00	361,415.19	
	Deposits		12,401,608.90	
	Less Ending Balance		205,735.08	
SunTrust - Net Withdrawals		Sep-00		12,557,289.01
Checks outstanding		Jun-98		(1,559,045.52)
AP Check Log - Check Register		Sep-00	4,457,195.68	
	Manual Memo / Wire		1,402,054.67	
	Manual Memo / Loan		3,100,000.00	
	Manual Memo / Trans		50,476.04	
	Manual Memo / 90		1,449,591.83	
	Void Register		(4,266.26)	
Checks Issued				(10,455,051.96)
Two months outstanding*				1,634,688.19
Checks Outstanding		Sep-00		2,177,879.72

* JEA was included in June's checks outstanding and did not clear through the bank until August.

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
NOTES

RECLASSIFICATION AND ELIMINATION

A = Elimination of Plant Acquisition Adjs. and Reclassified to Natural & Bottled Gas and Electric Utility Plant.

B = Elimination of Contributions in Aid and Reclassified to Accum. Depr. & Amort and Water Utility Plant.

C = Elimination of Investment in Assoc. Co. and Reclassified to Common Stock and Treasury Stock.

D = Elimination of Working Funds and Reclassified to Cash.

E = Elimination of Receivable Assoc. Co. and Payable to Assoc. Co.

F = Elimination of Under/Over Recovery of Fuel and Reclassified to Under/Over Recovery.

G = Reclassified Debits to Taxes Accrued to Prepayments other - I/T. (.8 & .9 accounts)

H = Elimination of accum. def. income taxes asset and reclass. to accum. def. income taxes liab.

I = Elimination of OWIP - Environment cleanup to environmental reserve

J = Elimination of Under/Over Recovery of Conservation & Unbundling and Reclassified to Under/Over Recovery.

K = Reclassify plant acquisition adjustment from Intangible Assets to Plant.

M = Cost of Removal

N = Propane Asset Retirement Obligation

O = Eliminate Unamortized Debt to LT Debt

BALANCE SHEET CLASSIFICATION - See references on Balance Sheet

D:\Exhibit 2.8\KHOJASTEH

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Files Currently on the CD				
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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FW Balance Sheet (12).msg	43 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Balance Sheet.msg	46 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE999.msg	158 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Friday, Apr 11, 2008 11:32 AM

Clara Leider

From: Martin Cheryl
Sent: Thursday, February 01, 2007 3:02 PM
To: Khojasteh Mehrdad
Subject: FW: JE 999
Attachments: JE999 Qtr406.XLS

Go ahead and give to them today in case she needs it to do the statements. LEt Jennifer know when it is posted.

Thanks,

Cheryl Martin
Controller, FPUC
561-838-1725

-----Original Message-----
From: Jennifer Starr [mailto:mstarr@bellsouth.net]
Sent: Thursday, February 01, 2007 3:00 PM
To: Martin Cheryl; Khojasteh Mehrdad
Subject: JE 999

Attached is JE 999. Let me know if you have any questions. Thanks, Jennifer

JOURNAL ENTRY HEADER

BATCH TYPE (M/S)	M	ACCT YEAR	2006	PERIOD	12
JOURNAL NUMBER					
COMPANY	099	BATCH NUMBER			
REFERENCE	999			SOURCE	JE
DESCRIPTION:	10Q			AUTO ACCRUAL?	1

JE DESCRIPTION:	JE# 999
	YR/PD 06/12
RECLASSIFICATION AND	
ELIMINATION ENTRIES FOR 10Q	

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099.0.0.2820.1	4,316,434.00	0.00	ACCUMULATED DEFERRED IT	
099.0.0.1900.1	0.00	4,316,434.00	ACCUMULATED DEFERRED IT	
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099.0.0.2530.4		8,799,830.00	Reclass COR to Liability	
099.0.0.2010.1	10,000.00		COMMON STOCK	
099.0.0.2170.1	0.00		TREASURY STOCK	
099.0.0.1230.1		10,000.00	INVESTMENT IN ASSOC. COMP.	
099.0.0.2340.1	13,301,932.00		INTERCOMPANY PAYABLE	
099.0.0.1460.1		13,301,932.00	INTERCOMPANY RECEIVABLE	
099.0.0.2320.1		2,151,180.00	ACCOUNTS PAYABLE	

PAGE		DEBIT	CREDIT
1 OF 2	PAGE TOTALS	32,207,962.00	32,207,962.00
	J.E. TOTALS		

	INITIALS	DATE
PREPARED BY	JS	04/11/08
APPROVED BY		
ENTERED BY		
CHECKED BY		
POSTED BY		

FORM 02-012 12/91

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JOURNAL ENTRY HEADER

BATCH TYPE (M/S) M	ACCT YEAR 2006	PERIOD 12	JE DESCRIPTION: JE# 999
JOURNAL NUMBER			YR/PD 06/12
COMPANY 099	BATCH NUMBER		RECLASSIFICATION AND
REFERENCE 999		SOURCE JE	ELIMINATION ENTRIES FOR 10Q
DESCRIPTION: 10Q		AUTO ACCRUAL? 1	

ACCOUNT NUMBER	AMOUNT DEBIT	AMOUNT CREDIT	DESCRIPTION	SUBLDG. NUMBER
099.0.0.1650.1	106,661.00		Prepaid taxes	
099.0.0.2360.1		106,661.00	Taxes Accrued	
099.0.0.2210.1	1,797,719.00		Net unab=mtxd debt dis to LT debt	
099.0.0.1810.1		1,797,719.00	Net unab=mtxd debt dis to LT debt	
099.1420.1	864,902.00		Reclassify credit bal AR to cust deposits	
099.2350.1		864,902.00	Reclassify credit bal AR to cust deposits	
099.2320.1	0.00		Reclassify debit bal AP to AR	
099.1420.1		0.00	Reclassify debit bal AP to AR	

PAGE		DEBIT	CREDIT
2 OF 2	PAGE TOTALS	2,769,282.00	2,769,282.00
	J.E. TOTALS	34,977,244.00	34,977,244.00

	INITIALS	DATE
PREPARED BY	JS	04/11/08
APPROVED BY		
ENTERED BY		
CHECKED BY		
POSTED BY		

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FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2006

REPORT NAME: 10QCONSBS
DATE: 2/01/2007
USER: STARRJ

10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	NOTE	CONSOLIDATED	NOTES
ASSETS							
UTILITY PLANT:							
ELECTRIC		72772608	0	3,690	A	72,776,298	
NATURAL & BOTTLED GAS		94128857	17153448	1,263,777	A + K	112,546,082	
WATER		0	0	-	K	-	
PLANT ACQUISITION ADJS.	1140	1267467	0	(1,267,467)	A	-	
COMMON PLANT		3646424	0	-		3,646,424	
TOTAL		171815356	17153448	-		188,968,804	
LESS ACCUM. DEPR. & AMORT		-63606893	-4960846	8,799,830	M	(59,767,909)	
NET UTILITY PLANT		108208463	12192602	8,799,830		129,200,895	AA
NET OTHER PLANT	1210,1220	8436	0	-		8,436	HH
INVEST IN ASSOC. CO.	1230	10000	0	(10,000)	C	-	
CURRENT ASSETS:							
CASH	1310	46668	0	2,188,150	D	2,234,818	BB
WORKING FUNDS	1350	33700	3270	(36,970)	D	-	
SPEC DEP-OTHER	1320-1340	3364143	0			3,364,143	GG
ACCOUNTS REC	1420-1430,1720	9608544	1725882	864,902	D	12,199,328	CC
NOTES REC	1410	0	0	297,940	L	297,940	
ALLOW FOR UNCOLL ACCTS	1440	-364980	-64399	-		(429,379)	DD
RECEIVABLES ASSOC. COS.	1460	13301932	0	(13,301,932)	E	-	
OTHER INVESTMENTS	1240,1280	6013238	24208	(297,940)	L	5,739,506	FF
MAT & SUPPLY	151,154-156,163	1954014	2166364	-		4,120,378	EE
PREPAYMENTS-INS & PEN	1650	961438	0	-		961,438	FF
PREPAYMENTS - OTHER - I/T		0	692	106,661	G	107,353	FF
UNBILLED REVENUES	1730	1585322	339173	-		1,924,495	CC
TOTAL		36504019	4195190	(10,179,189)		30,520,020	
DEFERRED DEBITS							
GOODWILL	1140.2	552803	1852435	-		2,405,238	HH
SPECIAL LT DEPOSITS	1340.1	0	0			-	
INTANG ASSETS-NET	1010.3031	3383249	986865	-	K	4,370,114	
UNAMORTIZED DEBT EXP	1810	1797719	0	(1,797,719)	O	-	
PREPAY PENSIONS-RETIRE	1650.3	0	0			-	HH
CLEARING ACCOUNTS	184*	0	0	-		-	HH
TEMPORARY FACILITIES	1850	12836	0	-		12,836	HH
OTHER WORK IN PROGRESS	1860.1	475117	0			475,117	HH
MISC. DEFERRED DEBITS	1860	5472737	0		I	5,472,737	HH
OTHER REG ASSETS-STORM	1820.32	270039	0			270,039	
OTHER REG ASSET-ENVIRON	1820.3	8283991	0			8,283,991	
UNDERREC FUEL	1860.21	2026209	0	(2,026,209)	F	-	II
UNDERREC CON & UNBUND	1860.6&7	0	0	-	J	-	
UNAMORT LOSS/REACQD DEBT	189(	208741	0			208,741	HH
REGULATORY ASSETS	1901	0	0	-		-	
ACCUM DEFERRED INC TAX	1900	4220811	95623	(4,316,434)	H	-	
TOTAL		26704252	2934923	(8,140,362)		21,498,813	
TOTAL ASSETS		171435170	19322715	(9,529,721)		181,228,164	

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FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2006

REPORT NAME: 10QCONSBS
DATE: 2/01/2007
USER: STARRJ
10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	NOTE	CONSOLIDATEC	NOTES
LIABILITIES							
CAPITALIZATION:							
COMMON STOCK	2010	9250472	10000	(10,000)	C	9,250,472	
PREMIUM ON COMMON	2070	5542986	0	-		5,542,986	
MISC PAID IN CAPITAL	2110	938906	0	-		938,906	
RETAINED EARNINGS	2160	32835433	2429056	-		35,264,489	
CAP STOCK EXP & DIS	2130-2150	-428441	0	-		(428,441)	
TREASURY STOCK	2170	-2841531	0	-	C	(2,841,531)	
COMMON SHARE EQUITY		45297825	2439056	(10,000)		47,726,881	
PREFERRED STOCK - A	2040	600000	0	-		600,000	
LONG TERM DEBT	2210,2240	52500000	0	(1,797,719)	O	50,702,281	
TOTAL CAPITALIZATION		98397825	2439056	(1,807,719)		99,029,162	
							JJ
CURRENT LIABILITIES:							
L-T DEBT - CURRENT		0	0	-		-	
NOTES PAYABLE	2310	3466000	0	-		3,466,000	
ACCOUNTS PAYABLE	2320	10270502	0	2,151,180	D	12,421,682	KK
PAYABLES TO ASSOC CO		0	13301932	(13,301,932)	E	-	LL
CUSTOMER DEPOSITS	2350	8024474	718150	864,902		9,607,526	
TAXES ACCRUED	2360	1833401	-1483455	106,661	G	456,607	QQ
INTEREST ACCRUED	2370	787294	1769	-		789,063	OO
DIVIDENDS DECLARED	2380	652802	0	-		652,802	NN
TAX COLLECTIONS PAYABLE	2410	640490	60547	-		701,037	OO
VACATION PAY ACCRUED	2420	1198162	0	-		1,198,162	OO
INSURANCE ACCRUED	2280	181443	0	-		181,443	OO
RATE REFUND	2420,2290	879500	0	-		879,500	MM
MISC. CURRENT LIABS.	2420	142604	0	-		142,604	OO
INACT DIVIDEND CHECKS	2420.2	0	0	-		-	OO
TOTAL		28076672	12598943	(10,179,189)		30,496,426	
DEFERRED CREDITS:							
OVERREC. FUEL	2530.21	4501485	0	(2,026,209)	F	2,475,276	
OVERREC CON & UNBUND	2530.6&7	355325	0	-	J	355,325	PP
MIS DEF -ENV INS PRO	2530.3	13753006	0		I	13,753,006	
STORM DAMAGE RESERVE	2280.11	1636118	0			1,636,118	TT
COST OF REMOVAL		0	0	8,799,830	M	8,799,830	
MED & PENSION RESERVE	2280.3	3818616	0			3,818,616	
CUST ADVANCES-CONSTR	2520.1	2314703	392376	-		2,707,079	
UNAMORTIZED I.T.C.	2550.1	335146	0	-		335,146	WW
OTHER DEF CR	2530.1,4	40653	0	-		40,653	VV
				698,000		698,000	
REGULATORY LIABILITIES	2821	876346	0	-		876,346	SS
CONTRIB IN AID	2710,2720	0	0	-		-	VV
							UU
TOTAL		27631398	392376	7,471,621		35,495,395	VV
ROUNDING		2	0	-		2	
ACCUM DEF I/T	2820,2830	17329275	3892340	(5,014,434)	H	16,207,181	
							RR
TOTAL LIABILITIES		171435170	19322715	(9,529,721)		181,228,164	

MEMO ITEMS - CASH FLO	CURRENT B	LAST YR DE	CHANGE
AMORTIZATION OF GAIN	-40653	-161073	120420
MISC. DEF. - AEP	3952093	4190130	-238037

TAXES ACCRUED RECLASS	106661	0	0	110761

	Timing Differences Adj. To Cash
Checks O/S over $5,000 for 12/00	
City of Marianna	43,200.40
Gulf Power	863,151.77
City of Fernandina	84,732.11
City of Fernandina	62,679.75
Infinium Software	32,380.88
Sandspur Housing Partners	139,000.00
Sunbelt Rentals	38,905.90
Farrens Tree Surgeons	13,992.50
American Welding & Tank	10,529.88
Equipment Controls	18,591.56
David Stanley	17,118.92
Toll Brother	6,600.00
ORCOM	7,316.00
Daniel Downey	7,350.00
Smith and Gillepsie	9,395.63
City of Lake Worth	7,770.24
City of DeLand	7,411.27
Gillette Electric Construction	9,735.00
Chris George Sales	6,440.98
Amana	5,747.00
Tri State Utilities	5,361.89
GE Supply	9,156.41
Bond Plumbing	5,092.00
Taylor Woodrow Comunities	7,225.00
Void for payroll booked in 1/01 s/b in 12/00	698,607.79
Total	2,117,492.88

Checks Outstanding
Sep-00

Sun Trust - Beginning Balance		Sep-00	361,415.19	
	Deposits		12,401,608.90	
	Less Ending Balance		205,735.08	
SunTrust - Net Withdrawals		Sep-00		12,557,289.01
Checks outstanding		Jun-98		(1,559,045.52)
AP Check Log - Check Register		Sep-00	4,457,195.68	
	Manual Memo / Wire		1,402,054.67	
	Manual Memo / Loan		3,100,000.00	
	Manual Memo / Trans		50,476.04	
	Manual Memo / 90		1,449,591.83	
	Void Register		(4,266.26)	
Checks Issued				(10,455,051.96)
Two months outstanding*				1,634,688.19
Checks Outstanding		Sep-00		2,177,879.72

* JEA was included in June's checks outstanding and did not clear through the bank until August.

FULLNAME	VENDOR#	PAYEE#	REF#	CHECK#	CHECKDATE	CHECKAMT	PHONE#	TYPE	ADDR1	ADDR2	ADDR3	CITY	STATE	ZIP	COUNTRY	YEAR	MONTH	CLEARED	VOID
9 1	9990000686	9990000686	219067	613903	20050103	10.58	0									2005	1	0	1
TESLA, ROBERT	9990041928	9990041928	219074	613910	20050103	14.14	0									2005	1	0	1
SOCCARSO, NANCY	9990095826	9990095826	219081	613917	20050103	46.27	0									2005	1	0	1
FORBES, YVONNE	9990178704	9990178704	219105	613941	20050103	45 32	0									2005	1	0	1
BAILEY, SAM	9990182728	9990182728	219107	613943	20050103	4 77	0									2005	1	0	1
MARTINEZ, LINDA	9990183404	9990183404	219108	613944	20050103	1 44	0									2005	1	0	1
EMMETT, MAREESA R	9990208399	9990208399	219133	613969	20050103	8 08	0									2005	1	0	1
SANTIAGO, LUIS E	9990211299	9990211299	219135	613971	20050103	34.71	0									2005	1	0	1
MOORE, SHEILA B	9990215487	9990215487	219140	613976	20050103	103.63	0									2005	1	0	1
OGRADY II, RAYMOND F	9990220144	9990220144	219151	613987	20050103	117	0									2005	1	0	1
DANIELS, IDA S	9990031818	9990031818	219549	616782	20050110	25.61	0									2005	1	0	1
WHITE, JAMES T	9990035072	9990035072	219551	616784	20050110	7.64	0									2005	1	0	1
DANIELS, DEBRA A	9990115275	9990115275	219569	616802	20050110	1.13	0									2005	1	0	1
BLANCO, ARMANDO C	9990145227	9990145227	219582	616815	20050110	8.7	0									2005	1	0	1
ENGEL, RICHARD	9990162041	9990162041	219590	616823	20050110	3 5	0									2005	1	0	1
WILLIAMS, HEIDI	9990172967	9990172967	219597	616830	20050110	98.8	0									2005	1	0	1
OH| FRENCH KISS INC	9990177783	9990177783	219606	616839	20050110	159 98	0									2005	1	0	1
LYNCH, TOM	9990179462	9990179462	219608	616841	20050110	8.19	0									2005	1	0	1
HANCOCK, SUSAN	9990181525	9990181525	219611	616844	20050110	38 32	0									2005	1	0	1
KINNEY, LAVERNE E	9990200139	9990200139	219644	616877	20050110	20 5	0									2005	1	0	1
ANTENUCCI, MICHELLE D	9990202923	9990202923	219653	616886	20050110	1 94	0									2005	1	0	1
DESMOND, BETH	9990205724	9990205724	219664	616897	20050110	2.05	0									2005	1	0	1
LOVETTE, ANTHONY	9990211230	9990211230	219675	616908	20050110	22 24	0									2005	1	0	1
BAKKO, BONNIE M	9990214022	9990214022	219685	616918	20050110	70 65	0									2005	1	0	1
SHERMAN, PHILLIP E	9990214414	9990214414	219686	616919	20050110	18.79	0									2005	1	0	1
ROGERS, MILTON	9990216065	9990216065	219691	616924	20050110	9.9	0									2005	1	0	1
ROULHAC, LINDA	9990014888	9990014888	219923	619441	20050117	122 37	0									2005	1	0	1
CLARK, MANUELLA	9990015441	9990015441	219924	619442	20050117	162 07	0									2005	1	0	1
MATTOX, ALBERT	9990019183	9990019183	219928	619446	20050117	96 35	0									2005	1	0	1
QUARANTO, THOMAS	9990020090	9990020090	219930	619448	20050117	8 66	0									2005	1	0	1
JENKINS, HENRY D	9990162160	9990162160	219959	619479	20050117	23.67	0									2005	1	0	1
PACHECO-PEREZ, FRANCISCO	9990168474	9990168474	219960	619480	20050117	143.17	0									2005	1	0	1
FORBES, YVONNE	9990178704	9990178704	219970	619490	20050117	32	0									2005	1	0	1
FORESTAL, GUYBS	9990202143	9990202143	220009	619529	20050117	9.02	0									2005	1	0	1
ANDERSON - HOMITZ, TRACY	9990205440	9990205440	220021	619541	20050117	8.3	0									2005	1	0	1
W G PITTS COMPANY	9990206742	9990206742	220025	619545	20050117	294.09	0									2005	1	0	1
GRITZMAN, TAMARA	9990210773	9990210773	220035	619555	20050117	38.98	0									2005	1	0	1
CIERVO, ROSINA	9990213529	9990213529	220047	619567	20050117	10.59	0									2005	1	0	1
SPANG, SANDRA L	9990215711	9990215711	220050	619570	20050117	7.93	0									2005	1	0	1
FLICKINGER, CAROL D	9990217434	9990217434	220058	619578	20050117	144.74	0									2005	1	0	1
O'NEAL, BRYAN	9990219070	9990219070	220062	619582	20050117	62.36	0									2005	1	0	1
RENGASAWMY, SEWSANKAR C	9990034720	9990034720	220266	620859	20050124	89.23	0									2005	1	0	1
HAFERKAMP, MARLIES	9990089785	9990089785	220275	620869	20050124	45	0									2005	1	0	1
TWEEDY, ROLAND R	9990094549	9990094549	220278	620872	20050124	50.08	0									2005	1	0	1
WILLIAMS, CHRYSTERIA	9990146194	9990146194	220289	620884	20050124	18 38	0									2005	1	0	1
FOURES, BILL	9990153592	9990153592	220293	620888	20050124	6	0									2005	1	0	1
ROY, BETTY B	9990199948	9990199948	220331	620926	20050124	22 78	0									2005	1	0	1
SAINCLAUDE, MICHELET	9990201617	9990201617	220335	620930	20050124	7 65	0									2005	1	0	1
BRANNON, DAVID	9990207673	9990207673	220348	620943	20050124	3.5	0									2005	1	0	1
HICKS, KATHLEEN N	9990209494	9990209494	220354	620949	20050124	1.67	0									2005	1	0	1
TOMLINSON, ERIK J	9990215045	9990215045	220370	620965	20050124	25.84	0									2005	1	0	1
ROGERS, LINDA L	9990185715	9990185715	220564	622113	20050131	65	0									2005	1	0	1
EVANS, CAMERON M	9990199006	9990199006	220566	622115	20050131	101.27	0									2005	1	0	1
LOPEZ, CARMELINA	9990007943	9990007943	220570	623030	20050131	8.79	0									2005	1	0	1
JOHNSON, ALONZO L	9990139621	9990139621	220584	623044	20050131	5.82	0									2005	1	0	1
COPELAND, ROGER M	9990198468	9990198468	220619	623080	20050131	25.04	0									2005	1	0	1
HYNES, KERRIE A	9990199086	9990199086	220620	623081	20050131	9.18	0									2005	1	0	1
DIXON, WAUTEKEE	9990199907	9990199907	220622	623083	20050131	10.87	0									2005	1	0	1
CLARK, RAYMOND	9990200970	9990200970	220624	623085	20050131	8.57	0									2005	1	0	1
LUNA, MELISSA M	9990204257	9990204257	220632	623093	20050131	6.67	0									2005	1	0	1
KIEJKO, AMANDA E	9990209973	9990209973	220641	623102	20050131	14 3	0									2005	1	0	1
REPUBLICAN PARTY OF	9990211284	9990211284	220644	623105	20050131	72.09	0									2005	1	0	1
O'NEAL, DAYMOND E	9990212927	9990212927	220646	623107	20050131	8 32	0									2005	1	0	1
DORRIS, LLOYD E	9990213036	9990213036	220647	623108	20050131	11 91	0									2005	1	0	1
LEONARD, RANDY W	9990217536	9990217536	220657	623118	20050131	6 9	0									2005	1	0	1
CHURCH, CARLA N	9990218387	9990218387	220661	623122	20050131	248 68	0									2005	1	0	1
CARLIN, MAY P	9990013920	9990013920	220842	624558	20050207	28.44	0									2005	2	0	1
HAUGER, PAUL W	9990027064	9990027064	220848	624564	20050207	33.09	0									2005	2	0	1
BISHOP, SABRINA	9990154450	9990154450	220883	624599	20050207	30 98	0									2005	2	0	1
MILLER, ED W	9990160451	9990160451	220886	624602	20050207	12 79	0									2005	2	0	1
BOLES, ORA LEE	9990160958	9990160958	220887	624603	20050207	31 05	0									2005	2	0	1
DITTO, CARLO V	9990176727	9990176727	220894	624610	20050207	30.13	0									2005	2	0	1
RAYMOND, TERESA M	9990177712	9990177712	220896	624612	20050207	17.42	0									2005	2	0	1
MUNOZ, CRISTINA	9990178622	9990178622	220897	624613	20050207	1.44	0									2005	2	0	1
CAMP, KEVIN	9990182863	9990182863	220899	624615	20050207	1 75	0									2005	2	0	1
MELCHIORI, SUSAN	9990186210	9990186210	220904	624621	20050207	8 8	0									2005	2	0	1
MURRAY, OMARI A	9990203996	9990203996	220927	624644	20050207	44 26	0									2005	2	0	1
LINTON, JAMARR R	9990205939	9990205939	220935	624652	20050207	43.73	0									2005	2	0	1
KERR, TORRIE L	9990205996	9990205996	220936	624653	20050207	85.5	0									2005	2	0	1
HANSEN, KRISTY D	9990207629	9990207629	220941	624658	20050207	17.91	0									2005	2	0	1
CHARLES, SHASHA D	9990220884	9990220884	220964	624681	20050207	16 82	0									2005	2	0	1
PURKINS, JOHN H	9990034116	9990034116	221410	627975	20050214	9 21	0									2005	2	0	1
SANCHEZ, JOSE L	9990058858	9990058858	221418	627983	20050214	3.5	0									2005	2	0	1
GAGNE, MARCEL R	9990091438	9990091438	221424	627989	20050214	5.57	0									2005	2	0	1
MILLER, LILLIAN	9990105285	9990105285	221428	627993	20050214	9.68	0									2005	2	0	1
BISHOP, SABRINA	9990154450	9990154450	221448	628015	20050214	14.89	0									2005	2	0	1
JENNINGS, JANICE M	9990165746	9990165746	221449	628016	20050214	10 5	0									2005	2	0	1
CHRISTMAN, DAWN	9990182905	9990182905	221460	628027	20050214	12 96	0									2005	2	0	1
GARRETT, LESLIE	9990188235	9990188235	221469	628036	20050214	10.13	0									2005	2	0	1
RICO-MUNOZ, SONIA	9990189846	9990189846	221471	628038	20050214	27.43	0									2005	2	0	1
TAYLOR-GRANT, CUYANN V	9990205793	9990205793	221495	628062	20050214	20.77	0									2005	2	0	1
PETERSON, GAVIN L	9990206833	9990206833	221498	628065	20050214	2.51	0									2005	2	0	1
HEBERT, CATHERINE M	9990207164	9990207164	221499	628066	20050214	17.38	0									2005	2	0	1
SIMPSON, THOMAS C	9990209640	9990209640	221504	628071	20050214	7.75	0									2005	2	0	1
KAY, WANDA	9990214618	9990214618	221515	628082	20050214	8.83	0									2005	2	0	1
LAMAR / CRYSTAL, DILL H	9990216481	9990216481	221524	628091	20050214	35.16	0									2005	2	0	1
RENFROE, MATTHEW S	9990217509	9990217509	221530	628097	20050214	10.21	0									2005	2	0	1
MCLEMORE, JASON	9990218814	9990218814	221536	628103	20050214	71.24	0									2005	2	0	1
AHMED, SK-JALAL U	9990221011	9990221011	221538	628105	20050214	21 1	0									2005	2	0	1
RODRIGUEZ, IRMA	9990055428	9990055428	221808	629790	20050221	3 5	0									2005	2	0	1
LOPEZ-BASA JOEL	9990096311	9990096311	221815	629797	20050221	14 95	0									2005	2	0	1
HOLOWELL, IRA	9990149455	9990149455	221831	629813	20050221	8.78	0									2005	2	0	1
LARISCEY, TARA L	9990174803	9990174803	221848	629830	20050221	71	0									2005	2	0	1
MIAH RAZA	9990184508	9990184508	221858	629840	20050221	14 84	0									2005	2	0	1

REEVES, ANNIE	9990190662	9990190662	221865	629847	20050221	36.47	0	2005	2 0	1
CASTILLO, CRISTOBAL V	9990201684	9990201684	221877	629859	20050221	9 84	0	2005	2 0	1
PITTMAN, SADIE A	9990203195	9990203195	221884	629866	20050221	3.76	0	2005	2 0	1
HILLSMAN, BROOKE T	9990203345	9990203345	221885	629867	20050221	34 01	0	2005	2 0	1
STILSON, NICOLE C	9990204570	9990204570	221887	629869	20050221	86.63	0	2005	2 0	1
STRICKLAND, JUANITA	9990205855	9990205855	221896	629878	20050221	23.4	0	2005	2 0	1
KNUTE, TINA M	9990213554	9990213554	221914	629896	20050221	110	0	2005	2 0	1
WATTS, DONALD L	9990215054	9990215054	221919	629901	20050221	8 1	0	2005	2 0	1
MINTON, DANIEL D	9990220157	9990220157	221933	629915	20050221	2 84	0	2005	2 0	1
LAWRENCE, CHRIS	9990017710	9990017710	222075	631071	20050228	7.2	0	2005	2 0	1
JANNACK, JEFFREY A	9990018428	9990018428	222076	631072	20050228	6.27	0	2005	2 0	1
BOOMER, TORREY L	9990142091	9990142091	222101	631097	20050228	244.17	0	2005	2 0	1
FINLEY, HOKE	9990160431	9990160431	222104	631100	20050228	63.51	0	2005	2 0	1
BRUMER, GARY	9990182833	9990182833	222120	631116	20050228	15	0	2005	2 0	1
DAVIS, MARK	9990188240	9990188240	222128	631124	20050228	36.55	0	2005	2 0	1
VEAL, WILLIAM L	9990192653	9990192653	222133	631129	20050228	52 54	0	2005	2 0	1
HARTSOCK, YVONNE J	9990193768	9990193768	222136	631132	20050228	1.03	0	2005	2 0	1
SMITH, LISA F	9990194810	9990194810	222138	631134	20050228	32	0	2005	2 0	1
MCADAMS, JOSEPH P	9990200094	9990200094	222149	631145	20050228	3 5	0	2005	2 0	1
HERNANDEZ, JOSE F	9990202130	9990202130	222150	631146	20050228	2 79	0	2005	2 0	1
REEVES, LINDSEY A	9990202771	9990202771	222151	631147	20050228	12 25	0	2005	2 0	1
CLARE, AMANDA E	9990204980	9990204980	222157	631153	20050228	95.23	0	2005	2 0	1
COOK, CHRISTOPHER J	9990204994	9990204994	222158	631154	20050228	50.24	0	2005	2 0	1
DESTEPHAN, JOSEPH A	9990209543	9990209543	222169	631165	20050228	36.04	0	2005	2 0	1
GUILLEN, JERARDO G	9990209623	9990209623	222170	631166	20050228	22.52	0	2005	2 0	1
SLATER, CATHY	9990210325	9990210325	222172	631168	20050228	58.78	0	2005	2 0	1
WEEKS, FRANCIS M	9990212355	9990212355	222178	631174	20050228	1.59	0	2005	2 0	1
BURBAGE, JENNIFER E	9990212917	9990212917	222180	631176	20050228	45.31	0	2005	2 0	1
ENGLISH, JACQUELINE D	9990216870	9990216870	222192	631188	20050228	235.65	0	2005	2 0	1
SOODEN, CHATOOR P	9990217220	9990217220	222194	631190	20050228	23.74	0	2005	2 0	1
JORDAN, RICHARD D	9990217854	9990217854	222197	631193	20050228	1.07	0	2005	2 0	1
ATHAVALE, PARAG	9990218281	9990218281	222201	631197	20050228	4.2	0	2005	2 0	1
KEGLEY, JEAN E	9990220375	9990220375	222208	631204	20050228	86.81	0	2005	2 0	1
ARCAND, ROBERT J	9990222469	9990222469	222216	631212	20050228	16.39	0	2005	2 0	1
BOJNOWICZ, ALFRED	9990041698	9990041698	222765	635603	20050314	31.72	0	2005	3 0	1
COCCHI, ANTOHNY	9990075938	9990075938	222769	635607	20050314	193.69	0	2005	3 0	1
WALDROP, PAUL	9990113660	9990113660	222784	635622	20050314	28.91	0	2005	3 0	1
ARNOLD, LOUISE	9990126003	9990126003	222790	635628	20050314	763.65	0	2005	3 0	1
ELLER, KENNETH LEO	9990136484	9990136484	222800	635638	20050314	27 68	0	2005	3 0	1
FLORES, ABADESA R	9990137440	9990137440	222801	635639	20050314	19.3	0	2005	3 0	1
RYDBERG, MARK W	9990138949	9990138949	222803	635641	20050314	40.34	0	2005	3 0	1
HERRERA, WILFRIDO	9990155290	9990155290	222824	635662	20050314	6	0	2005	3 0	1
MCMONAGLE, DONAVAN	9990193458	9990193458	222887	635726	20050314	35.96	0	2005	3 0	1
FRANCISCO, MARIO M	9990201323	9990201323	222907	635746	20050314	13.44	0	2005	3 0	1
ADKINS, MATTHEW F	9990205398	9990205398	222926	635765	20050314	26 31	0	2005	3 0	1
RUFFOLO, PHILIP J	9990207260	9990207260	222940	635779	20050314	19 61	0	2005	3 0	1
MCLAURIN, MARRIO V	9990208125	9990208125	222945	635784	20050314	25.73	0	2005	3 0	1
STAMBAUGH, JENNIFER	9990214297	9990214297	222963	635802	20050314	60.14	0	2005	3 0	1
MOYA, CHRISTIAN G	9990214429	9990214429	222964	635803	20050314	16.59	0	2005	3 0	1
VANDERSCHAAF, HOLLY J	9990214839	9990214839	222967	635806	20050314	49.33	0	2005	3 0	1
HARRIS, JAMES	9990215105	9990215105	222970	635809	20050314	6.84	0	2005	3 0	1
RIDER, JONATHAN P	9990216526	9990216526	222983	635822	20050314	23.8	0	2005	3 0	1
BRUCE, JEAN	9990216932	9990216932	222987	635826	20050314	3.7	0	2005	3 0	1
TODD, JOSIE M	9990217208	9990217208	222989	635828	20050314	4.38	0	2005	3 0	1
HORNSBY, WILLIAM D	9990217277	9990217277	222990	635829	20050314	11.86	0	2005	3 0	1
ESPINA, ELEONORA C	9990220065	9990220065	223005	635844	20050314	7 89	0	2005	3 0	1
ARCAND, ROBERT J	9990222469	9990222469	223017	635856	20050314	11 26	0	2005	3 0	1
PAYNE, AMY R	9990065984	9990065984	223276	638042	20050321	5 71	0	2005	3 0	1
NU-TREND DESIGN INC	9990121690	9990121690	223282	638048	20050321	331 81	0	2005	3 0	1
CORDOVA, RIGOBERTO	9990180145	9990180145	223306	638072	20050321	12.91	0	2005	3 0	1
SPANLEY, JERRY	9990183756	9990183756	223314	638080	20050321	4	0	2005	3 0	1
MERCADO, CHRISTINA M	9990188618	9990188618	223318	638084	20050321	4 18	0	2005	3 0	1
ESTEVEZ, ANDRES	9990193621	9990193621	223321	638087	20050321	40 92	0	2005	3 0	1
ROBINSON, SHANTEL	9990216695	9990216695	223356	638122	20050321	7 58	0	2005	3 0	1
ESTEBAN, MARIO D	9990217786	9990217786	223361	638127	20050321	4.97	0	2005	3 0	1
DJEDI, ELEKO	9990219670	9990219670	223365	638131	20050321	2.31	0	2005	3 0	1
KALLAS, MICHAEL	9990221069	9990221069	223368	638134	20050321	83.2	0	2005	3 0	1
SCHAAB, DONALD W	9990223705	9990223705	223378	638144	20050321	39 47	0	2005	3 0	1
BHATT, PARIMAL M	9990018635	9990018635	223549	639281	20050328	1334 39	0	2005	3 0	1
MCCLENDON, SHERRINE	9990027834	9990027834	223552	639284	20050328	14.7	0	2005	3 0	1
JADO, JOHN	9990127059	9990127059	223564	639296	20050328	59.79	0	2005	3 0	1
VEREEN, LETICIA S	9990188567	9990188567	223595	639327	20050328	112.68	0	2005	3 0	1
LOGUE, PATRICK J	9990190609	9990190609	223598	639330	20050328	52 01	0	2005	3 0	1
PICKREN, BRENNAN E	9990197607	9990197607	223609	639341	20050328	17 3	0	2005	3 0	1
SMITH, SHATELL J	9990199607	9990199607	223613	639345	20050328	18.25	0	2005	3 0	1
DAWKINS, PATRICIA E	9990204293	9990204293	223623	639355	20050328	52 63	0	2005	3 0	1
AHRENS, KENNETH	9990204381	9990204381	223624	639356	20050328	11 94	0	2005	3 0	1
MORRIS, DEMETRIUS	9990205396	9990205396	223631	639363	20050328	11 76	0	2005	3 0	1
GLEITMANN, ALEX	9990205733	9990205733	223632	639364	20050328	22.38	0	2005	3 0	1
DEJESUS, TAMMY M	9990209575	9990209575	223643	639375	20050328	63.05	0	2005	3 0	1
SHAW, KYLE A	9990211377	9990211377	223647	639379	20050328	23.57	0	2005	3 0	1
LINTON, MELISSA D	9990213813	9990213813	223653	639385	20050328	86.18	0	2005	3 0	1
EDMUNDS, JONATHAN C	9990214667	9990214667	223655	639387	20050328	12 72	0	2005	3 0	1
MARTIN, OCTAVIO D	9990217815	9990217815	223665	639397	20050328	70.93	0	2005	3 0	1
ARMSTRONG, DEANDRE J	9990218204	9990218204	223666	639398	20050328	58.1	0	2005	3 0	1
ABBOTT, JESSICA	9990223174	9990223174	223682	639414	20050328	1.65	0	2005	3 0	1
MEGRICHIAN, GEORGE G	9990223667	9990223667	223685	639417	20050328	41.83	0	2005	3 0	1
JOHNSON, BRUCE	9990208701	9990208701	223771	639757	20050331	182.31	0	2005	3 0	1
GOLDEN, DOYLE	9990011850	9990011850	223820	640536	20050404	40.87	0	2005	4 0	1
DAVIS, DEBORAH M	9990029096	9990029096	223825	640541	20050404	1.51	0	2005	4 0	1
EIDELBERG, JAY S	9990159131	9990159131	223855	640571	20050404	24.76	0	2005	4 0	1
KEMMERLING, CHARLES R	9990198654	9990198654	223892	640608	20050404	1 61	0	2005	4 0	1
RIXQUIACCHE, IGNACIO	9990199365	9990199365	223896	640612	20050404	7 68	0	2005	4 0	1
SAVAGE, DANIELLE N	9990204525	9990204525	223903	640619	20050404	55 28	0	2005	4 0	1
GLEITMANN, ALEX	9990205733	9990205733	223907	640623	20050404	13.12	0	2005	4 0	1
AUNTIE'S RESTAURANT & DINING	9990206930	9990206930	223911	640627	20050404	150 69	0	2005	4 0	1
WHITBY BERLE R	9990209347	9990209347	223918	640634	20050404	34 79	0	2005	4 0	1
CARPENTER, CONSTANCE	9990215220	9990215220	223930	640646	20050404	3 82	0	2005	4 0	1
JANES, WILLIAM H	9990215431	9990215431	223932	640648	20050404	2 57	0	2005	4 0	1
LEATHERMAN, TERESA L	9990219352	9990219352	223944	640660	20050404	42 04	0	2005	4 0	1
BREESE, ROB	9990223419	9990223419	223957	640673	20050404	15 9	0	2005	4 0	1
MITCHELL, WARREN E	9990223471	9990223471	223958	640674	20050404	24 49	0	2005	4 0	1
JACOME, MARIANO	9990136672	9990136672	224418	643797	20050411	44.13	0	2005	4 0	1
ALIAA ENTERPRISES INC	9990143268	9990143268	224420	643799	20050411	444.47	0	2005	4 0	1
THOMPSON, RENE C	9990174117	9990174117	224433	643814	20050411	1.06	0	2005	4 0	1

SPILLMAN, COLEEN	9990183759	9990183759	224442	643823	20050411	4	0	2005	4 0	1
FISHER, ALISON A	9990196048	9990196048	224452	643833	20050411	4 39	0	2005	4 0	1
BUTLER-MCKINNEY, APRIL J	9990203719	9990203719	224461	643842	20050411	10.46	0	2005	4 0	1
HERNANDEZ, ISMAEL	9990205363	9990205363	224466	643847	20050411	131.92	0	2005	4 0	1
FULLEN, TONYA T	9990206499	9990206499	224471	643852	20050411	16.29	0	2005	4 0	1
POWELL, THOMAS G	9990211145	9990211145	224480	643861	20050411	65.56	0	2005	4 0	1
GRANCHAMPS, EDGAR	9990211450	9990211450	224481	643862	20050411	91	0	2005	4 0	1
BEARD, WAYNE & ANNALE	9990213129	9990213129	224484	643865	20050411	125	0	2005	4 0	1
MC CAFFREY, PATRICIA A	9990214182	9990214182	224485	643866	20050411	66.91	0	2005	4 0	1
MULLINS, AMANDA M	9990214428	9990214428	224486	643867	20050411	5.41	0	2005	4 0	1
GIEBEIG, CASANDRA J	9990215558	9990215558	224490	643871	20050411	94.19	0	2005	4 0	1
THOMPSON, ADRIAN	9990217134	9990217134	224494	643875	20050411	22.38	0	2005	4 0	1
FERRARI, LISA M	9990217231	9990217231	224495	643876	20050411	8	0	2005	4 0	1
MITCHELL, WARREN E	9990223471	9990223471	224510	643892	20050411	13 59	0	2005	4 0	1
BOYD-PINNOCK, ODETTE A	9990019140	9990019140	224736	645988	20050418	1.46	0	2005	4 0	1
RIVIERA BCH FOODS LLC	9990130804	9990130804	224764	646016	20050418	650.91	0	2005	4 0	1
WEST, GLORIA L	9990138785	9990138785	224765	646017	20050418	37.92	0	2005	4 0	1
CASTO, DAVE W	9990179534	9990179534	224785	646037	20050418	96 33	0	2005	4 0	1
WILSON, FLETCHER	9990183944	9990183944	224788	646040	20050418	12	0	2005	4 0	1
RIVERA-JIMENEZ, NANCY	9990197383	9990197383	224806	646058	20050418	11 61	0	2005	4 0	1
ERDEM, ILKAY	9990202545	9990202545	224816	646068	20050418	38 41	0	2005	4 0	1
HINKLE JR, RONALD F	9990203559	9990203559	224818	646070	20050418	70 64	0	2005	4 0	1
GRIBENAS, PAUL	9990210135	9990210135	224832	646084	20050418	8.89	0	2005	4 0	1
MOLINA, VIVIAN	9990216218	9990216218	224842	646094	20050418	2 72	0	2005	4 0	1
POLIZZE, JOHN	9990221059	9990221059	224857	646109	20050418	25.73	0	2005	4 0	1
RIVIERA BCH FOODS LLC	9990130804	9990130804	225094	647989	20050425	2890.57	0	2005	4 0	1
BROOKS, ETHEL	9990071906	9990071906	225117	647975	20050425	4.29	0	2005	4 0	1
TOLBERT, JOHN R	9990110753	9990110753	225123	647981	20050425	65.58	0	2005	4 0	1
FREDERICK'S WORROLL, INC	9990127547	9990127547	225129	647987	20050425	6.96	0	2005	4 0	1
HOUSER, STEVE	9990139481	9990139481	225132	647991	20050425	24.84	0	2005	4 0	1
DAY, MICHELLE K	9990170775	9990170775	225149	648009	20050425	81 32	0	2005	4 0	1
DAGHITA, DECOVEN L	9990186254	9990186254	225163	648023	20050425	49 2	0	2005	4 0	1
AFRICARIBBEAN AUTHENTIC CUISIN	9990187862	9990187862	225165	648025	20050425	182.41	0	2005	4 0	1
DRAWDY, ROSANNE	9990191736	9990191736	225177	648037	20050425	19.85	0	2005	4 0	1
RINCON, JONATHAN	9990200939	9990200939	225195	648055	20050425	76.09	0	2005	4 0	1
SCHWARTZ, LORENA F	9990204787	9990204787	225203	648063	20050425	1.36	0	2005	4 0	1
ROBINSON, REGINA J	9990207028	9990207028	225210	648070	20050425	24.51	0	2005	4 0	1
ERICKSON, CAROL A	9990210402	9990210402	225230	648090	20050425	2.02	0	2005	4 0	1
REYNOLDS, DAMON E	9990211561	9990211561	225236	648096	20050425	41.36	0	2005	4 0	1
MEJIA, ALEIDA	9990214768	9990214768	225246	648106	20050425	23.4	0	2005	4 0	1
SLOANE, SUZANNE H	9990224809	9990224809	225273	648133	20050425	25.31	0	2005	4 0	1
BALAS, LAURA	9990225924	9990225924	225275	648135	20050425	41.46	0	2005	4 0	1
WALLING, NANCY	9990041393	9990041393	225411	649054	20050502	38.8	0	2005	5 0	1
SCOTT, STEPHEN R	9990071373	9990071373	225418	649061	20050502	25.23	0	2005	5 0	1
MORRIS, TONYA	9990178087	9990178087	225442	649085	20050502	8.3	0	2005	5 0	1
TEMAJ, FREDY Y	9990185389	9990185389	225448	649091	20050502	3.5	0	2005	5 0	1
PAVLINOV, VADIM	9990188468	9990188468	225453	649096	20050502	64.4	0	2005	5 0	1
GARCIA, JOSE ANGEL	9990193337	9990193337	225470	649113	20050502	28.54	0	2005	5 0	1
RADEL, KELLY A	9990204692	9990204692	225482	649125	20050502	7.24	0	2005	5 0	1
BRINKMAN, RACHEL J	9990209882	9990209882	225496	649139	20050502	40.72	0	2005	5 0	1
EIDSON, TRAVIS J	9990211336	9990211336	225499	649142	20050502	18.58	0	2005	5 0	1
VARIANCE, SHARONE D	9990211642	9990211642	225500	649143	20050502	12 17	0	2005	5 0	1
WEISS, MARY K	9990212354	9990212354	225501	649144	20050502	25 01	0	2005	5 0	1
DORINO, AISHAH Y	9990224060	9990224060	225526	649169	20050502	5 24	0	2005	5 0	1
MENDOZA-RICO, ARTEMIO	9990018942	9990018942	225918	651593	20050510	11 38	0	2005	5 0	1
LITTLETON, SHAELAINE	9990038811	9990038811	225922	651597	20050510	88 03	0	2005	5 0	1
MCCAULEY SMITH, ELLEN	9990080676	9990080676	225930	651605	20050510	93 75	0	2005	5 0	1
IRVIN, EMILY	9990134406	9990134406	225938	651613	20050510	76.19	0	2005	5 0	1
ANTISTA, MARK E	9990148344	9990148344	225945	651620	20050510	2.38	0	2005	5 0	1
JESTER'S	9990165074	9990165074	225956	651631	20050510	59.38	0	2005	5 0	1
ROBLERO, EDILMER F	9990176050	9990176050	225960	651635	20050510	29 91	0	2005	5 0	1
THARP, KELLY L	9990202730	9990202730	225975	651650	20050510	2 49	0	2005	5 0	1
BURTON, DIANA	9990209473	9990209473	225985	651660	20050510	2.3	0	2005	5 0	1
BONNER, BRANDON G	9990209972	9990209972	225986	651661	20050510	8.65	0	2005	5 0	1
BARNES, TERRY L	9990213630	9990213630	225992	651667	20050510	108.44	0	2005	5 0	1
GORE, KELLY	9990219987	9990219987	226003	651678	20050510	19.03	0	2005	5 0	1
CICERCHIA, RAFFFAELLE	9990220830	9990220830	226008	651683	20050510	1.93	0	2005	5 0	1
JOHNSON JR, RONNAL R	9990224755	9990224755	226015	651690	20050510	49.24	0	2005	5 0	1
BRENDA'S KITCHEN	9990034970	9990034970	226254	653646	20050516	12 33	0	2005	5 0	1
ALLEN, ZSA	9990145569	9990145569	226275	653669	20050516	3 34	0	2005	5 0	1
ELECTRONIC ADVANCEMENT INC	9990148140	9990148140	226278	653672	20050516	66 23	0	2005	5 0	1
CRAWFORD, CHRISTY K	9990188761	9990188761	226304	653698	20050516	23 16	0	2005	5 0	1
MAXEY, GEORGIA A	9990191699	9990191699	226312	653706	20050516	2.68	0	2005	5 0	1
BILLINGSLEY, WILLIAM	9990198114	9990198114	226327	653721	20050516	19.61	0	2005	5 0	1
HERNANDEZ, ALFREDO	9990201219	9990201219	226334	653728	20050516	24.26	0	2005	5 0	1
JOHNSON, TISHJAUNA R	9990206771	9990206771	226350	653744	20050516	3.57	0	2005	5 0	1
DIAZ, SANDRA	9990208789	9990208789	226360	653754	20050516	45.02	0	2005	5 0	1
BONNER, BRANDON G	9990209972	9990209972	226366	653760	20050516	89 1	0	2005	5 0	1
OHAIR, BENJAMAN T	9990211986	9990211986	226379	653774	20050516	74.25	0	2005	5 0	1
FLETCHER, JEFFREY D	9990214843	9990214843	226387	653782	20050516	4.57	0	2005	5 0	1
HUGHES, JODI K	9990218950	9990218950	226402	653797	20050516	3.16	0	2005	5 0	1
CRIBB, JEFFREY	9990219183	9990219183	226403	653798	20050516	83.16	0	2005	5 0	1
RISCO, GIOVANNY F	9990226850	9990226850	226435	653830	20050516	71.91	0	2005	5 0	1
CIANCI, ANGELO P	9990011909	9990011909	226660	655419	20050523	1.93	0	2005	5 0	1
MCCOMAS, CRIS	9990032924	9990032924	226665	655424	20050523	70.11	0	2005	5 0	1
LEE, BERTHA W	9990117502	9990117502	226689	655448	20050523	10.34	0	2005	5 0	1
TANPIENGCO, TARA	9990162312	9990162312	226705	655464	20050523	23.32	0	2005	5 0	1
STILLS, CAMELLA D	9990170070	9990170070	226711	655470	20050523	8.33	0	2005	5 0	1
DAMIAN, GREGORIO	9990171308	9990171308	226712	655471	20050523	2.83	0	2005	5 0	1
CRT COMPUTERS	9990189545	9990189545	226731	655490	20050523	11 69	0	2005	5 0	1
FISHER, ALISON A	9990196048	9990196048	226745	655504	20050523	95 44	0	2005	5 0	1
DEARTH, KENDRA	9990203981	9990203981	226761	655520	20050523	24 39	0	2005	5 0	1
BONEKEMPER, JEFFERY A	9990208113	9990208113	226770	655529	20050523	65 88	0	2005	5 0	1
PETERSON, ROD L	9990213060	9990213060	226789	655548	20050523	6 93	0	2005	5 0	1
OROZCO, FRANCISCO J	9990213139	9990213139	226790	655549	20050523	32.86	0	2005	5 0	1
BROOKER, MAUREEN R	9990213766	9990213766	226793	655552	20050523	1.8	0	2005	5 0	1
WINDSOR PARK	9990219266	9990219266	226809	655568	20050523	22.26	0	2005	5 0	1
KNIGHT, BRIAN A	9990219520	9990219520	226811	655570	20050523	18.86	0	2005	5 0	1
MARTINO, REBECCA J	9990225953	9990225953	226843	655602	20050523	21 99	0	2005	5 0	1
THOMAS, SCOTT	9990226939	9990226939	226845	655604	20050523	11 35	0	2005	5 0	1
ZAYAS, HECTOR L	9990085384	9990085384	227017	657277	20050531	3.5	0	2005	5 0	1
OCEAN PIZZA	9990154694	9990154694	227041	657302	20050531	23 31	0	2005	5 0	1
ROTH, PATRICIA	9990160651	9990160651	227046	657307	20050531	92.05	0	2005	5 0	1
BELKE, INGEBORG	9990168799	9990168799	227050	657311	20050531	31 35	0	2005	5 0	1
STAGGS, BRADLEY A	9990182212	9990182212	227057	657318	20050531	9 82	0	2005	5 0	1

TRANSEASTERN HOMES	9990185539	9990185539	227058	657319	20050531	1.71	0	2005	5 0	1
MCGOWEN, WILLIE	9990186439	9990186439	227060	657321	20050531	18.3	0	2005	5 0	1
MCCLOUGH, C. PETER	9990191662	9990191662	227070	657332	20050531	55.21	0	2005	5 0	1
ACOVEDO-AVILES, VIDAL A	9990201123	9990201123	227082	657345	20050531	15.63	0	2005	5 0	1
BLUMENTHAL, KATHLEEN	9990204953	9990204953	227096	657359	20050531	67.78	0	2005	5 0	1
EARL, CHRISTOPHER	9990219593	9990219593	227134	657397	20050531	6.2	0	2005	5 0	1
BRANAN, ROB	9990223132	9990223132	227145	657408	20050531	124.6	0	2005	5 0	1
BROOKS, ETHEL	9990071906	9990071906	227285	658511	20050606	56.47	0	2005	6 0	1
RAUDENBUSH, ADAM	9990134884	9990134884	227304	658531	20050606	1.91	0	2005	6 0	1
RIVERA, JUAN M	9990147582	9990147582	227308	658535	20050606	2.45	0	2005	6 0	1
TRANSEASTERN HOMES	9990185539	9990185539	227330	658557	20050606	20 59	0	2005	6 0	1
MULLINS, STEPHANIE S	9990198341	9990198341	227346	658573	20050606	9 63	0	2005	6 0	1
FORTENBERRY, HARRIETT H	9990203645	9990203645	227362	658589	20050606	132 92	0	2005	6 0	1
VALENCIA, RACHAEL	9990204546	9990204546	227364	658591	20050606	54 19	0	2005	6 0	1
PENA, ALBERTO L	9990208601	9990208601	227371	658598	20050606	49	0	2005	6 0	1
BERRYHILL, DOUGLAS C	9990209702	9990209702	227374	658601	20050606	42	0	2005	6 0	1
KIMMEL, SHARON J	9990210393	9990210393	227380	658607	20050606	23.95	0	2005	6 0	1
HATTON, CATHERINE D	9990211064	9990211064	227387	658614	20050606	59.48	0	2005	6 0	1
CRANE, DANTWANN S	9990211293	9990211293	227388	658615	20050606	2.96	0	2005	6 0	1
MEIER, NICHOLAS C	9990212287	9990212287	227391	658618	20050606	87.15	0	2005	6 0	1
ANTHONY, JERRY W	9990217040	9990217040	227405	658632	20050606	41.54	0	2005	6 0	1
CORREA, DANIELA N	9990219688	9990219688	227414	658641	20050606	7.8	0	2005	6 0	1
SPENCER, ALEXANDER	9990222943	9990222943	227428	658655	20050606	1 12	0	2005	6 0	1
STEIN, STUART	9990227559	9990227559	227445	658672	20050606	30 9	0	2005	6 0	1
BANKER, PAMELA M	9990029909	9990029909	227904	661588	20050613	49 59	0	2005	6 0	1
STIVERS, JACQUELINE L	9990055178	9990055178	227912	661596	20050613	34.55	0	2005	6 0	1
ROY, NICOLE	9990155876	9990155876	227934	661620	20050613	6.3	0	2005	6 0	1
WILSON, JEFFERY C	9990189309	9990189309	227951	661637	20050613	33.22	0	2005	6 0	1
ROSARIO, IRMA I	9990194414	9990194414	227955	661641	20050613	31 91	0	2005	6 0	1
CRUZ, PABLO DIAZ	9990194547	9990194547	227956	661642	20050613	108.58	0	2005	6 0	1
ANTUNA JR, RAYMOND G	9990197535	9990197535	227960	661646	20050613	108 91	0	2005	6 0	1
GANDY, EDWARD S	9990206493	9990206493	227972	661658	20050613	141 28	0	2005	6 0	1
WARD, ROSE MARY	9990210790	9990210790	227983	661669	20050613	1.98	0	2005	6 0	1
AYOUB, CHRISTINE M	9990216961	9990216961	227998	661684	20050613	13.87	0	2005	6 0	1
GAMA, JOSE	9990219164	9990219164	228001	661687	20050613	18.3	0	2005	6 0	1
WRIGHT, JESSICA E	9990219312	9990219312	228002	661688	20050613	66.07	0	2005	6 0	1
DRISKELL, LAMAR JAMES MORGAN	9990224006	9990224006	228011	661697	20050613	2.43	0	2005	6 0	1
CASH, CANDANCE M	9990224915	9990224915	228014	661700	20050613	16 98	0	2005	6 0	1
LANT, NINA J	9990029958	9990029958	228276	663807	20050620	1.95	0	2005	6 0	1
GRAHAM JR, R A	9990079798	9990079798	228292	663823	20050620	59.18	0	2005	6 0	1
GILES, DEDRA D	9990149124	9990149124	228311	663842	20050620	2.61	0	2005	6 0	1
JERSEY MIKES NORTH PALM	9990154819	9990154819	228313	663844	20050620	308.04	0	2005	6 0	1
BUMP JR, RAY	9990164357	9990164357	228319	663850	20050620	6.28	0	2005	6 0	1
DOMINGO, ROMEO M	9990186160	9990186160	228343	663874	20050620	5.12	0	2005	6 0	1
PEREZ, SUZANNE E	9990188692	9990188692	228346	663877	20050620	11.58	0	2005	6 0	1
ODGEN, DENNIS	9990191365	9990191365	228350	663881	20050620	55.9	0	2005	6 0	1
STONE, BOBBY	9990194385	9990194385	228359	663890	20050620	11 96	0	2005	6 0	1
BOYER, SHERRY L	9990202397	9990202397	228383	663914	20050620	2 7	0	2005	6 0	1
WILGER, DAN	9990204204	9990204204	228389	663920	20050620	4 78	0	2005	6 0	1
BANAS, PAMELA R	9990217756	9990217756	228440	663971	20050620	48.85	0	2005	6 0	1
DATORRE, TOMAS	9990221024	9990221024	228463	663994	20050620	17.83	0	2005	6 0	1
EVANS, LAUREN N	9990223568	9990223568	228471	664002	20050620	11.78	0	2005	6 0	1
OTERO, RAUL	9990223778	9990223778	228472	664003	20050620	16.15	0	2005	6 0	1
SHIVER, ASHLEY N	9990224503	9990224503	228474	664005	20050620	92 66	0	2005	6 0	1
SANCHEZ, GABRIEL	9990225573	9990225573	228479	664010	20050620	44.61	0	2005	6 0	1
LASMANIS, LISA	9990226405	9990226405	228480	664011	20050620	75.39	0	2005	6 0	1
OKUN, THEDA	9990227000	9990227000	228486	664017	20050620	60.16	0	2005	6 0	1
MEMAR, BIJON	9990228242	9990228242	228494	664025	20050620	42.35	0	2005	6 0	1
PETTY, JERRY	9990026745	9990026745	228673	665781	20050627	97.16	0	2005	6 0	1
MCCRAY, CAROLYN F	9990065237	9990065237	228680	665788	20050627	2.8	0	2005	6 0	1
YUSKAITIS, NOREEN T	9990079949	9990079949	228682	665790	20050627	50 1	0	2005	6 0	1
SMITH, ANTHONY M	9990099334	9990099334	228693	665801	20050627	22 01	0	2005	6 0	1
HODGE, ANDRELL G	9990154693	9990154693	228711	665819	20050627	42.66	0	2005	6 0	1
FIOTO, FREDERICK F	9990179863	9990179863	228732	665840	20050627	55.99	0	2005	6 0	1
MORALES, JORGE A	9990203804	9990203804	228774	665882	20050627	70.63	0	2005	6 0	1
CGC CUSTOM HOMES, INC	9990209828	9990209828	228781	665889	20050627	3 63	0	2005	6 0	1
MCDUFFIE, BRIAN	9990210134	9990210134	228783	665891	20050627	26.85	0	2005	6 0	1
MONTES-VIVES, MICHELLE	9990211246	9990211246	228789	665897	20050627	29 82	0	2005	6 0	1
THOMAS, AMANDA N	9990218518	9990218518	228818	665926	20050627	78.92	0	2005	6 0	1
LANDEROS, JAIRO	9990220234	9990220234	228826	665934	20050627	78.92	0	2005	6 0	1
LEE, KIM L	9990220701	9990220701	228831	665940	20050627	7.32	0	2005	6 0	1
SCOTT, NORMAN	9990221266	9990221266	228833	665942	20050627	16.96	0	2005	6 0	1
FOSTER, CHRISTOPHER P	9990222540	9990222540	228836	665945	20050627	73 64	0	2005	6 0	1
JOHNSON, KYLE D	9990224437	9990224437	228842	665951	20050627	6 38	0	2005	6 0	1
PERKINS, CHASITY S	9990213911	9990213911	228950	666741	20050630	52 18	0	2005	6 0	1
BENNETT, DARCY L	9990019491	9990019491	229002	667429	20050705	21 84	0	2005	7 0	1
SPANKYS SPORTS BAR INC	9990045875	9990045875	229005	667432	20050705	1037.74	0	2005	7 0	1
WOLCOTT, DAVID	9990115746	9990115746	229019	667446	20050705	3.89	0	2005	7 0	1
HOBERG, GLENN A	9990143174	9990143174	229026	667453	20050705	33 78	0	2005	7 0	1
AMERICAN LAND HOUSING CORP	9990175801	9990175801	229043	667470	20050705	2247 06	0	2005	7 0	1
DOMINGO, ROMEO M	9990186160	9990186160	229051	667478	20050705	36	0	2005	7 0	1
GARCIA, ROSE	9990188358	9990188358	229053	667480	20050705	79 61	0	2005	7 0	1
JDM VENTURES INC	9990202190	9990202190	229070	667497	20050705	1667.22	0	2005	7 0	1
CRAWFORD, SCOTT M	9990203129	9990203129	229072	667499	20050705	109.22	0	2005	7 0	1
SEGURA, SHIRLEY B	9990206339	9990206339	229076	667503	20050705	50 33	0	2005	7 0	1
DEMISSIE, TIGIST G	9990207369	9990207369	229078	667505	20050705	52 74	0	2005	7 0	1
RODRIGUEZ, CARLA D	9990210834	9990210834	229085	667512	20050705	10.85	0	2005	7 0	1
MENDEZ, VICENTE	9990212006	9990212006	229090	667517	20050705	47.39	0	2005	7 0	1
BOEHRINGER INGELHEIM INC	9990214422	9990214422	229097	667524	20050705	247.12	0	2005	7 0	1
MARTELL, YESSENIA C	9990217931	9990217931	229102	667529	20050705	7.27	0	2005	7 0	1
POLACHAK, JEROMY M	9990219428	9990219428	229109	667536	20050705	2.11	0	2005	7 0	1
MACK, JAMES B	9990222553	9990222553	229120	667547	20050705	63.5	0	2005	7 0	1
RYAN, SHELBY	9990223624	9990223624	229123	667550	20050705	18.69	0	2005	7 0	1
PHAM, DUONG M	9990036858	9990036858	229548	670923	20050712	25.2	0	2005	7 0	1
BOBROWSKI, STEVEN	9990108533	9990108533	229561	670936	20050712	11.74	0	2005	7 0	1
NESTER, MARY	9990166185	9990166185	229584	670959	20050712	22 15	0	2005	7 0	1
ROSENBLUM, ALAN	9990178387	9990178387	229594	670969	20050712	3 5	0	2005	7 0	1
MARTINEZ, HERBERT A	9990192507	9990192507	229605	670980	20050712	3.5	0	2005	7 0	1
BYUN, JAE W	9990205457	9990205457	229623	670998	20050712	1.63	0	2005	7 0	1
HART, JUANITA	9990205735	9990205735	229625	671000	20050712	26 89	0	2005	7 0	1
MCARTHUR, PAMELA D	9990209281	9990209281	229632	671007	20050712	28.4	0	2005	7 0	1
SAVONE, KREG N	9990215015	9990215015	229650	671025	20050712	24 21	0	2005	7 0	1
SHIELDS JR, JEFFREY C	9990217028	9990217028	229658	671033	20050712	3 42	0	2005	7 0	1
HENDRICKS, RYAN J	9990218785	9990218785	229664	671039	20050712	7 15	0	2005	7 0	1
CRAIG STEPHANIE C	9990221832	9990221832	229672	671047	20050712	31 64	0	2005	7 0	1

AVIV, MOSHE	9990226356	9990226356	229682	671057	20050712	56.47	0	2005	7 0	1
LOPEZ, DANIEL	9990228117	9990228117	229687	671062	20050712	85.24	0	2005	7 0	1
CALDERARO, ANTHONY	9990228406	9990228406	229688	671063	20050712	58.59	0	2005	7 0	1
SUMMERSILL, MELISSA	9990230202	9990230202	229694	671069	20050712	47.28	0	2005	7 0	1
SCOTT, ROSA D	9990017937	9990017937	229905	672935	20050718	2 63	0	2005	7 0	1
POLONESA INC	9990124984	9990124984	229921	672951	20050718	15.29	0	2005	7 0	1
CASTELLANOS, ELIZABETH R	9990168089	9990168089	229941	672974	20050718	32.49	0	2005	7 0	1
CURTIS, MICHAEL V	9990185604	9990185604	229952	672985	20050718	5.45	0	2005	7 0	1
TOBIAS-RIVAS, BASILIO	9990190333	9990190333	229961	672994	20050718	9.45	0	2005	7 0	1
WILLIAMS, JOSHUA D	9990202010	9990202010	229978	673011	20050718	24.2	0	2005	7 0	1
SMITH, JUSTIN L	9990209739	9990209739	230003	673036	20050718	7.8	0	2005	7 0	1
RIVERA, CARMEN C	9990212773	9990212773	230019	673052	20050718	1.83	0	2005	7 0	1
DORT, MARC E	9990215037	9990215037	230032	673065	20050718	8.6	0	2005	7 0	1
SHIPPLER, LISA E	9990215177	9990215177	230033	673066	20050718	22.93	0	2005	7 0	1
DOWLING, KRISTI	9990215641	9990215641	230036	673069	20050718	19	0	2005	7 0	1
PETERSON, MARCUS N	9990218301	9990218301	230045	673078	20050718	44.83	0	2005	7 0	1
WPC TELECOM	9990221900	9990221900	230057	673090	20050718	254.31	0	2005	7 0	1
STEWART, JESSE	9990221983	9990221983	230059	673092	20050718	78.5	0	2005	7 0	1
STOUT, SARAH C	9990226004	9990226004	230080	673113	20050718	34 96	0	2005	7 0	1
HARRIS, MICHELLE G	9990226915	9990226915	230082	673115	20050718	9 36	0	2005	7 0	1
HILDERBRAND, MARSHALL W	9990228623	9990228623	230091	673124	20050718	66 89	0	2005	7 0	1
BOYD, TINA L	9990086212	9990086212	230348	675008	20050725	16 93	0	2005	7 0	1
HART, DENISE A	9990151606	9990151606	230363	675023	20050725	1 04	0	2005	7 0	1
KORBEL, LEONARD	9990165978	9990165978	230372	675032	20050725	7	0	2005	7 0	1
DENMAR, SHARON	9990199737	9990199737	230408	675068	20050725	9.23	0	2005	7 0	1
MATHIS, MARY K	9990202356	9990202356	230411	675071	20050725	9.03	0	2005	7 0	1
BAPTISTE, ELROY J	9990204019	9990204019	230415	675075	20050725	33 49	0	2005	7 0	1
HENDRY JR, JAMES E	9990207811	9990207811	230419	675079	20050725	135 32	0	2005	7 0	1
JUDKINS, THOMAS L	9990217107	9990217107	230465	675125	20050725	62.28	0	2005	7 0	1
FULLARD, JESSIE R	9990217170	9990217170	230466	675126	20050725	21 73	0	2005	7 0	1
TIDWELL, CONNIE M	9990218002	9990218002	230470	675130	20050725	42.76	0	2005	7 0	1
MORELAND, DAVID	9990222841	9990222841	230481	675141	20050725	14.17	0	2005	7 0	1
BAILEY, ANNE-MARIE	9990223178	9990223178	230482	675142	20050725	15.9	0	2005	7 0	1
HAND, JOEL E	9990224942	9990224942	230488	675148	20050725	36.86	0	2005	7 0	1
KERN, ROGER	9990013923	9990013923	230676	677117	20050801	6.94	0	2005	8 0	1
NOVELLIERE, VICTOR	9990122680	9990122680	230707	677148	20050801	16.04	0	2005	8 0	1
PREFFER, RICHARD	9990138455	9990138455	230714	677155	20050801	402.63	0	2005	8 0	1
RAYMOND, PAULETTE Z	9990195514	9990195514	230751	677192	20050801	37 34	0	2005	8 0	1
BONIESKI, VERA E	9990209774	9990209774	230769	677210	20050801	93 31	0	2005	8 0	1
JANES, WILLIAM H	9990215431	9990215431	230786	677227	20050801	18 21	0	2005	8 0	1
PETITO, THOMAS	9990221045	9990221045	230804	677245	20050801	93 63	0	2005	8 0	1
RICHMOND AMERICAN HOMES	9990222721	9990222721	230817	677258	20050801	25	0	2005	8 0	1
ELLIS, AMANDA J	9990222967	9990222967	230818	677259	20050801	38 56	0	2005	8 0	1
CABAN, ADREE	9990232321	9990232321	230845	677286	20050801	152	0	2005	8 0	1
FREDRICH, CHAD	9990132642	9990132642	231308	680594	20050810	3.86	0	2005	8 0	1
CERVANTES, ALMA	9990170373	9990170373	231319	680605	20050810	4.93	0	2005	8 0	1
BASKA, IRENEUSZ	9990188650	9990188650	231336	680622	20050810	39.18	0	2005	8 0	1
GRAY II, STEVEN W	9990191292	9990191292	231337	680623	20050810	22.94	0	2005	8 0	1
HARVEY, PATRICIA	9990193730	9990193730	231340	680626	20050810	47.83	0	2005	8 0	1
BAPTISTE, ERINEL J	9990193790	9990193790	231341	680627	20050810	36.85	0	2005	8 0	1
BRAMAN, JEREMY D	9990212872	9990212872	231372	680658	20050810	66.78	0	2005	8 0	1
CORETTE, MARCELLA C	9990216535	9990216535	231385	680671	20050810	3.5	0	2005	8 0	1
JONES, CHRISTINA	9990220346	9990220346	231396	680682	20050810	43.4	0	2005	8 0	1
HEATH, JENNIFER N	9990223721	9990223721	231402	680688	20050810	16.06	0	2005	8 0	1
PEQUEEN, CHRISTOPHER M	9990227350	9990227350	231411	680697	20050810	6.22	0	2005	8 0	1
JEAN LOUIS, KIEANAE	9990227366	9990227366	231412	680698	20050810	26.29	0	2005	8 0	1
PAYNE, JAMES	9990227414	9990227414	231413	680699	20050810	33.2	0	2005	8 0	1
PANDHARE, SANDEEP B	9990228585	9990228585	231420	680706	20050810	40.45	0	2005	8 0	1
GRAND VILLAGE	9990229714	9990229714	231426	680712	20050810	5.85	0	2005	8 0	1
WALLACE, CAROL	9990230759	9990230759	231435	680721	20050810	71 12	0	2005	8 0	1
GIESSEN, MICHELLE	9990231126	9990231126	231440	680726	20050810	92 32	0	2005	8 0	1
KERN, ROGER	9990013923	9990013923	231613	682529	20050815	15 13	0	2005	8 0	1
LAKESHORE PLAZA, LLC	9990136279	9990136279	231644	682560	20050815	95.82	0	2005	8 0	1
REID, LONNY J	9990140142	9990140142	231648	682564	20050815	14.1	0	2005	8 0	1
GREEN, DENISE S	9990169165	9990169165	231660	682578	20050815	3.17	0	2005	8 0	1
GILES, SONIA M	9990170025	9990170025	231661	682579	20050815	8.4	0	2005	8 0	1
HOPKINSON, TAMARA	9990170975	9990170975	231662	682580	20050815	9.21	0	2005	8 0	1
MAYOROVA, TATIANA	9990195759	9990195759	231685	682603	20050815	28.47	0	2005	8 0	1
ESTRADA, CRISTIAN O	9990200133	9990200133	231693	682611	20050815	47.9	0	2005	8 0	1
DE JESUS, MAYLEE	9990211570	9990211570	231720	682638	20050815	2 21	0	2005	8 0	1
HUFF, GLEN A	9990212696	9990212696	231723	682641	20050815	3.33	0	2005	8 0	1
PILOTO, CONCEPCION	9990214930	9990214930	231734	682652	20050815	23.45	0	2005	8 0	1
KIRK, BOBETTE D	9990217197	9990217197	231740	682658	20050815	4.17	0	2005	8 0	1
BARAJAS, FRANCISCO O	9990222519	9990222519	231753	682671	20050815	126.56	0	2005	8 0	1
MARROCCO, ANTHONY F	9990225254	9990225254	231760	682678	20050815	70 79	0	2005	8 0	1
ROGERS, PAUL L	9990231131	9990231131	231777	682695	20050815	38 58	0	2005	8 0	1
SUMMERS, LEVI	9990001644	9990001644	231998	684681	20050822	35 56	0	2005	8 0	1
ODGEN, EDWIN J	9990069741	9990069741	232015	684698	20050822	9 48	0	2005	8 0	1
MARTIN, MARILYN Y	9990145994	9990145994	232034	684718	20050822	57 05	0	2005	8 0	1
PEZZULO, DANIEL	9990157229	9990157229	232039	684723	20050822	6 91	0	2005	8 0	1
SPEIGHTS, TALIA B	9990158221	9990158221	232040	684724	20050822	24 73	0	2005	8 0	1
JULIEN, ISLANDE	9990188849	9990188849	232059	684743	20050822	16.83	0	2005	8 0	1
HENDERSON, CHRISTINE R	9990190300	9990190300	232060	684744	20050822	150	0	2005	8 0	1
PORTER, LLOYD	9990190873	9990190873	232061	684745	20050822	19 72	0	2005	8 0	1
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SCHMALLEGER, NICOLE	9990206883	9990206883	232086	684770	20050822	31	0	2005	8 0	1
BUCCHIERE, JOSEPH	9990213391	9990213391	232100	684784	20050822	13.76	0	2005	8 0	1
MCCLENDON, CAROLYN Y	9990214568	9990214568	232106	684790	20050822	2.89	0	2005	8 0	1
WALSH, TALEESE M	9990215913	9990215913	232114	684798	20050822	189.16	0	2005	8 0	1
RING, KRISTINA	9990221854	9990221854	232130	684814	20050822	2.45	0	2005	8 0	1
KIELY, PATRICK T	9990222416	9990222416	232132	684816	20050822	34.48	0	2005	8 0	1
SULATCYKI, MARANDA K	9990223613	9990223613	232137	684821	20050822	2 81	0	2005	8 0	1
WOODS, DANIELLE R	9990229064	9990229064	232149	684833	20050822	54.58	0	2005	8 0	1
GUZMAN, JOSE	9990230121	9990230121	232153	684837	20050822	1 71	0	2005	8 0	1
LEON, LUISA N	9990230523	9990230523	232156	684840	20050822	53.72	0	2005	8 0	1
BOYD, WILLIAM A	9990231363	9990231363	232160	684844	20050822	4.28	0	2005	8 0	1
CORNACCHIA, JOSEPH	9990136722	9990136722	232335	686473	20050829	53 48	0	2005	8 0	1
AMELIA MAINT SERVICES	9990149516	9990149516	232337	686475	20050829	140 28	0	2005	8 0	1
SAHIB, ASHRAF H	9990169799	9990169799	232343	686481	20050829	3.17	0	2005	8 0	1
MISCHLEY, ANN F	9990172698	9990172698	232347	686485	20050829	108.43	0	2005	8 0	1
STAINE, MELANIE M	9990178099	9990178099	232352	686490	20050829	14.21	0	2005	8 0	1
HOPP, GARY	9990183235	9990183235	232358	686496	20050829	8	0	2005	8 0	1
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EURICH II, JAMES L	9990195297	9990195297	232370	686508	20050829	32.69	0	2005	8 0	1
BRICK, MORGAN	9990196417	9990196417	232371	686509	20050829	85.21	0	2005	8 0	1

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WALTON, MARK D	9990209899 9990209899	232389	686527	20050829	25.72	0	2005	8 0	1
ROSARIO, ELIZABETH N	9990211489 9990211489	232391	686529	20050829	36.52	0	2005	8 0	1
WATSON III, MILEY J	9990211957 9990211957	232393	686531	20050829	17.31	0	2005	8 0	1
DEWEERDT, CASEY A	9990214449 9990214449	232398	686536	20050829	47.99	0	2005	8 0	1
PHELPS, BENNETT	9990223643 9990223643	232421	686559	20050829	45.17	0	2005	8 0	1
SECOND MACEDONIA	9990225067 9990225067	232425	686563	20050829	107.12	0	2005	8 0	1
PATEL, RAJSHREE P	9990226969 9990226969	232427	686565	20050829	50.01	0	2005	8 0	1
STONE, DOWLING	9990228449 9990228449	232429	686567	20050829	116.58	0	2005	8 0	1
CLEGG, HOWARD W	9990059182 9990059182	232608	688053	20050906	4.72	0	2005	9 0	1
900 N FEDERAL HWY ASSOC LLC	9990091408 9990091408	232613	688058	20050906	77.41	0	2005	9 0	1
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RODRIGUEZ, HORACIO L	9990177642 9990177642	232631	688077	20050906	61.19	0	2005	9 0	1
WOODARD, MELISSA E	9990182092 9990182092	232635	688081	20050906	13.13	0	2005	9 0	1
COX, MATTHEW E	9990199788 9990199788	232639	688085	20050906	2.28	0	2005	9 0	1
GUEVARA, ROLANDO A	9990207687 9990207687	232649	688095	20050906	18.04	0	2005	9 0	1
YOUNG JR, BOBBY J	9990225865 9990225865	232684	688130	20050906	3.87	0	2005	9 0	1
CENTERLINE HOMES	9990228039 9990228039	232690	688136	20050906	62.08	0	2005	9 0	1
LEDFORD, ERICA R	9990229532 9990229532	232695	688141	20050906	154.2	0	2005	9 0	1
RICHARDSON, BILL	9990229808 9990229808	232697	688143	20050906	56.06	0	2005	9 0	1
PEREZBANUCHI, GILBERTO	9990232508 9990232508	232701	688147	20050906	43.75	0	2005	9 0	1
LESCAILLE, MAYRA	9990136276 9990136276	233133	692199	20050912	4.81	0	2005	9 0	1
LAKESHORE PLAZA, LLC	9990136279 9990136279	233134	692200	20050912	760.53	0	2005	9 0	1
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POWELL, JANET E	9990206723 9990206723	233168	692236	20050912	84.03	0	2005	9 0	1
CHANG, TZU-LING	9990222661 9990222661	233208	692276	20050912	69.17	0	2005	9 0	1
DAVIS, DONYELL E	9990224027 9990224027	233214	692282	20050912	11.57	0	2005	9 0	1
HARTMAN, TERRI	9990227510 9990227510	233225	692293	20050912	30.54	0	2005	9 0	1
THOMPSON, STELLA	9990012620 9990012620	233477	695681	20050919	3.54	0	2005	9 0	1
SPIVEY, PATRICIA	9990107514 9990107514	233500	695704	20050919	13.43	0	2005	9 0	1
DICKERSON, JAMIE N	9990110321 9990110321	233502	695706	20050919	3	0	2005	9 0	1
LESCAILLE, MAYRA	9990136276 9990136276	233509	695714	20050919	20.22	0	2005	9 0	1
SPEIGHTS, TALIA B	9990158221 9990158221	233516	695721	20050919	41	0	2005	9 0	1
HOLLEY, KATOYA V	9990172947 9990172947	233521	695726	20050919	8.24	0	2005	9 0	1
SIEG, ELIZABETH A	9990187511 9990187511	233527	695732	20050919	1.17	0	2005	9 0	1
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BEUTER, REBECCA L	9990207307 9990207307	233561	695766	20050919	2.15	0	2005	9 0	1
CASSESE, FRANCES W	9990208793 9990208793	233566	695771	20050919	4.46	0	2005	9 0	1
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WHYTE, MAESHIA N	9990217164 9990217164	233584	695789	20050919	2.83	0	2005	9 0	1
GERENA, FRANKIE J	9990218752 9990218752	233586	695791	20050919	64.78	0	2005	9 0	1
AZUNGUE, LESLIE-ANNE	9990219513 9990219513	233587	695792	20050919	8.34	0	2005	9 0	1
GIANGRASSO'S PIZZERIA #21	9990223310 9990223310	233598	695803	20050919	42.76	0	2005	9 0	1
BARKELY, LEO	9990226414 9990226414	233608	695813	20050919	46.97	0	2005	9 0	1
ESTIVERNE, EDNA	9990229239 9990229239	233619	695824	20050919	73.22	0	2005	9 0	1
WEBER, ANNETTE D	9990232349 9990232349	233628	695833	20050919	72.52	0	2005	9 0	1
HANSEN, ERIK T	9990218977 9990218977	233787	696954	20050922	19.7	0	2005	9 0	1
ALKIRE, BARRY	9990002492 9990002492	233863	698015	20050926	2.35	0	2005	9 0	1
GIBBS, ARTHENA	9990009284 9990009284	233865	698017	20050926	2.91	0	2005	9 0	1
MORAVAL INC	9990171904 9990171904	233899	698052	20050926	39.35	0	2005	9 0	1
SANTAMARIA, DAGOBERTO	9990198388 9990198388	233922	698075	20050926	4.45	0	2005	9 0	1
THOMAS, MICHAEL R	9990201998 9990201998	233925	698078	20050926	1.99	0	2005	9 0	1
AKIN, ALFRED G	9990205914 9990205914	233930	698083	20050926	20.95	0	2005	9 0	1
CHIVERS, JESSE L	9990205975 9990205975	233931	698084	20050926	28.26	0	2005	9 0	1
COES JR, ERNEST	9990211497 9990211497	233944	698097	20050926	68.48	0	2005	9 0	1
NUÑEZ, MERALYS	9990214507 9990214507	233949	698102	20050926	20.69	0	2005	9 0	1
CROWDER, SHARON A	9990215161 9990215161	233952	698105	20050926	82.15	0	2005	9 0	1
RUDICK, STACY A	9990217452 9990217452	233963	698116	20050926	35.83	0	2005	9 0	1
KNIGHT, EARNESTINE B	9990222056 9990222056	233977	698130	20050926	57.82	0	2005	9 0	1
WILKES, DAVID E	9990222426 9990222426	233979	698132	20050926	15.24	0	2005	9 0	1
ADDISON, ZELMA A	9990222449 9990222449	233980	698133	20050926	76.84	0	2005	9 0	1
BRIGHT JR, CURTIS K	9990222629 9990222629	233981	698134	20050926	33.52	0	2005	9 0	1
JACKSON, CHRISTINA H	9990223049 9990223049	233984	698137	20050926	94.46	0	2005	9 0	1
FOLSOM JR, JOSEPH E	9990229169 9990229169	234005	698158	20050926	48.53	0	2005	9 0	1
JONES, JENNIFER	9990229202 9990229202	234006	698159	20050926	115.64	0	2005	9 0	1
DEVER, TRAVOUS	9990229353 9990229353	234007	698160	20050926	19.83	0	2005	9 0	1
HENDERSON, KENNETH S	9990230899 9990230899	234018	698171	20050926	1.51	0	2005	9 0	1
LOPEZ, RODOLFO	9990232983 9990232983	234027	698180	20050926	3.95	0	2005	9 0	1
MCCANN, JANICE	9990159616 9990159616	234215	699450	20051003	8.41	0	2005	10 0	1
KENNINGSTON, DON	9990189027 9990189027	234234	699469	20051003	41.33	0	2005	10 0	1
MONTENEGRO, MARIA C	9990194787 9990194787	234241	699476	20051003	7.99	0	2005	10 0	1
KATZ, BRUCE B	9990213931 9990213931	234266	699502	20051003	7.71	0	2005	10 0	1
KEOUGH, ANA M	9990215518 9990215518	234270	699506	20051003	51.92	0	2005	10 0	1
SANTIAGO, LAUREL	9990215836 9990215836	234272	699508	20051003	3.38	0	2005	10 0	1
NORFUS, MICHAEL	9990222156 9990222156	234292	699528	20051003	25.56	0	2005	10 0	1
BRIDDELL, WILHEMINA	9990222624 9990222624	234296	699532	20051003	42.31	0	2005	10 0	1
SITARSKI, VIRGINIA M	9990223103 9990223103	234298	699534	20051003	3.3	0	2005	10 0	1
LAMPANO, JEROME A	9990223231 9990223231	234299	699535	20051003	29.64	0	2005	10 0	1
PERSONETTE, JANET	9990233104 9990233104	234320	699556	20051003	137.09	0	2005	10 0	1
BRUNET, BEVERLY J	9990063903 9990063903	234729	702673	20051011	3.9	0	2005	10 0	1
KATZENBERG, SAM	9990128560 9990128560	234734	702678	20051011	38.37	0	2005	10 0	1
JIMENEZ, JULIEANN M	9990171823 9990171823	234748	702692	20051011	75.75	0	2005	10 0	1
HARGROVE, WILLIE MAE	9990192932 9990192932	234762	702706	20051011	63.03	0	2005	10 0	1
MCMASTER, FATISHA F	9990220649 9990220649	234817	702761	20051011	50.54	0	2005	10 0	1
NIEVES, RUBEN	9990225591 9990225591	234827	702771	20051011	1.77	0	2005	10 0	1
BRONFELD, PAULA	9990231993 9990231993	234839	702783	20051011	10.3	0	2005	10 0	1
ELLS, TANYA L	9990233463 9990233463	234841	702785	20051011	39.65	0	2005	10 0	1
CHU, KAM L	9990233484 9990233484	234842	702786	20051011	8.41	0	2005	10 0	1
CHERY, HANTZ	9990234147 9990234147	234844	702788	20051011	18.26	0	2005	10 0	1
DIXON, ZACHARIACH	9990011561 9990011561	235066	704458	20051017	31.83	0	2005	10 0	1
RICHARDS, ALMA M	9990029551 9990029551	235071	704463	20051017	15.28	0	2005	10 0	1
L V LEWIS	9990061112 9990061112	235077	704469	20051017	104.2	0	2005	10 0	1
EVANS, EMILY	9990066551 9990066551	235078	704470	20051017	5.73	0	2005	10 0	1
BRASHEARS, JASON	9990083285 9990083285	235081	704473	20051017	16.47	0	2005	10 0	1
BELL, JANET	9990131063 9990131063	235091	704483	20051017	35.32	0	2005	10 0	1
HALL, JAMES E	9990150914 9990150914	235097	704490	20051017	5.98	0	2005	10 0	1
VENCES, JULIA	9990151752 9990151752	235099	704492	20051017	36.76	0	2005	10 0	1
RANDAZZO, MARTIN	9990176462 9990176462	235114	704507	20051017	37.79	0	2005	10 0	1
SHEPARD, CYNTHIA	9990181057 9990181057	235118	704511	20051017	2.38	0	2005	10 0	1
ALFARO, MARTHA ELENA	9990181745 9990181745	235119	704512	20051017	7.25	0	2005	10 0	1
LECLAIR, CHARLES	9990185416 9990185416	235123	704516	20051017	27.55	0	2005	10 0	1
CAMEJO, MARLENA	9990188168 9990188168	235129	704522	20051017	1.44	0	2005	10 0	1
KENNINGSTON, DON	9990189027 9990189027	235130	704523	20051017	22.84	0	2005	10 0	1

ROMERO, ADELAIDA	9990190937	9990190937	235132	704525	20051017	119.3	0	2005	10	0	1
LOZADA, MARIA E	9990192810	9990192810	235133	704526	20051017	4.52	0	2005	10	0	1
SANTILLO, DOUGLAS	9990193755	9990193755	235135	704528	20051017	114.06	0	2005	10	0	1
PEDRO, MATIAS M	9990196344	9990196344	235139	704532	20051017	8.47	0	2005	10	0	1
BOHN, CHRISTOPHER	9990206026	9990206026	235162	704555	20051017	11.44	0	2005	10	0	1
MARTINOCK, LEE R	9990208982	9990208982	235174	704567	20051017	32.97	0	2005	10	0	1
403 BRAZILIAN LLC	9990215383	9990215383	235196	704589	20051017	54	0	2005	10	0	1
DAVISON, PAUL S	9990221000	9990221000	235220	704613	20051017	1.11	0	2005	10	0	1
DEJESUS, GEORGINA	9990222408	9990222408	235225	704618	20051017	3.92	0	2005	10	0	1
DORELIEN, WILSON	9990224965	9990224965	235234	704627	20051017	76.69	0	2005	10	0	1
HOUSLEY, CARY D	9990229260	9990229260	235243	704636	20051017	24.4	0	2005	10	0	1
DRUMMOND, SANDRA P	9990230113	9990230113	235248	704641	20051017	4.94	0	2005	10	0	1
MAYNARD, DAVID	9990230971	9990230971	235253	704646	20051017	83.91	0	2005	10	0	1
RANSOM, KEYANTA L	9990233849	9990233849	235262	704655	20051017	4.35	0	2005	10	0	1
KOFF, MICHEL	9990012622	9990012622	235434	706149	20051021	5.05	0	2005	10	0	1
ALEXANDRE, LUCIEN C	9990058505	9990058505	235442	706157	20051021	1.39	0	2005	10	0	1
WILK, MONICA	9990085108	9990085108	235450	706165	20051021	8.2	0	2005	10	0	1
JOYCE, FRANCIS	9990085943	9990085943	235452	706167	20051021	8.07	0	2005	10	0	1
MOONEYHAN, JEFF	9990106773	9990106773	235455	706170	20051021	1.19	0	2005	10	0	1
TROPICAL BISTRO INC	9990141646	9990141646	235461	706176	20051021	328.54	0	2005	10	0	1
EVATT, ANTHONY	9990149133	9990149133	235466	706181	20051021	6.66	0	2005	10	0	1
PEREZ, MARIA	9990159771	9990159771	235474	706189	20051021	47.51	0	2005	10	0	1
UGARTE-MARTINEZ, R E	9990178492	9990178492	235485	706200	20051021	29.08	0	2005	10	0	1
WILLIAMS, OWEN L	9990205063	9990205063	235510	706225	20051021	5.84	0	2005	10	0	1
WU, HSAING-YNG	9990215616	9990215616	235529	706244	20051021	5.74	0	2005	10	0	1
KARPUCH, MICHAEL	9990216564	9990216564	235531	706246	20051021	89.02	0	2005	10	0	1
ROLLS, LISA M	9990216808	9990216808	235532	706247	20051021	1.38	0	2005	10	0	1
MORRIS, LEANN	9990216973	9990216973	235533	706248	20051021	4.86	0	2005	10	0	1
MONCADA, ALFREDO	9990217346	9990217346	235534	706249	20051021	6.19	0	2005	10	0	1
JPK ENTERPRISES INC	9990217918	9990217918	235537	706252	20051021	38.99	0	2005	10	0	1
OLSON, GORDON J	9990221567	9990221567	235545	706260	20051021	23	0	2005	10	0	1
MARTINEZ, MOISES	9990221647	9990221647	235546	706261	20051021	24.26	0	2005	10	0	1
ROBARGE, MONICA D	9990228473	9990228473	235563	706278	20051021	5.32	0	2005	10	0	1
RICHARDSON, BILL	9990229808	9990229808	235565	706280	20051021	31.44	0	2005	10	0	1
SATURN FOODS	9990230983	9990230983	235572	706287	20051021	215.34	0	2005	10	0	1
SPAIN, EDWARD A	9990233561	9990233561	235578	706293	20051021	132.65	0	2005	10	0	1
HUFF, LINDA	9990233815	9990233815	235579	706294	20051021	25.14	0	2005	10	0	1
HERNANDEZ, SANTOS	9990235149	9990235149	235583	706298	20051021	14.14	0	2005	10	0	1
ARMSTRONG, RAYMOND W	9990235790	9990235790	235584	706299	20051021	57.25	0	2005	10	0	1
ERA PROFESSIONAL REAL	9990022488	9990022488	235799	707850	20051031	40	0	2005	10	0	1
GREEN, MELISSA D	9990049443	9990049443	235807	707858	20051031	21.87	0	2005	10	0	1
DUNCAN, EMILY MARIE	9990134586	9990134586	235817	707868	20051031	27.17	0	2005	10	0	1
SPEIGHTS, TALIA B	9990158221	9990158221	235823	707874	20051031	41	0	2005	10	0	1
EVANS, OWEN C	9990164316	9990164316	235827	707878	20051031	125	0	2005	10	0	1
THOMAS, LORYNN	9990198736	9990198736	235855	707906	20051031	52.44	0	2005	10	0	1
FINGLETON, CHRISTOPHER	9990211598	9990211598	235869	707920	20051031	9.96	0	2005	10	0	1
ZAVALA, MARIO B	9990217331	9990217331	235874	707925	20051031	1.16	0	2005	10	0	1
DEGEER, ANDREW N	9990217801	9990217801	235875	707926	20051031	2.77	0	2005	10	0	1
HALL, JAVON M	9990220534	9990220534	235887	707938	20051031	25.89	0	2005	10	0	1
PITTS, MICHAEL L	9990228233	9990228233	235901	707952	20051031	101.45	0	2005	10	0	1
KLEPEIS, JOHN	9990018240	9990018240	236118	710411	20051107	239.88	0	2005	11	0	1
JON SMITH INC	9990103874	9990103874	236128	710421	20051107	107.66	0	2005	11	0	1
LARSON, SUSAN	9990161985	9990161985	236141	710435	20051107	31.16	0	2005	11	0	1
HAPSHIE, ANDY	9990166341	9990166341	236143	710437	20051107	5.65	0	2005	11	0	1
BULLEIT, MICHAEL T	9990196606	9990196606	236152	710446	20051107	6.28	0	2005	11	0	1
PRINDLE, LAWRENCE	9990201612	9990201612	236156	710450	20051107	80.03	0	2005	11	0	1
LINDEN, SARA J	9990218343	9990218343	236184	710478	20051107	68.59	0	2005	11	0	1
RIVERA, MARIVELEZ	9990220501	9990220501	236187	710481	20051107	82.43	0	2005	11	0	1
MARTINEZ, MOISES	9990221647	9990221647	236188	710482	20051107	36.22	0	2005	11	0	1
BROWN, MICHAEL	9990229130	9990229130	236199	710493	20051107	4.51	0	2005	11	0	1
HUGHES, DENNIS G	9990232084	9990232084	236205	710499	20051107	6.29	0	2005	11	0	1
CATES, LISA	9990234585	9990234585	236209	710503	20051107	25.86	0	2005	11	0	1
KELLY, LORI	9990034519	9990034519	236665	713533	20051114	19.63	0	2005	11	0	1
HOLLEY, JEAN	9990097490	9990097490	236675	713543	20051114	8.53	0	2005	11	0	1
GLOVER, JAMES W	9990172855	9990172855	236691	713561	20051114	9.35	0	2005	11	0	1
DEROSA, PRISCILLA A	9990177576	9990177576	236696	713566	20051114	144	0	2005	11	0	1
CAPTAIN K'S SEAFOOD INC	9990188900	9990188900	236699	713569	20051114	117.69	0	2005	11	0	1
HENDERSON, CHRISTINE R	9990190300	9990190300	236700	713570	20051114	256.45	0	2005	11	0	1
KEAGY, MICHAEL A	9990201354	9990201354	236711	713581	20051114	1.81	0	2005	11	0	1
WALTON, DEBRA A	9990218542	9990218542	236734	713604	20051114	11	0	2005	11	0	1
SINGLETON, NEKIA S	9990219106	9990219106	236736	713606	20051114	19.07	0	2005	11	0	1
GREENE, ROBERT M	9990219584	9990219584	236737	713607	20051114	34.15	0	2005	11	0	1
MCCARVER, DANIEL B	9990220320	9990220320	236739	713609	20051114	14.57	0	2005	11	0	1
KRAMER, LINDSEY A	9990220359	9990220359	236740	713610	20051114	8.36	0	2005	11	0	1
OQUENDO, JUAN R	9990223717	9990223717	236745	713615	20051114	68.43	0	2005	11	0	1
HOLLIS, JOHN F	9990233570	9990233570	236766	713636	20051114	3.98	0	2005	11	0	1
ALKANAT, BULENT	9990235348	9990235348	236770	713640	20051114	30.87	0	2005	11	0	1
LEE, VERDO	9990001757	9990001757	237019	715879	20051121	13.97	0	2005	11	0	1
LAREDO BAKERY INC	9990019700	9990019700	237022	715882	20051121	175.6	0	2005	11	0	1
MAGANA, ANGELINA	9990142128	9990142128	237042	715903	20051121	29.06	0	2005	11	0	1
SELLERS, MICHAEL J	9990159541	9990159541	237048	715909	20051121	7.08	0	2005	11	0	1
DAVIDSON, STEVE G	9990193853	9990193853	237066	715927	20051121	36.57	0	2005	11	0	1
CRAFT, WILLIE W	9990195634	9990195634	237067	715928	20051121	23.37	0	2005	11	0	1
MIELE, SHARON L	9990211987	9990211987	237092	715953	20051121	39.98	0	2005	11	0	1
ALONSO, ANTONIO	9990216355	9990216355	237108	715969	20051121	63.35	0	2005	11	0	1
VIOLA, THERESA	9990222279	9990222279	237123	715984	20051121	10.83	0	2005	11	0	1
CORE, JOEL K	9990237327	9990237327	237165	716026	20051121	50	0	2005	11	0	1
FREY, JUDY	9990012008	9990012008	237259	716918	20051128	1.69	0	2005	11	0	1
FERNANDEZ, ERNESTO	9990036338	9990036338	237267	716926	20051128	20.39	0	2005	11	0	1
BOWLES, HYRAM	9990067953	9990067953	237273	716932	20051128	86.12	0	2005	11	0	1
HARRIS, JR, GILBERT	9990135222	9990135222	237286	716945	20051128	5.05	0	2005	11	0	1
SPEIGHTS, TALIA B	9990158221	9990158221	237294	716953	20051128	41	0	2005	11	0	1
PELAEZ, DIAN J	9990174188	9990174188	237299	716958	20051128	2.43	0	2005	11	0	1
SIMS, NICOLE V	9990188774	9990188774	237308	716967	20051128	10.53	0	2005	11	0	1
SEISS, JUSTINE A	9990198413	9990198413	237313	716972	20051128	3.68	0	2005	11	0	1
NIEVES, ALYCIA T	9990200053	9990200053	237315	716974	20051128	3.52	0	2005	11	0	1
KNUCKLES, WILLARD R	9990207570	9990207570	237321	716980	20051128	7.91	0	2005	11	0	1
SINACORE, DIANA M	9990215415	9990215415	237331	716990	20051128	23.05	0	2005	11	0	1
PATTON, MARIE D	9990216649	9990216649	237333	716992	20051128	79	0	2005	11	0	1
HALL, JAVON M	9990220534	9990220534	237337	716996	20051128	35	0	2005	11	0	1
GALPHIN RENTALS	9990235367	9990235367	237367	717027	20051128	30.91	0	2005	11	0	1
KENNETH C KESSLER	89	89	237383	718106	20051201	50	0	2005	12	0	1
GEORGE HALL	1038	1038	237421	718144	20051201	50	0	2005	12	0	1
COLIN NETTLES	2049	2049	237451	718174	20051201	50	0	2005	12	0	1
MORAL BAL INC	9990133445	9990133445	237653	718837	20051205	54.81	0	2005	12	0	1

DANNEMILLER, ELIZABETH T	9990195706	9990195706	237659	718843	20051205	11.33	0	2005	12 0	1
VEGA, JOHANNA	9990212016	9990212016	237670	718854	20051205	22.27	0	2005	12 0	1
SULLIVAN, DENISE M	9990214466	9990214466	237673	718857	20051205	20.24	0	2005	12 0	1
CLAY, KIETRELL L	9990234629	9990234629	237684	718868	20051205	20.55	0	2005	12 0	1
OSTROWSKI, LINDA	9990045896	9990045896	238032	721633	20051212	7.78	0	2005	12 0	1
CORN, EVA	9990121796	9990121796	238040	721641	20051212	78.33	0	2005	12 0	1
RAMOS, CARLOS	9990143691	9990143691	238046	721648	20051212	153.02	0	2005	12 0	1
PESCE ENTERPRISES INC	9990144200	9990144200	238047	721650	20051212	151.54	0	2005	12 0	1
CORTEZ, RAFAEL A	9990150524	9990150524	238050	721653	20051212	156.08	0	2005	12 0	1
BROWNLEE, PAUL	9990153734	9990153734	238052	721655	20051212	2.27	0	2005	12 0	1
PRICE, LISA A	9990205288	9990205288	238080	721683	20051212	7 74	0	2005	12 0	1
BUTLER, KENNETH W	9990211209	9990211209	238085	721688	20051212	30.83	0	2005	12 0	1
DAVIS, ADRIENE E	9990214707	9990214707	238088	721691	20051212	51.43	0	2005	12 0	1
VEAL, SHANTA L	9990222635	9990222635	238108	721711	20051212	24.12	0	2005	12 0	1
HARRIS, LOUISE K	9990225841	9990225841	238114	721717	20051212	1.72	0	2005	12 0	1
PETERSON, ANTHONY E	9990227650	9990227650	238117	721720	20051212	80.82	0	2005	12 0	1
SWANSON, JULIETH	9990231116	9990231116	238125	721728	20051212	26.77	0	2005	12 0	1
DANIELE, WARREN	9990238083	9990238083	238139	721742	20051212	55.94	0	2005	12 0	1
HALL, MADIE	9990060855	9990060855	238444	724163	20051219	14 14	0	2005	12 0	1
PLYBON, DEBORAH K	9990080589	9990080589	238448	724167	20051219	34 07	0	2005	12 0	1
MUFSON, JOHN	9990120346	9990120346	238455	724174	20051219	105 37.	0	2005	12 0	1
GATHERS, HORACE	9990176150	9990176150	238462	724181	20051219	12 87	0	2005	12 0	1
WILLIAMS, ETHEL	9990186530	9990186530	238469	724188	20051219	148 22	0	2005	12 0	1
RAJBHANDARI, SHANKER	9990193786	9990193786	238473	724192	20051219	36.7	0	2005	12 0	1
MEUS, JOSNER	9990204113	9990204113	238484	724203	20051219	37 59	0	2005	12 0	1
COPPENBARGER HOMES INC	9990211850	9990211850	238494	724213	20051219	9.77	0	2005	12 0	1
CARDOSO, MARIA E	9990214072	9990214072	238499	724218	20051219	17 04	0	2005	12 0	1
WOUGHTER, CARRIE A	9990215707	9990215707	238503	724222	20051219	34.44	0	2005	12 0	1
BAPTISTE, MARKY	9990217880	9990217880	238512	724231	20051219	11.35	0	2005	12 0	1
GONZALEZ, IVAN	9990224772	9990224772	238533	724252	20051219	25.17	0	2005	12 0	1
RAGAN, AMANDA M	9990229336	9990229336	238546	724265	20051219	22.08	0	2005	12 0	1
FARRELL, PATRICK E	9990229984	9990229984	238552	724271	20051219	34 1	0	2005	12 0	1
OJEDA, DAVID	9990231633	9990231633	238561	724280	20051219	2 93	0	2005	12 0	1
PALMER, HUGH O	9990232359	9990232359	238569	724288	20051219	3 5	0	2005	12 0	1
PURSER, ANTOINETE	9990234781	9990234781	238572	724291	20051219	20 2	0	2005	12 0	1
HAYNES, KYLE	9990236094	9990236094	238578	724297	20051219	3.5	0	2005	12 0	1
JENKINS SR, JAMES E	9990236409	9990236409	238579	724298	20051219	7 65	0	2005	12 0	1
JONES, CRYSTAL D	9990236789	9990236789	238582	724301	20051219	56 74	0	2005	12 0	1
THORNTON, GLORIA J	9990009160	9990009160	238749	725933	20051228	11 17	0	2005	12 0	1
JACKSON, CHRIS	9990036097	9990036097	238752	725936	20051228	3.5	0	2005	12 0	1
RUBIO, JOSE	9990071818	9990071818	238760	725944	20051228	114	0	2005	12 0	1
BEACH, DAWN	9990092168	9990092168	238767	725951	20051228	75.42	0	2005	12 0	1
TWEEDY, KRISTOPHER A	9990108457	9990108457	238772	725956	20051228	85	0	2005	12 0	1
SWAIN, SARA	9990146914	9990146914	238774	725958	20051228	3.5	0	2005	12 0	1
BRINDISI, CHRIS M	9990189968	9990189968	238791	725975	20051228	3.5	0	2005	12 0	1
CAFE MEDITERRANEO CORP	9990198280	9990198280	238797	725981	20051228	535.34	0	2005	12 0	1
HEALY, MICHAEL B	9990199870	9990199870	238799	725983	20051228	35.01	0	2005	12 0	1
ZOW, KATHERINE W	9990203935	9990203935	238805	725989	20051228	37 19	0	2005	12 0	1
CHAUNCEY, RYAN H	9990217098	9990217098	238826	726010	20051228	16.76	0	2005	12 0	1
LYNCH, ALBERT D	9990220652	9990220652	238837	726021	20051228	40	0	2005	12 0	1
SAUNDERS, ALISHA A	9990220802	9990220802	238838	726022	20051228	14 97	0	2005	12 0	1
PHILLIPS, ELAINE T	9990223699	9990223699	238843	726027	20051228	52.49	0	2005	12 0	1
CAMPBELL, STEPHANIE M	9990224525	9990224525	238844	726028	20051228	11.79	0	2005	12 0	1
COLON, DAYMER	9990228315	9990228315	238848	726032	20051228	9.94	0	2005	12 0	1
GRAND VILLAGE	9990229710	9990229710	238851	726035	20051228	70.58	0	2005	12 0	1
PALMER, HUGH O	9990232359	9990232359	238861	726045	20051228	28.04	0	2005	12 0	1
HERISSE, CONSTAN	9990233071	9990233071	238865	726049	20051228	17.41	0	2005	12 0	1
SPARKS, PATRICIA A	9990237823	9990237823	238880	726064	20051228	65.29	0	2005	12 0	1
SMITH, JOEL L	9990086536	9990086536	239451	730983	20060109	30	0	2006	1 0	1
JONES, JANET	9990021806	9990021806	239463	732749	20060112	3.06	0	2006	1 0	1
CORDERO, ZIMMIA C	9990109229	9990109229	239485	732772	20060112	37 16	0	2006	1 0	1
ALTIDOR, MONIQUE NICOLAS	9990145249	9990145249	239496	732783	20060112	18 86	0	2006	1 0	1
FEUERBORN, LADINE	9990153916	9990153916	239498	732785	20060112	16 64	0	2006	1 0	1
MINISSALE, LAWRENCE L	9990154097	9990154097	239499	732786	20060112	19 95	0	2006	1 0	1
ARGENZIANO, MELISSA L	9990154229	9990154229	239500	732787	20060112	12 51	0	2006	1 0	1
BUKATA, PATRICIA C	9990178741	9990178741	239514	732801	20060112	17 44	0	2006	1 0	1
LAGUERRE, GINETTE	9990189415	9990189415	239524	732811	20060112	4.53	0	2006	1 0	1
SMITH, BRETT A	9990196174	9990196174	239532	732819	20060112	19.25	0	2006	1 0	1
MAXWELL, GREGORY F	9990205946	9990205946	239550	732837	20060112	139.76	0	2006	1 0	1
FURLONG, BARBARA	9990206936	9990206936	239552	732839	20060112	3.97	0	2006	1 0	1
SEALS, ROBERT H	9990211055	9990211055	239558	732845	20060112	53.63	0	2006	1 0	1
CARDOSO, MARIA E	9990214072	9990214072	239563	732850	20060112	20 13	0	2006	1 0	1
OCONOR, KELLY A	9990214442	9990214442	239565	732852	20060112	3 67	0	2006	1 0	1
MARTIN, WILLIE	9990217087	9990217087	239571	732858	20060112	3 43	0	2006	1 0	1
PIERRE-LOUIS, VICTORIA	9990219529	9990219529	239579	732866	20060112	9 34	0	2006	1 0	1
SAUNDERS, ALISHA A	9990220802	9990220802	239587	732874	20060112	16 73	0	2006	1 0	1
NOURRITURE SAINE CORP	9990224607	9990224607	239604	732891	20060112	5	0	2006	1 0	1
LARSON, SOPHIE	9990224692	9990224692	239605	732892	20060112	26 64	0	2006	1 0	1
J H NORMAN CONSTRUCTION	9990226020	9990226020	239615	732902	20060112	49 83	0	2006	1 0	1
DUFFEY, JOHN	9990227225	9990227225	239617	732904	20060112	1 69	0	2006	1 0	1
OFFQUTT BRIAN	9990228225	9990228225	239623	732910	20060112	30 79	0	2006	1 0	1
KING, EILEEN D	9990228740	9990228740	239625	732912	20060112	78 06	0	2006	1 0	1
MACMURDO, RACHEL L	9990229724	9990229724	239631	732918	20060112	8 77	0	2006	1 0	1
TORRES, ROBERT	9990230627	9990230627	239635	732922	20060112	95 45	0	2006	1 0	1
HADDOCK, JAMES R	9990232686	9990232686	239642	732929	20060112	39 1	0	2006	1 0	1
FICHMAN, RICHARD	9990237399	9990237399	239652	732939	20060112	11.9	0	2006	1 0	1
CREAMER, MURIEL	9990137066	9990137066	239838	733509	20060116	18.98	0	2006	1 0	1
CORNETT, JOANNA	9990149932	9990149932	239841	733514	20060116	132.22	0	2006	1 0	1
MCLAUGHLIN, TIM	9990203522	9990203522	239849	733522	20060116	3.5	0	2006	1 0	1
RODRIGUEZ, JOSE S	9990228098	9990228098	239864	733537	20060116	3 78	0	2006	1 0	1
HOWARD, LINDA J	9990009164	9990009164	240226	736642	20060123	1.78	0	2006	1 0	1
ZELTWANGER, DANIEL S	9990024229	9990024229	240229	736645	20060123	8.82	0	2006	1 0	1
MINISSALE, LAWRENCE L	9990154097	9990154097	240261	736678	20060123	100.87	0	2006	1 0	1
THE TERRACE APTS	9990163913	9990163913	240264	736681	20060123	10.22	0	2006	1 0	1
CHARLTON, JOHN	9990184269	9990184269	240286	736703	20060123	16.5	0	2006	1 0	1
MUSA, PAMELA	9990192180	9990192180	240294	736711	20060123	9.03	0	2006	1 0	1
WALLACE, LETISSA D	9990198759	9990198759	240305	736722	20060123	47 09	0	2006	1 0	1
ASIAN CAFE INC	9990199445	9990199445	240306	736723	20060123	36 45	0	2006	1 0	1
HERNANDEZ, ILEANA	9990207817	9990207817	240321	736738	20060123	44 32	0	2006	1 0	1
NORRIS, MICHELLE	9990216283	9990216283	240329	736746	20060123	19.43	0	2006	1 0	1
MORALES, GINELLYS	9990223639	9990223639	240355	736772	20060123	8 06	0	2006	1 0	1
BECTON, BERTHEL	9990225910	9990225910	240364	736781	20060123	26.32	0	2006	1 0	1
LIVINGSTON, LEON	9990226646	9990226646	240365	736782	20060123	4.59	0	2006	1 0	1
BORUM, HEATHER	9990230488	9990230488	240373	736790	20060123	66.94	0	2006	1 0	1
DREAM, INC	9990232066	9990232066	240379	736796	20060123	262.76	0	2006	1 0	1

TISCHBEIN, SARAH	9990235232	9990235232	240386	736803	20060123	6.02	0	2006	1	0	1
BOSWELL, SHAHAMA S	9990235756	9990235756	240389	736806	20060123	14.66	0	2006	1	0	1
GEORGE GARD/GULFSTREAM	9990020330	9990020330	240526	738092	20060130	1246.43	0	2006	1	0	1
CAIN/CHEEK, BETH	9990154261	9990154261	240542	738109	20060130	5.81	0	2006	1	0	1
MCCLOUGH, C PETER	9990191662	9990191662	240555	738122	20060130	42	0	2006	1	0	1
GREAUX, LARA	9990211420	9990211420	240567	738134	20060130	3.91	0	2006	1	0	1
BAYE, ISAAC	9990222214	9990222214	240582	738149	20060130	89.48	0	2006	1	0	1
SPRADLIN, KELLY S	9990224127	9990224127	240584	738151	20060130	1 73	0	2006	1	0	1
DOCE, DANIA	9990236011	9990236011	240601	738168	20060130	1.34	0	2006	1	0	1
NOLASCO, NATIVIDAD	9990239825	9990239825	240605	738172	20060130	2 61	0	2006	1	0	1
ELLIS, TIM	9990240580	9990240580	240607	738174	20060130	44.92	0	2006	1	0	1
BARBEE, SANDRA R	9990040385	9990040385	240778	740305	20060207	32.84	0	2006	2	0	1
ONES, ASER	9990070333	9990070333	240783	740311	20060207	38.69	0	2006	2	0	1
WHITTLE, LORNA EMELIA	9990148076	9990148076	240798	740326	20060207	33.21	0	2006	2	0	1
SMITH, JENNIFER	9990156023	9990156023	240800	740328	20060207	1 33	0	2006	2	0	1
SETH, JOHN T	9990204622	9990204622	240821	740350	20060207	3.5	0	2006	2	0	1
GUERRIERO, PETER	9990221409	9990221409	240831	740360	20060207	25.75	0	2006	2	0	1
LAING, KEVIN P	9990222506	9990222506	240833	740362	20060207	11 84	0	2006	2	0	1
MARKS, GREG A	9990231457	9990231457	240843	740372	20060207	27	0	2006	2	0	1
SKY MOUNTAIN PROPERTIES INC	9990232343	9990232343	240846	740375	20060207	56.2	0	2006	2	0	1
DESOUVRE, YUSLENA T	9990239997	9990239997	240868	740397	20060207	13.3	0	2006	2	0	1
WALLER, LORRAINE H	9990207388	9990207388	241188	743009	20060209	8.65	0	2006	2	0	1
SALAZAR, PEDRO P	9990219037	9990219037	241189	743010	20060209	97.17	0	2006	2	0	1
RICHEMOND, EXANTUS	9990103070	9990103070	241296	743800	20060213	3.64	0	2006	2	0	1
SEAL, GREGORY	9990202365	9990202365	241315	743821	20060213	71 64	0	2006	2	0	1
FANEITTY, JOSE	9990211500	9990211500	241321	743827	20060213	4.72	0	2006	2	0	1
PIERSON, EILEEN	9990220745	9990220745	241330	743836	20060213	95 33	0	2006	2	0	1
STALLWORTH, DAYAN L	9990223180	9990223180	241333	743839	20060213	1.96	0	2006	2	0	1
PARENT, LILYEN W	9990227713	9990227713	241346	743853	20060213	53.42	0	2006	2	0	1
ARMSTRONG, FLEX	9990229325	9990229325	241349	743856	20060213	62.3	0	2006	2	0	1
MARKS, GREG A	9990231457	9990231457	241354	743861	20060213	103.31	0	2006	2	0	1
RIVERS, CORNELL D	9990237521	9990237521	241366	743873	20060213	64.33	0	2006	2	0	1
ONES, ASER	9990070333	9990070333	241603	745321	20060220	17 3	0	2006	2	0	1
RABIDEAU, MICHAEL T	9990149944	9990149944	241624	745342	20060220	54 17	0	2006	2	0	1
JOHNSON, IRENE P	9990158559	9990158559	241625	745343	20060220	30 11	0	2006	2	0	1
STOPPA, SIMON S	9990173843	9990173843	241629	745347	20060220	3 62	0	2006	2	0	1
TRANSEASTERN HOMES	9990176262	9990176262	241631	745349	20060220	9 57	0	2006	2	0	1
BUKATA, PATRICIA C	9990178741	9990178741	241634	745352	20060220	80.8	0	2006	2	0	1
WILSON, ADRIANE	9990191760	9990191760	241640	745358	20060220	17.3	0	2006	2	0	1
GARCIA II, JOSE A	9990227508	9990227508	241689	745407	20060220	29.79	0	2006	2	0	1
REESE, TIMOTHY D	9990232538	9990232538	241696	745414	20060220	91.14	0	2006	2	0	1
AMOS, CONNIE S	9990239253	9990239253	241714	745432	20060220	12.92	0	2006	2	0	1
BRIDGEFORD, BRIAN W	9990240430	9990240430	241717	745435	20060220	3.5	0	2006	2	0	1
BURLON, ANGELO A	9990007223	9990007223	241866	746821	20060228	40	0	2006	2	0	1
WEBB, JEFF A	9990022007	9990022007	241873	746828	20060228	54.66	0	2006	2	0	1
SUTHERLAND, LOU	9990085859	9990085859	241887	746842	20060228	42 44	0	2006	2	0	1
GULCELIK, AHMET	9990132320	9990132320	241893	746848	20060228	391.39	0	2006	2	0	1
ESCALANTE, PATROCINIA M	9990167921	9990167921	241903	746858	20060228	61.53	0	2006	2	0	1
ELROD, CLARENCE	9990181894	9990181894	241907	746862	20060228	23.32	0	2006	2	0	1
POWERS, PATRICIA J	9990188737	9990188737	241910	746865	20060228	142	0	2006	2	0	1
DOUCETTE, ADRIENNE M	9990192845	9990192845	241917	746872	20060228	36.05	0	2006	2	0	1
GIBBS, MICHELLE L	9990196782	9990196782	241920	746875	20060228	8.44	0	2006	2	0	1
PETERS, JESSIE R	9990204699	9990204699	241927	746882	20060228	12.51	0	2006	2	0	1
RADER, BRYAN G	9990210708	9990210708	241933	746888	20060228	1 46	0	2006	2	0	1
MORGAN, RAYMOND A	9990215154	9990215154	241937	746892	20060228	3 5	0	2006	2	0	1
NORRIS, MICHELLE	9990216283	9990216283	241940	746895	20060228	56 18	0	2006	2	0	1
MCCAMY, RAYMOND	9990221279	9990221279	241953	746908	20060228	137 99	0	2006	2	0	1
PERIUT, CHARLES A	9990234125	9990234125	241989	746944	20060228	3.5	0	2006	2	0	1
RAMIREZ, SILAS	9990238763	9990238763	242004	746959	20060228	21.03	0	2006	2	0	1
MALDONADO, JUAN	9990140087	9990140087	242100	747575	20060302	41.27	0	2006	3	0	1
NEWMAN, CRYSTAL	9990205607	9990205607	242209	748337	20060307	31.45	0	2006	3	0	1
REYES, ABEL	9990209755	9990209755	242213	748341	20060307	82.68	0	2006	3	0	1
THOMAS, LARRY C	9990214348	9990214348	242217	748345	20060307	11.33	0	2006	3	0	1
BLOOM, MERLE	9990218478	9990218478	242220	748348	20060307	17 17	0	2006	3	0	1
DAVIS, WINETT	9990229482	9990229482	242228	748356	20060307	38 08	0	2006	3	0	1
GILLESPIE, THERESA	9990070889	9990070889	242658	751917	20060313	5 12	0	2006	3	0	1
MISAPPLIED PMT ACCOUNT - FB	9990173656	9990173656	242676	751936	20060313	313 56	0	2006	3	0	1
ZYLSTRA, DAVID J	9990194163	9990194163	242684	751944	20060313	41 31	0	2006	3	0	1
BURNEY-HARRIS, TYRONISE	9990213448	9990213448	242694	751954	20060313	58.92	0	2006	3	0	1
THOMAS, LARRY C	9990214348	9990214348	242695	751955	20060313	45 99	0	2006	3	0	1
DOWES, JAMES	9990224030	9990224030	242707	751967	20060313	248 16	0	2006	3	0	1
JAFRI, SYED	9990224222	9990224222	242708	751968	20060313	56 01	0	2006	3	0	1
SOMERVILLE, ROBIN K	9990134724	9990134724	243013	754542	20060320	28 92	0	2006	3	0	1
POWELL, TERRY A	9990152548	9990152548	243018	754547	20060320	80 29	0	2006	3	0	1
TOMLINSON, WALTER	9990153402	9990153402	243019	754548	20060320	4 4	0	2006	3	0	1
RAZZ, NATASHA S	9990179507	9990179507	243032	754561	20060320	18 23	0	2006	3	0	1
TEJADA, JENNIFER	9990206876	9990206876	243053	754582	20060320	19.01	0	2006	3	0	1
GAGNON, NICHOLAS D	9990215759	9990215759	243061	754590	20060320	5 91	0	2006	3	0	1
FONSECA, KELEIGH A	9990224743	9990224743	243074	754603	20060320	5 43	0	2006	3	0	1
IDE, PERRY M	9990226322	9990226322	243082	754611	20060320	93 58	0	2006	3	0	1
NAVARRO, EMILIO	9990228413	9990228413	243085	754614	20060320	8 78	0	2006	3	0	1
DREAM, INC.	9990232066	9990232066	243091	754620	20060320	30.37	0	2006	3	0	1
LAMAY, JULIE	9990238886	9990238886	243105	754634	20060320	2.3	0	2006	3	0	1
FIRST STATES INVESTORS	9990240370	9990240370	243111	754640	20060320	2213.05	0	2006	3	0	1
PETERSON, TIMOTHY	9990241047	9990241047	243114	754643	20060320	21.58	0	2006	3	0	1
CHANNING CORP	9990047692	9990047692	243266	756075	20060327	22 43	0	2006	3	0	1
GORDON FAMILY HOMES	9990047751	9990047751	243267	756076	20060327	9 28	0	2006	3	0	1
SANDHILL TRACE HOMEOWNER ASSOC	9990057376	9990057376	243269	756078	20060327	7.73	0	2006	3	0	1
MASON, BILL	9990068479	9990068479	243271	756080	20060327	87.21	0	2006	3	0	1
PERFECT TAN	9990173207	9990173207	243296	756106	20060327	119.5	0	2006	3	0	1
CARR, KIM	9990192050	9990192050	243305	756115	20060327	43 67	0	2006	3	0	1
MARTENS, PAUL E	9990197997	9990197997	243307	756117	20060327	6 79	0	2006	3	0	1
HARWELL, REBA A	9990218255	9990218255	243340	756150	20060327	21.99	0	2006	3	0	1
JUAREZ, JORGE	9990222907	9990222907	243350	756160	20060327	30.69	0	2006	3	0	1
DOUGLASS, JOHN W	9990223866	9990223866	243359	756169	20060327	15.66	0	2006	3	0	1
BOWDEN, JEREMY T	9990224091	9990224091	243364	756174	20060327	38 78	0	2006	3	0	1
LANGDALE, NORA J	9990224391	9990224391	243368	756178	20060327	14.49	0	2006	3	0	1
JOHNSON, TARELL J	9990225936	9990225936	243376	756186	20060327	16.56	0	2006	3	0	1
MURPHY, LINDA	9990232466	9990232466	243399	756209	20060327	12.81	0	2006	3	0	1
GASKA, WENDY C	9990234954	9990234954	243410	756220	20060327	122.51	0	2006	3	0	1
PEREZ, ANGEL M	9990237903	9990237903	243421	756231	20060327	37.43	0	2006	3	0	1
FERRARO, ERIC C	9990238560	9990238560	243423	756233	20060327	16.09	0	2006	3	0	1
NEWMAN, DEREK W	9990238695	9990238695	243426	756236	20060327	74.97	0	2006	3	0	1
FOWLER, MARTHA G	9990003220	9990003220	243552	757352	20060404	37.87	0	2006	4	0	1
JOHNSON, KENNETH E	9990059917	9990059917	243564	757364	20060404	23 95	0	2006	4	0	1

SOUVERAIN, WILKER	9990115305	9990115305	243570	757370	20060404	35.9	0	2006	4	0	1
REYNOLDS, M K	9990198323	9990198323	243593	757393	20060404	83.56	0	2006	4	0	1
HUSKEY, JOSEPH	9990211118	9990211118	243605	757405	20060404	1.62	0	2006	4	0	1
JORDAN, GWENDOLYN B	9990216942	9990216942	243612	757412	20060404	12.1	0	2006	4	0	1
MILLER, RACHEL	9990223039	9990223039	243620	757420	20060404	85.28	0	2006	4	0	1
YARNELL, RIVERA	9990223785	9990223785	243624	757424	20060404	28.96	0	2006	4	0	1
CHEVEREZ, MARIA	9990224623	9990224623	243627	757427	20060404	28.76	0	2006	4	0	1
MELTON INC	9990226530	9990226530	243633	757433	20060404	181.83	0	2006	4	0	1
VILES, CATHRINE S	9990235577	9990235577	243644	757444	20060404	33.02	0	2006	4	0	1
JONES, ARTHUR	9990028003	9990028003	244077	760449	20060412	4.31	0	2006	4	0	1
CORBETT, MIA D	9990123034	9990123034	244083	760455	20060412	14.06	0	2006	4	0	1
ORTIZ MORALES, NERY R	9990202754	9990202754	244095	760468	20060412	21 4	0	2006	4	0	1
BAYER, ALVIN	9990206706	9990206706	244100	760473	20060412	173.96	0	2006	4	0	1
EUGENE, JEAN Y	9990065136	9990065136	244381	762409	20060418	28.09	0	2006	4	0	1
HAGER JR, LOUIS B	9990125771	9990125771	244398	762426	20060418	444.8	0	2006	4	0	1
SOMERVILLE, ROBIN K	9990134724	9990134724	244403	762431	20060418	31.62	0	2006	4	0	1
ANDON, JAVIER	9990207615	9990207615	244441	762470	20060418	25.13	0	2006	4	0	1
JACKSON, CORY E	9990215263	9990215263	244457	762486	20060418	56 12	0	2006	4	0	1
OCEANSIDE HOTEL & CLUB, LLC	9990215739	9990215739	244459	762488	20060418	10 69	0	2006	4	0	1
BARRETT, RALPH	9990219490	9990219490	244466	762496	20060418	40	0	2006	4	0	1
REYES, FLORENTINA	9990229796	9990229796	244498	762528	20060418	1 25	0	2006	4	0	1
WESTERVELT, JUSTIN	9990234634	9990234634	244513	762543	20060418	8 47	0	2006	4	0	1
SANCHES, SAUNDRA	9990239738	9990239738	244528	762558	20060418	30.45	0	2006	4	0	1
BARBER, DANIEL W	9990021306	9990021306	244750	764256	20060424	28.19	0	2006	4	0	1
BREWER, CHARLES C	9990043722	9990043722	244754	764260	20060424	32 56	0	2006	4	0	1
CAREER SYS DEV CORP	9990061519	9990061519	244758	764264	20060424	1203 16	0	2006	4	0	1
DONOVAN, GEORGE F	9990206986	9990206986	244817	764323	20060424	100	0	2006	4	0	1
MISIAK, LAURA	9990211934	9990211934	244826	764332	20060424	34.6	0	2006	4	0	1
WAGNER, MARY	9990220530	9990220530	244840	764346	20060424	48.97	0	2006	4	0	1
CASTLEBERRY, MICHAEL F	9990220546	9990220546	244841	764347	20060424	36.08	0	2006	4	0	1
YARNELL, RIVERA	9990223785	9990223785	244845	764351	20060424	28 96	0	2006	4	0	1
WHITE, TRINA	9990225069	9990225069	244852	764358	20060424	57 08	0	2006	4	0	1
STEELE, KATHERINE	9990230534	9990230534	244869	764375	20060424	16 91	0	2006	4	0	1
HIGHTOWER, LATESHA M	9990232198	9990232198	244874	764380	20060424	70 6	0	2006	4	0	1
MANNING, BRIAN S	9990236127	9990236127	244885	764391	20060424	7 97	0	2006	4	0	1
RONEY, RENEE LYNN	9990239838	9990239838	244898	764404	20060424	50 87	0	2006	4	0	1
BROWN, ALICIA G	9990240618	9990240618	244902	764408	20060424	90.08	0	2006	4	0	1
SORENSEN, RICHARD	9990243141	9990243141	244912	764418	20060424	29.16	0	2006	4	0	1
SZYNAKA, DIANE	9990216832	9990216832	245091	765790	20060502	126.37	0	2006	5	0	1
TORRENS, JANIS	9990226602	9990226602	245112	765811	20060502	15.42	0	2006	5	0	1
FARRINGTON, REBECCA E	9990226776	9990226776	245113	765812	20060502	181.35	0	2006	5	0	1
SANDOVAL, CARLOS	9990227375	9990227375	245116	765815	20060502	94.29	0	2006	5	0	1
ANDERSON, JACQUELYN	9990229306	9990229306	245121	765820	20060502	47.63	0	2006	5	0	1
BRADLEY, CARLO	9990230116	9990230116	245124	765823	20060502	117 78	0	2006	5	0	1
KERR, DEBRA S	9990230798	9990230798	245126	765825	20060502	50 27	0	2006	5	0	1
VASQUEZ, JOSE R	9990234669	9990234669	245138	765837	20060502	17.5	0	2006	5	0	1
GIVENS, ALVIN D	9990239015	9990239015	245153	765852	20060502	11 38	0	2006	5	0	1
MCLAULIN, RYAN H	9990242152	9990242152	245164	765863	20060502	63 73	0	2006	5	0	1
WYLEY, JERALINE	9990029294	9990029294	245591	768916	20060509	31.45	0	2006	5	0	1
TIMMINS, MARK	9990096237	9990096237	245599	768924	20060509	9.24	0	2006	5	0	1
EHLERS, PETER	9990110796	9990110796	245604	768929	20060509	84.94	0	2006	5	0	1
KARPINIA, WALTER	9990124955	9990124955	245607	768932	20060509	86.42	0	2006	5	0	1
TESSIER, JOSEPH	9990164010	9990164010	245613	768939	20060509	42.88	0	2006	5	0	1
MCGUIRE, THOMAS R	9990185142	9990185142	245624	768950	20060509	25.27	0	2006	5	0	1
SCOTT, MICHELLE	9990194415	9990194415	245631	768957	20060509	7.64	0	2006	5	0	1
GORSEK, WAYNE F	9990199741	9990199741	245635	768961	20060509	56.2	0	2006	5	0	1
LOUIS-GENE, NERILES	9990220675	9990220675	245664	768990	20060509	1.65	0	2006	5	0	1
JULIEN, JOANNE Y	9990232172	9990232172	245687	769013	20060509	39.5	0	2006	5	0	1
CHAPMEN, STEVE	9990240277	9990240277	245705	769031	20060509	23.98	0	2006	5	0	1
VONWERNE, KRISTA L	9990242030	9990242030	245712	769038	20060509	13 06	0	2006	5	0	1
BAXLEY, JULIE D	9990179510	9990179510	245945	771088	20060515	31.1	0	2006	5	0	1
DONLEY, JAMES D	9990205107	9990205107	245960	771104	20060515	15	0	2006	5	0	1
THOMET, SUZANNE	9990205701	9990205701	245962	771106	20060515	135.43	0	2006	5	0	1
ALVAREZ, JUAN	9990211878	9990211878	245981	771125	20060515	28.23	0	2006	5	0	1
HOWELL, SHAUNA C	9990224413	9990224413	246005	771149	20060515	16 8	0	2006	5	0	1
PINEDO, RUTILIO	9990226326	9990226326	246010	771154	20060515	13.43	0	2006	5	0	1
JONES, BRYAN S	9990228272	9990228272	246015	771159	20060515	77.62	0	2006	5	0	1
TOMALA-VELASCO, MARCOS L	9990228897	9990228897	246019	771163	20060515	1 86	0	2006	5	0	1
CARTALES, PHILLIP	9990231262	9990231262	246029	771173	20060515	2 22	0	2006	5	0	1
PEREZ, ALBERTO	9990233695	9990233695	246036	771180	20060515	36 28	0	2006	5	0	1
LASSERRE, JON	9990236495	9990236495	246041	771185	20060515	31.39	0	2006	5	0	1
HERNANDEZ, MARY T	9990242399	9990242399	246055	771199	20060515	7.39	0	2006	5	0	1
BARI, S M	9990243262	9990243262	246056	771200	20060515	52.12	0	2006	5	0	1
BETTY J PRINCE	9990005386	9990005386	246271	773013	20060522	141 79	0	2006	5	0	1
GARROWAY, LAWERENCE	9990014277	9990014277	246276	773018	20060522	108 03	0	2006	5	0	1
BAKER, CORA M	9990055820	9990055820	246285	773027	20060522	56.6	0	2006	5	0	1
BEAUREGARD, SUSAN	9990079322	9990079322	246288	773030	20060522	7 97	0	2006	5	0	1
BRENTON SUPPLY	9990164890	9990164890	246312	773054	20060522	200	0	2006	5	0	1
TABER, FRANCES	9990189240	9990189240	246324	773066	20060522	124.26	0	2006	5	0	1
OLIPHANT, ELAINE	9990203407	9990203407	246329	773071	20060522	86.22	0	2006	5	0	1
SMITH, CAROL C	9990204753	9990204753	246331	773073	20060522	2.75	0	2006	5	0	1
BUSIC, ERIC	9990210851	9990210851	246340	773082	20060522	34.88	0	2006	5	0	1
ACCARDI, JOSEPH	9990219524	9990219524	246355	773097	20060522	98.24	0	2006	5	0	1
BASIL, KRISTEN E	9990226348	9990226348	246369	773111	20060522	1 94	0	2006	5	0	1
CARROZ, MARCOS	9990227454	9990227454	246374	773116	20060522	28 83	0	2006	5	0	1
LOGAN, DANNY W	9990227854	9990227854	246376	773118	20060522	73 88	0	2006	5	0	1
NEWTON, JOY E	9990235108	9990235108	246396	773138	20060522	11 83	0	2006	5	0	1
FERRIS, DAVID F	9990239053	9990239053	246401	773143	20060522	9.02	0	2006	5	0	1
BROWN, GLENN	9990242957	9990242957	246411	773153	20060522	64.94	0	2006	5	0	1
NORTHWEST LANDING DEVELOPMENT	9990244443	9990244443	246414	773156	20060522	52.31	0	2006	5	0	1
KLEINRICHERT, KAREN	9990245713	9990245713	246416	773158	20060522	82.5	0	2006	5	0	1
ROTMAN, LEON	9990089220	9990089220	246621	774472	20060530	61 2	0	2006	5	0	1
GALLARDO, RENE	9990157744	9990157744	246632	774483	20060530	10 48	0	2006	5	0	1
MCNARY	9990162597	9990162597	246635	774486	20060530	268 72	0	2006	5	0	1
PIERRE, ROBENS	9990170666	9990170666	246640	774491	20060530	47.44	0	2006	5	0	1
MONDAY, MARGARET P	9990190680	9990190680	246644	774495	20060530	12.16	0	2006	5	0	1
RICHARDS, LEONIE S	9990205512	9990205512	246656	774507	20060530	5.77	0	2006	5	0	1
ENGELBERG, MICHEL	9990213901	9990213901	246670	774521	20060530	15.08	0	2006	5	0	1
STRICKLAND, SANDRA E	9990218896	9990218896	246677	774528	20060530	13.92	0	2006	5	0	1
HOWARD, ANGELIQUE A	9990219243	9990219243	246678	774529	20060530	7.82	0	2006	5	0	1
BENITEZ, MARIA	9990224210	9990224210	246684	774535	20060530	18 33	0	2006	5	0	1
WENNER, SUMMER	9990224690	9990224690	246686	774537	20060530	14 66	0	2006	5	0	1
STEPHENSON, ALEXA	9990225365	9990225365	246687	774538	20060530	48 28	0	2006	5	0	1
GLIROLLE, GINA	9990231276	9990231276	246696	774547	20060530	36 55	0	2006	5	0	1
Y S BUSINESS ENTERPRISES INC	9990233528	9990233528	246702	774553	20060530	133.39	0	2006	5	0	1

FULLWOOD, JACQUELINE D	9990236648	9990236648	246713	774565	20060530	6.53	0	2006	5 0	1
WILLIAMS, CHRISTOPHER D	9990239185	9990239185	246717	774569	20060530	15.01	0	2006	5 0	1
FOSS, JACOB S	9990241182	9990241182	246726	774578	20060530	24 11	0	2006	5 0	1
PIPPIN, TRENTON L	9990241713	9990241713	246729	774581	20060530	8 59	0	2006	5 0	1
CATTELL, TONI	9990242407	9990242407	246732	774584	20060530	55 47	0	2006	5 0	1
STRICKLAND, TONY	9990242450	9990242450	246733	774585	20060530	6 51	0	2006	5 0	1
WILLIAMS, APRIL M	9990242548	9990242548	246734	774586	20060530	8 13	0	2006	5 0	1
NORTHWEST LANDING DEVELOPMENT	9990244443	9990244443	246737	774589	20060530	28 29	0	2006	5 0	1
GABRIEL, CESAR	9990244650	9990244650	246738	774590	20060530	32.1	0	2006	5 0	1
MCCOY, SEDENA M	9990244664	9990244664	246739	774591	20060530	127.38	0	2006	5 0	1
GONZALEZ, VICTOR RAUL	9990244700	9990244700	246740	774592	20060530	85.22	0	2006	5 0	1
THOMPSON, ANDREW	9990023669	9990023669	246842	775643	20060605	84.24	0	2006	6 0	1
RIVERA, PURIFICATION	9990048108	9990048108	246848	775649	20060605	28 41	0	2006	6 0	1
THARITIMANON, GALAYAWA	9990097034	9990097034	246857	775658	20060605	1.4	0	2006	6 0	1
ROWE, RICKI B	9990102114	9990102114	246858	775659	20060605	52.41	0	2006	6 0	1
STOIEFF, LIZ	9990108572	9990108572	246860	775661	20060605	36.33	0	2006	6 0	1
SPINNER, KIMBERLY T	9990119903	9990119903	246862	775663	20060605	11 2	0	2006	6 0	1
FORELE LTD INC.	9990133405	9990133405	246865	775666	20060605	5	0	2006	6 0	1
BRISTOL CONDO (APT OWNERS)	9990164998	9990164998	246885	775686	20060605	9.84	0	2006	6 0	1
HOOVER, CORTNE N	9990221930	9990221930	246922	775723	20060605	40.46	0	2006	6 0	1
WHITE, LOUISE M	9990239889	9990239889	246977	775778	20060605	71 94	0	2006	6 0	1
CANTINA DI FIORI INC	9990241033	9990241033	246984	775785	20060605	28 96	0	2006	6 0	1
FLETCHER, ABBI C	9990241890	9990241890	246985	775786	20060605	9 11	0	2006	6 0	1
LINHARES, CONSTANCE A	9990243055	9990243055	246988	775789	20060605	83 77	0	2006	6 0	1
DIAZ, GUILLERMINA	9990244769	9990244769	246995	775796	20060605	26 78	0	2006	6 0	1
HOPE, RANDOLPH B	9990244913	9990244913	246997	775798	20060605	49 04	0	2006	6 0	1
SMITH, WILLIE J	9990246595	9990246595	247001	775802	20060605	42	0	2006	6 0	1
HENDERSON, TERRI R	9990234110	9990234110	247426	780248	20060612	47 51	0	2006	6 0	1
GIANNONI, MICHELLE	9990008468	9990008468	247431	780657	20060613	19 97	0	2006	6 0	1
KUKES, SCOTT	9990078224	9990078224	247441	780667	20060613	73.86	0	2006	6 0	1
GANCARZ, ANDREA	9990184514	9990184514	247468	780697	20060613	70.65	0	2006	6 0	1
PENNEY, TARA	9990196731	9990196731	247475	780704	20060613	47 66	0	2006	6 0	1
DIAZ, OCTAVIO C	9990202980	9990202980	247484	780713	20060613	41 25	0	2006	6 0	1
CHRISTMAN, WENDY	9990207167	9990207167	247485	780714	20060613	20 84	0	2006	6 0	1
DAHL, NANCY C	9990209484	9990209484	247490	780719	20060613	198.45	0	2006	6 0	1
BENNETT, JEFFERY M	9990219318	9990219318	247504	780733	20060613	97.24	0	2006	6 0	1
DELVIN HOWARD, LLC	9990220768	9990220768	247506	780735	20060613	133.28	0	2006	6 0	1
HARTSUFF, THOMAS	9990229272	9990229272	247515	780744	20060613	63.54	0	2006	6 0	1
CHRISTOPHER, LINDA A	9990233138	9990233138	247525	780754	20060613	18 13	0	2006	6 0	1
RODRIGUEZ, KATILEYDI	9990235948	9990235948	247528	780757	20060613	22 94	0	2006	6 0	1
LINDO, ALICIA T	9990238822	9990238822	247534	780763	20060613	26.31	0	2006	6 0	1
SESSION, LATISHIA S	9990245615	9990245615	247552	780781	20060613	88 61	0	2006	6 0	1
SHEARER, DENNIS J	9990003661	9990003661	247818	783099	20060619	256 43	0	2006	6 0	1
MIENTKE, DENNIS	9990080338	9990080338	247840	783122	20060619	66.97	0	2006	6 0	1
COLONIAL DONUTS	9990110823	9990110823	247847	783129	20060619	202.22	0	2006	6 0	1
BRINKLEY, III, HENGRY G	9990147877	9990147877	247862	783144	20060619	14.95	0	2006	6 0	1
ROSA, MERCEDES	9990168067	9990168067	247871	783153	20060619	13 34	0	2006	6 0	1
HUTCHINSON, MICHAEL	9990177471	9990177471	247877	783159	20060619	125 28	0	2006	6 0	1
TOLLINCHI, JESSICA	9990193127	9990193127	247888	783170	20060619	4 03	0	2006	6 0	1
COOPER, JULIET E	9990211077	9990211077	247916	783198	20060619	63 5	0	2006	6 0	1
TAYLOR, ADRIA D	9990212311	9990212311	247919	783201	20060619	22.02	0	2006	6 0	1
RAYA, SHIMSHI	9990228533	9990228533	247968	783250	20060619	13.34	0	2006	6 0	1
OWENS, JARED C	9990229416	9990229416	247980	783262	20060619	80.91	0	2006	6 0	1
ELASIVICH, CLIFTON D	9990230430	9990230430	247990	783272	20060619	19.69	0	2006	6 0	1
MURPHY, AISHA A	9990230641	9990230641	247992	783274	20060619	27.5	0	2006	6 0	1
WILLIAMS, CHERYL	9990231284	9990231284	247998	783280	20060619	70.15	0	2006	6 0	1
ECCLESTON HOME SIGNATURES	9990238166	9990238166	248019	783301	20060619	19 68	0	2006	6 0	1
SALISBURY, CODY J	9990239941	9990239941	248024	783306	20060619	21 74	0	2006	6 0	1
ODOM, IVY	9990240464	9990240464	248026	783308	20060619	138 67	0	2006	6 0	1
GODINEZ DOMINGO, SAMUEL	9990244220	9990244220	248037	783319	20060619	13.79	0	2006	6 0	1
SEENEY, JOHN	9990244801	9990244801	248039	783321	20060619	3 01	0	2006	6 0	1
REED, DEMONTA R	9990060966	9990060966	248229	785262	20060626	45 54	0	2006	6 0	1
KUKES, SCOTT	9990078224	9990078224	248231	785264	20060626	9 15	0	2006	6 0	1
BAILEY, BRAD W	9990168637	9990168637	248253	785287	20060626	61 16	0	2006	6 0	1
ROBINS, CRAIG S	9990201189	9990201189	248269	785303	20060626	36 44	0	2006	6 0	1
SALAZAR, JORGE R	9990202920	9990202920	248272	785306	20060626	27.01	0	2006	6 0	1
BLOODSAW, ELOUISE	9990203073	9990203073	248273	785307	20060626	11.46	0	2006	6 0	1
COIRA, EVELYN	9990209108	9990209108	248279	785313	20060626	31 88	0	2006	6 0	1
JANIS, WILLIAM A	9990213741	9990213741	248289	785323	20060626	35 79	0	2006	6 0	1
DEMPSEY, EMILY	9990226202	9990226202	248309	785343	20060626	23.84	0	2006	6 0	1
CRAWFORD, HEATHER R	9990229542	9990229542	248315	785349	20060626	31.39	0	2006	6 0	1
A PLUS AUTO COLLISION INC	9990229954	9990229954	248316	785350	20060626	129.31	0	2006	6 0	1
AGUILAR, MYNOR F	9990231412	9990231412	248322	785356	20060626	21.16	0	2006	6 0	1
CRUZ, JEANESSA	9990235072	9990235072	248328	785362	20060626	30.2	0	2006	6 0	1
CASEY, JOHNNETHIA	9990237068	9990237068	248331	785365	20060626	92 66	0	2006	6 0	1
SANTIAGO, ELIZABETH	9990238314	9990238314	248335	785369	20060626	5 63	0	2006	6 0	1
HERNANDEZ, ISABEL CRISTINA	9990239005	9990239005	248336	785370	20060626	9 86	0	2006	6 0	1
ROYAL, WILLIAM	9990241636	9990241636	248343	785377	20060626	6.35	0	2006	6 0	1
APPLE SOUTH INC	9990040714	9990040714	248498	786623	20060703	70	0	2006	7 0	1
PARKER, PETER	9990040966	9990040966	248499	786624	20060703	4 2	0	2006	7 0	1
COPELAND, G CLEVELAND	9990045338	9990045338	248500	786625	20060703	17 87	0	2006	7 0	1
HERRERA, CLEMENCIA D	9990046986	9990046986	248501	786626	20060703	39 66	0	2006	7 0	1
ROBINSON, MAC	9990053806	9990053806	248502	786627	20060703	18 65	0	2006	7 0	1
LASANE, JACQUELINE D	9990060748	9990060748	248504	786629	20060703	2.96	0	2006	7 0	1
MORALES, JUAN	9990069845	9990069845	248505	786630	20060703	10.22	0	2006	7 0	1
BRANDON, JEAN	9990165383	9990165383	248527	786652	20060703	3.75	0	2006	7 0	1
ERVIL, YVES	9990175036	9990175036	248532	786657	20060703	55 45	0	2006	7 0	1
STEELE, GEORGE A	9990175664	9990175664	248533	786658	20060703	207.32	0	2006	7 0	1
WINTER SPRINGS GOLF CLUB	9990199893	9990199893	248545	786670	20060703	134.03	0	2006	7 0	1
ROLLER, GARY L	9990202542	9990202542	248546	786671	20060703	18.86	0	2006	7 0	1
MCHUGH, VICTORIA L	9990220195	9990220195	248562	786687	20060703	1.08	0	2006	7 0	1
SKIPPER, WILLIAM O	9990226599	9990226599	248572	786697	20060703	160.58	0	2006	7 0	1
MARSHALL, ERNIE	9990228669	9990228669	248577	786702	20060703	183 01	0	2006	7 0	1
WELLS, WILLIE E	9990231646	9990231646	248587	786712	20060703	75.61	0	2006	7 0	1
BELTRAN, ERIK	9990232832	9990232832	248591	786716	20060703	20.06	0	2006	7 0	1
MOORE, TAVELL A	9990232833	9990232833	248592	786717	20060703	25.37	0	2006	7 2	2
KEITH, LAUREN E	9990239148	9990239148	248607	786732	20060703	4 72	0	2006	7 0	1
PULSIFER, SARAH	9990242154	9990242154	248616	786741	20060703	38 19	0	2006	7 0	1
BUZON, STEPHANIE	9990244158	9990244158	248619	786744	20060703	13 13	0	2006	7 0	1
CHRISTOPHER, TAYLOR A	9990244671	9990244671	248620	786745	20060703	45.86	0	2006	7 0	1
CAMPBELL, CHELANDA A	9990009051	9990009051	249008	791246	20060711	35 91	0	2006	7 0	1
MONTI, THOMAS J	9990039011	9990039011	249013	791251	20060711	262 83	0	2006	7 0	1
BRINKLEY, III, HENGRY G	9990147877	9990147877	249029	791272	20060711	28 62	0	2006	7 0	1
RIVERA, HECTOR R	9990150334	9990150334	249030	791273	20060711	6 02	0	2006	7 0	1
MERCER, PATSY	9990154637	9990154637	249031	791274	20060711	1 97	0	2006	7 0	1

CASWELL, BAIRD	9990185860	9990185860	249041	791284	20060711	25.51	0	2006	7	0	1
CECIL, WILLIAM A	9990198785	9990198785	249047	791290	20060711	2.25	0	2006	7	0	1
ODOON, PATRICIA A	9990212219	9990212219	249063	791306	20060711	97 91	0	2006	7	0	1
MEYER, MICHAEL B	9990214155	9990214155	249067	791310	20060711	70.57	0	2006	7	0	1
RODRIGUEZ, FELIPE	9990215156	9990215156	249070	791313	20060711	8.89	0	2006	7	0	1
PICKETT, MITCHELL A	9990215261	9990215261	249071	791314	20060711	37 88	0	2006	7	0	1
HARRINGTON, REBECCA A	9990216475	9990216475	249074	791317	20060711	11 66	0	2006	7	0	1
BRYAN, KATHERINE	9990225072	9990225072	249085	791328	20060711	51.28	0	2006	7	0	1
MINOR, STEPHEN A	9990228285	9990228285	249093	791336	20060711	38.44	0	2006	7	0	1
CRUZ, JEANESSA	9990235072	9990235072	249110	791353	20060711	50.6	0	2006	7	0	1
RAMIREZ, LIVARDO	9990235594	9990235594	249115	791358	20060711	24.73	0	2006	7	0	1
BRYANT, EVETTE A	9990240753	9990240753	249126	791369	20060711	48.85	0	2006	7	0	1
GREEN, SHERRY M	9990243229	9990243229	249138	791381	20060711	60.51	0	2006	7	0	1
POLLARD, DOROTHY Y	9990243276	9990243276	249139	791382	20060711	10.59	0	2006	7	0	1
WESTBROOK, JEFFREY A	9990243418	9990243418	249140	791383	20060711	46	0	2006	7	0	1
HOSTOS, ZOVEMA	9990244569	9990244569	249144	791387	20060711	3.2	0	2006	7	0	1
WONG, JAMIE	9990246308	9990246308	249153	791396	20060711	58 43	0	2006	7	0	1
SHELL, MARYANN J	9990082510	9990082510	249390	793393	20060718	46.28	0	2006	7	0	1
VANDERMEEREN, ERIC	9990175270	9990175270	249415	793418	20060718	53.92	0	2006	7	0	1
STEELE, GEORGE A	9990175664	9990175664	249416	793419	20060718	457.52	0	2006	7	0	1
HENDERSON, CHRISTINE R	9990190300	9990190300	249422	793425	20060718	170 19	0	2006	7	0	1
TWO RIVERS MOTEL	9990202861	9990202861	249435	793438	20060718	8.25	0	2006	7	0	1
BARRETT, ANDREW M	9990207635	9990207635	249438	793441	20060718	2.97	0	2006	7	0	1
RONE, ROSHENE E	9990211461	9990211461	249444	793447	20060718	13 77	0	2006	7	0	1
ENGRAM, ARIE	9990213444	9990213444	249449	793452	20060718	105.63	0	2006	7	0	1
FORD, ALLEN E	9990217805	9990217805	249453	793456	20060718	10.47	0	2006	7	0	1
REINHARDT, DAVID B	9990222539	9990222539	249462	793465	20060718	34.54	0	2006	7	0	1
SPRINGER, KELLY A	9990228084	9990228084	249480	793483	20060718	1.58	0	2006	7	0	1
THE NICASSIO GROUP	9990233399	9990233399	249506	793509	20060718	22.56	0	2006	7	0	1
KOWALSKI, GREGORY D	9990236919	9990236919	249511	793514	20060718	15.74	0	2006	7	0	1
GRIFFEY, BOBBY G	9990237132	9990237132	249513	793516	20060718	121 05	0	2006	7	0	1
MOREL, NELSON	9990239820	9990239820	249524	793527	20060718	25.36	0	2006	7	0	1
POWELL, LINDA S	9990240626	9990240626	249525	793528	20060718	82 72	0	2006	7	0	1
CHAPMAN, CLAIRE E	9990241459	9990241459	249528	793531	20060718	21.33	0	2006	7	0	1
LANE, TERKESHA	9990244227	9990244227	249539	793542	20060718	35.16	0	2006	7	0	1
PADILLA, MARY LOU	9990247020	9990247020	249543	793546	20060718	36.05	0	2006	7	0	1
LOPEZ, YESENIA	9990169648	9990169648	249823	795653	20060724	58 11	0	2006	7	0	1
WINTER SPRINGS GOLF CLUB	9990199893	9990199893	249838	795668	20060724	389 74	0	2006	7	0	1
WEBB, DAVIDA J	9990218417	9990218417	249865	795695	20060724	5 74	0	2006	7	0	1
LEE, MATTHEW R	9990238801	9990238801	249911	795741	20060724	95.69	0	2006	7	0	1
BEVERLEY, NORMAN B	9990239360	9990239360	249914	795744	20060724	110.27	0	2006	7	0	1
CASSIDY, BEVERLY H	9990239803	9990239803	249917	795747	20060724	37.94	0	2006	7	0	1
WEST, CHARLES V	9990240422	9990240422	249920	795750	20060724	80.61	0	2006	7	0	1
MONTANEZ, FRANCISCO I	9990245197	9990245197	249934	795764	20060724	11.4	0	2006	7	0	1
RAMIREZ, BENIGNO	9990245489	9990245489	249936	795766	20060724	43.21	0	2006	7	0	1
FERNANDEZ, LILIAN TORRES V	9990246125	9990246125	249938	795768	20060724	12 61	0	2006	7	0	1
DAVIS, DANIELLE	9990246340	9990246340	249940	795770	20060724	63.62	0	2006	7	0	1
WRIGHT, ALVIN L	9990247808	9990247808	249948	795778	20060724	90.31	0	2006	7	0	1
BARRIOS, JAVIER	9990248747	9990248747	249952	795782	20060724	88.8	0	2006	7	0	1
HAROLD GOODING	62976	62976	250051	796826	20060727	181.95	0	2006	7	0	1
ETHERIDGE, DARRIN S	9990151053	9990151053	250156	797959	20060731	14.08	0	2006	7	0	1
HODGES JR, GEORGE	9990163250	9990163250	250161	797964	20060731	2.61	0	2006	7	0	1
HUDSON, JACKIE C	9990210801	9990210801	250180	797983	20060731	151 85	0	2006	7	0	1
HOTOP, LEANNE F	9990213520	9990213520	250188	797991	20060731	65 72	0	2006	7	0	1
SHEAR, CANDICE M	9990227098	9990227098	250217	798020	20060731	7 42	0	2006	7	0	1
TRICE, DAPHINE A	9990231209	9990231209	250230	798033	20060731	6.1	0	2006	7	0	1
GIBBONS, JESSIE J	9990232088	9990232088	250235	798038	20060731	37 88	0	2006	7	0	1
MCGUFFIN JOYCE K	9990235555	9990235555	250243	798046	20060731	24 63	0	2006	7	0	1
WHATLEY, JOSHUA A	9990237996	9990237996	250251	798054	20060731	5 47	0	2006	7	0	1
GLIGORA, ANTHONY D	9990243349	9990243349	250267	798070	20060731	2 13	0	2006	7	0	1
LEMUS, KENIA	9990243959	9990243959	250268	798071	20060731	56 72	0	2006	7	0	1
DETURCK, COURTNEY J	9990245090	9990245090	250273	798076	20060731	1.47	0	2006	7	0	1
PADILLA, MARY LOU	9990247168	9990247168	250284	798087	20060731	56.09	0	2006	7	0	1
BOWERS, ROSEANNA	9990012582	9990012582	250471	799550	20060807	44 17	0	2006	8	0	1
LEAPER, GINGER L	9990025281	9990025281	250477	799556	20060807	52 17	0	2006	8	0	1
LOUCAKIS, BARBARA M	9990034487	9990034487	250480	799559	20060807	4 68	0	2006	8	0	1
JON JOE CORP	9990154213	9990154213	250501	799580	20060807	142 72	0	2006	8	0	1
BURKE, ROSEMARY	9990172402	9990172402	250510	799589	20060807	21.5	0	2006	8	0	1
GE MEDICAL SYSTEMS	9990176191	9990176191	250512	799591	20060807	609.95	0	2006	8	0	1
HACKNEY, PATRICIA A	9990179666	9990179666	250513	799592	20060807	24 12	0	2006	8	0	1
BELL, MISTY S	9990212392	9990212392	250530	799609	20060807	2 64	0	2006	8	0	1
CARTER, ABIGAIL	9990223724	9990223724	250547	799626	20060807	152 33	0	2006	8	0	1
COOK, LORI	9990230887	9990230887	250556	799635	20060807	23.98	0	2006	8	0	1
PADILLA, DAVID	9990234601	9990234601	250569	799648	20060807	41.08	0	2006	8	0	1
HORTON, DIANE	9990236754	9990236754	250572	799651	20060807	63	0	2006	8	0	1
WALKER, MELISSA C	9990241217	9990241217	250583	799662	20060807	2 36	0	2006	8	0	1
O'QUINN, JEANNIE L	9990242008	9990242008	250586	799665	20060807	22 4	0	2006	8	0	1
LARA, CHERICE M	9990245237	9990245237	250599	799678	20060807	6.72	0	2006	8	0	1
SCHLICHTHOLZ, FRED H	9990022659	9990022659	251052	803078	20060814	52.18	0	2006	8	0	1
PAJEVIC, MILO M	9990081827	9990081827	251068	803094	20060814	61.5	0	2006	8	0	1
MCCAMY REALTY	9990125868	9990125868	251074	803101	20060814	5 98	0	2006	8	0	1
DELLIGATTI, JENNIFER J	9990205378	9990205378	251103	803135	20060814	23 35	0	2006	8	0	1
PEARSON, MICHAEL S	9990214019	9990214019	251107	803139	20060814	10.66	0	2006	8	0	1
SUAREZ, ALBERT T	9990230004	9990230004	251127	803159	20060814	83.07	0	2006	8	0	1
CORIOLAN, ANDREA	9990237236	9990237236	251151	803183	20060814	8.6	0	2006	8	0	1
KIMBALL, TIFFANY A	9990240111	9990240111	251157	803189	20060814	61.72	0	2006	8	0	1
LLOYD, MICHAEL S	9990241745	9990241745	251162	803194	20060814	68 23	0	2006	8	0	1
NOWLIN, ERIC	9990243155	9990243155	251167	803199	20060814	53.67	0	2006	8	0	1
COPPOLA, JAMES	9990244821	9990244821	251175	803207	20060814	89.94	0	2006	8	0	1
CLARK, JUDY T	9990246372	9990246372	251178	803211	20060814	80.3	0	2006	8	2	2
RIDER, JONATHAN P	9990247482	9990247482	251184	803217	20060814	10 1	0	2006	8	0	1
SMITH, JUANITA D	9990020541	9990020541	251456	805231	20060821	95 71	0	2006	8	0	1
LASANE JACQUELINE D	9990060748	9990060748	251460	805236	20060821	51	0	2006	8	0	1
GUZMAN, DULCE D	9990065523	9990065523	251462	805238	20060821	28.35	0	2006	8	0	1
SHIMKOSKI, EILEEN	9990070995	9990070995	251465	805241	20060821	21 55	0	2006	8	0	1
EELHART KLAAS E	9990083377	9990083377	251467	805243	20060821	8 3	0	2006	8	0	1
BEYER, MICHELE L	9990089462	9990089462	251468	805244	20060821	14 25	0	2006	8	0	1
KEITH PATRICIA R	9990108677	9990108677	251473	805249	20060821	15.4	0	2006	8	0	1
PACHECO, JOSE	9990137343	9990137343	251479	805255	20060821	30.19	0	2006	8	0	1
JOHNSTONE, NANCY H	9990146477	9990146477	251481	805257	20060821	43.28	0	2006	8	0	1
DE PENA, FABRILLA M	9990155697	9990155697	251483	805259	20060821	36 82	0	2006	8	0	1
NORRIS, JR, JACK R	9990194257	9990194257	251495	805271	20060821	1 04	0	2006	8	0	1
G & C DENTAL LAB INC	9990199605	9990199605	251504	805280	20060821	62.96	0	2006	8	0	1
ZEIGLER, LISA B	9990199611	9990199611	251505	805281	20060821	31.56	0	2006	8	0	1
PHELPS, DEBORAH	9990200931	9990200931	251510	805286	20060821	4 97	0	2006	8	0	1

WHITE, STEVEN A	9990209286	9990209286	251520	805296	20060821	48	0	2006	8	0	1
WAHLESTEDT, LISA T	9990218474	9990218474	251533	805309	20060821	122.41	0	2006	8	0	1
DE LA ROSA, ALEJANDRO	9990232885	9990232885	251558	805334	20060821	53.41	0	2006	8	0	1
BRIMM, ALISHA M	9990234408	9990234408	251563	805339	20060821	22.22	0	2006	8	0	1
PEEPLES, CRAIG A	9990235233	9990235233	251565	805341	20060821	92.59	0	2006	8	0	1
APPLING, KRISTINA M	9990236848	9990236848	251569	805345	20060821	33.43	0	2006	8	0	1
BRYAN, TIFFANY Z	9990242322	9990242322	251584	805360	20060821	17.28	0	2006	8	0	1
VANORDEN, REBECCA L	9990244060	9990244060	251592	805368	20060821	27.76	0	2006	8	0	1
DELVA, MARK	9990245847	9990245847	251596	805372	20060821	28.35	0	2006	8	0	1
LONG, CRYSTAL G	9990245912	9990245912	251597	805373	20060821	48.94	0	2006	8	0	1
BERMUDEZ, ABENAMAR	9990246216	9990246216	251598	805374	20060821	43.91	0	2006	8	0	1
ARTHUR J CHICK	502	502	251635	805770	20060824	50	0	2006	8	0	1
IBEW LOCAL 1924	66903	66903	251708	805860	20060824	750.75	0	2006	8	0	1
HERNANDEZ, MILAGROS	9990009145	9990009145	251780	806688	20060828	6.36	0	2006	8	0	1
WILLIAMS, JOHNNIE M	9990021621	9990021621	251783	806691	20060828	8.56	0	2006	8	0	1
SCHLICHTHOLZ, FRED H	9990022659	9990022659	251784	806692	20060828	35.72	0	2006	8	0	1
BRAGG, ANDY	9990042911	9990042911	251790	806698	20060828	50.65	0	2006	8	0	1
HUDSON, JENNIFER L	9990151767	9990151767	251808	806716	20060828	104.03	0	2006	8	0	1
FRANKS, BARRY	9990152467	9990152467	251809	806717	20060828	73.76	0	2006	8	0	1
WYMAN, JACOB L	9990173368	9990173368	251815	806723	20060828	7.04	0	2006	8	0	1
SILIVERIO, ROSE I	9990184334	9990184334	251821	806729	20060828	9.55	0	2006	8	0	1
CHANE, JONATHAN C	9990192339	9990192339	251823	806731	20060828	28.04	0	2006	8	0	1
LOWMAN, DONALD T	9990199761	9990199761	251833	806741	20060828	8.28	0	2006	8	0	1
SEWPAUL, HANSRAJ	9990214117	9990214117	251847	806755	20060828	37.75	0	2006	8	0	1
WILDING, MARTHA L	9990216419	9990216419	251848	806756	20060828	27.66	0	2006	8	0	1
HENDRICKS, LISA	9990217694	9990217694	251850	806758	20060828	15.06	0	2006	8	0	1
RENFROE, PENNIE L	9990221982	9990221982	251858	806766	20060828	42.5	0	2006	8	0	1
HALL, KENYA L	9990233243	9990233243	251889	806797	20060828	115.85	0	2006	8	0	1
NICELY, JOANN	9990242445	9990242445	251925	806833	20060828	10.88	0	2006	8	0	1
PAGE, JASON	9990247107	9990247107	251939	806847	20060828	51.75	0	2006	8	0	1
FARUQUE, MOHAMMAD O	9990249655	9990249655	251949	806857	20060828	72.47	0	2006	8	0	1
BAUER, KATHERINE	9990028701	9990028701	252095	807926	20060905	133.28	0	2006	9	0	1
M & M RESTAURANT INC	9990168122	9990168122	252117	807948	20060905	1300.55	0	2006	9	0	1
BALDWIN, DENNIS	9990179829	9990179829	252119	807950	20060905	40.08	0	2006	9	0	1
SCHLEMAN, MARTHA	9990183499	9990183499	252120	807951	20060905	13.17	0	2006	9	0	1
SHIERS, JAMIE B	9990201644	9990201644	252131	807962	20060905	32.39	0	2006	9	0	1
MANNING, JAMES	9990203417	9990203417	252134	807965	20060905	35.16	0	2006	9	0	1
BROWN, MATTHEW T	9990214544	9990214544	252148	807980	20060905	17.67	0	2006	9	0	1
MILLIEN, STEPHANIE	9990220920	9990220920	252154	807986	20060905	77.88	0	2006	9	0	1
JEANTY, JOHANNE	9990227687	9990227687	252158	807990	20060905	50	0	2006	9	0	1
KADRIU, DRITON	9990231359	9990231359	252162	807994	20060905	78.81	0	2006	9	0	1
1ST MISSIONARY BAP CH	9990234938	9990234938	252178	808010	20060905	5.55	0	2006	9	0	1
OCASIO, ANGEL G	9990236983	9990236983	252179	808011	20060905	202.22	0	2006	9	0	1
ESPINOZO, FLORENCIO	9990242790	9990242790	252187	808019	20060905	56.65	0	2006	9	0	1
BEAUREGARD, KEN	9990243434	9990243434	252189	808021	20060905	6.28	0	2006	9	0	1
FRANCIS, SHAWANA G	9990246026	9990246026	252193	808025	20060905	14.63	0	2006	9	0	1
HOLZMAN, NAOMI	9990119046	9990119046	252610	811754	20060911	110.13	0	2006	9	0	1
SHARPE, EVELYN L	9990143882	9990143882	252615	811761	20060911	45.76	0	2006	9	0	1
REINHARDT, AMANDA M	9990190592	9990190592	252629	811775	20060911	70.24	0	2006	9	0	1
DUNN, JANET M	9990207937	9990207937	252642	811789	20060911	37.32	0	2006	9	0	1
QUINTERO, JECSAN	9990220519	9990220519	252660	811808	20060911	3.49	0	2006	9	0	1
WILSON, CAROLYN S	9990228732	9990228732	252672	811820	20060911	98.14	0	2006	9	0	1
GARCIA, EXTREBERTO	9990235626	9990235626	252687	811835	20060911	21.08	0	2006	9	0	1
EZELL, MICHAEL	9990239124	9990239124	252692	811840	20060911	31	0	2006	9	0	1
OLIVEIRA, LEA , VITORIA	9990239494	9990239494	252695	811843	20060911	14.16	0	2006	9	0	1
FIGUEROA, STEVE	9990242112	9990242112	252702	811850	20060911	24.66	0	2006	9	0	1
HOFFENDER, JULEEN	9990243122	9990243122	252703	811851	20060911	3.5	0	2006	9	0	1
KLEIV, ANGIE M	9990246540	9990246540	252707	811855	20060911	5.79	0	2006	9	0	1
THOMAS, AMANDA	9990249083	9990249083	252716	811864	20060911	79.54	0	2006	9	0	1
COLE, BRIAN	9990077134	9990077134	252971	813975	20060918	65.41	0	2006	9	0	1
WILLIAMS, SYLVIA M	9990085429	9990085429	252972	813976	20060918	6.57	0	2006	9	0	1
MILLER, MURIEL W	9990097145	9990097145	252975	813979	20060918	28.07	0	2006	9	0	1
SWONK-BALDWIN, WILLANNE	9990178261	9990178261	252993	813997	20060918	9	0	2006	9	0	1
LANG, LASHAWN E	9990210523	9990210523	253006	814010	20060918	32.72	0	2006	9	0	1
RUGIN, FENYA	9990222573	9990222573	253021	814025	20060918	27.43	0	2006	9	0	1
BRACK, JOSEF T	9990222790	9990222790	253022	814026	20060918	10.27	0	2006	9	0	1
DAVIS, DEMARIS L	9990224119	9990224119	253027	814031	20060918	63.4	0	2006	9	0	1
RBR COFFEE	9990235595	9990235595	253057	814061	20060918	189.54	0	2006	9	0	1
CONGRESS AUTO PARTS STORE #5	60547	60547	253225	814907	20060921	88.4	0	2006	9	0	1
FERNANDINA BEACH FALL MUSIC	67316	67316	253294	815269	20060925	250	0	2006	9	0	1
CLINE, FREDERICK	9990017551	9990017551	253306	815900	20060925	16.31	0	2006	9	0	1
MORGAN, ROSIE	9990153249	9990153249	253326	815923	20060925	3	0	2006	9	0	1
KOSTOGLOU, JOHN	9990161773	9990161773	253329	815926	20060925	15.33	0	2006	9	0	1
TOBIN-PAHLER, LAURA A	9990181287	9990181287	253335	815932	20060925	48.27	0	2006	9	0	1
JOHNSON, JAMES	9990183276	9990183276	253336	815933	20060925	4.4	0	2006	9	0	1
SOUTHWORTH, MARIA	9990195988	9990195988	253342	815939	20060925	19.95	0	2006	9	0	1
WALKER, JOANNE S	9990207357	9990207357	253357	815954	20060925	31.15	0	2006	9	0	1
VALDIVIA, NANCY M	9990210214	9990210214	253360	815957	20060925	4.53	0	2006	9	0	1
BOATRIGHT, AMANDA J	9990225125	9990225125	253389	815986	20060925	122.93	0	2006	9	0	1
GOODSTEIN, CORRINNE	9990230142	9990230142	253401	815998	20060925	23.33	0	2006	9	0	1
GILYARD, LORRAINE T	9990230163	9990230163	253402	815999	20060925	39.25	0	2006	9	0	1
LANGHORNE, FIDEL F	9990231474	9990231474	253406	816003	20060925	69.37	0	2006	9	0	1
CLARK-BROWN, JUDITH	9990232620	9990232620	253411	816008	20060925	16.71	0	2006	9	0	1
MEUS, EDME	9990235722	9990235722	253428	816025	20060925	19.82	0	2006	9	0	1
PARRISH II, ROB M	9990238925	9990238925	253441	816038	20060925	11.64	0	2006	9	0	1
STAGGA, DALTON	9990240141	9990240141	253447	816044	20060925	100	0	2006	9	0	1
DAVIS, WELLINGTON R	9990242597	9990242597	253464	816061	20060925	112.39	0	2006	9	0	1
SMART, JERMEY A	9990244398	9990244398	253469	816066	20060925	48.34	0	2006	9	0	1
RODRUGUEZ, LAURA	9990245915	9990245915	253474	816071	20060925	75.2	0	2006	9	0	1
POMEROY, MARNI	9990247887	9990247887	253480	816077	20060925	479.87	0	2006	9	0	1
MURPHY, MARGARET J	9990248426	9990248426	253484	816081	20060925	51.35	0	2006	9	0	1
FAY, JESSICA J	9990249346	9990249346	253493	816090	20060925	95.78	0	2006	9	0	1
HERNANDEZ, CARMEN	9990250485	9990250485	253496	816093	20060925	42.61	0	2006	9	0	1
ATHLETIC CLUB OF BOCA RATON, A	9990131785	9990131785	253645	817347	20061002	3425.36	0	2006	10	0	1
RODRIGUEZ, AIDA I	9990082437	9990082437	253658	817337	20061002	33.54	0	2006	10	0	1
HETHERINGTON, VESTA T	9990083408	9990083408	253659	817338	20061002	14.91	0	2006	10	0	1
HARRIS, DAN	9990128403	9990128403	253666	817346	20061002	55.38	0	2006	10	0	1
ST-CLAUDE, JEAN R	9990141651	9990141651	253670	817351	20061002	24.47	0	2006	10	0	1
FONROSE, LISE	9990159375	9990159375	253673	817354	20061002	4.22	0	2006	10	0	1
THOMAS, DOMINIQUE K	9990186038	9990186038	253679	817360	20061002	21.69	0	2006	10	0	1
MEDINA, DANNI	9990223575	9990223575	253700	817381	20061002	8.87	0	2006	10	0	1
BENTANCUR, JORGE A	9990227429	9990227429	253703	817384	20061002	15.6	0	2006	10	0	1
WHITE, RICHARD W	9990233173	9990233173	253708	817390	20061002	104.62	0	2006	10	0	1
RICHARDSON, AUDREY R	9990238394	9990238394	253719	817401	20061002	63.86	0	2006	10	0	1
RAMIREZ, JULIO C	9990239037	9990239037	253722	817404	20061002	21.77	0	2006	10	0	1

MIENSMA, DAVID C	9990246144	9990246144	253734	817416	20061002	66.24	0	2006	10 0	1
HENDRICKS JR, VINCENT	9990247971	9990247971	253738	817421	20061002	51.85	0	2006	10 0	1
ALBERT GAEDE	633	633	253908	819711	20061009	40	0	2006	10 0	1
SZUDLO, CONNIE L	9990041073	9990041073	254166	820429	20061010	25.64	0	2006	10 0	1
JOHNSON, JH	9990051425	9990051425	254169	820432	20061010	9 87	0	2006	10 0	1
BELTRAN, CARMEN	9990144490	9990144490	254181	820447	20061010	49 09	0	2006	10 0	1
CHEEBURGER OF BOCA INC	9990146356	9990146356	254182	820448	20061010	181	0	2006	10 0	1
ABREU, ELIEL	9990176608	9990176608	254192	820458	20061010	2 1	0	2006	10 0	1
BLUE MARTINI OF DELAND	9990177967	9990177967	254194	820460	20061010	833 39	0	2006	10 0	1
HANSEN, TINA M	9990192264	9990192264	254201	820467	20061010	132 34	0	2006	10 0	1
DITCHFIELD, BRIAN W	9990197111	9990197111	254204	820470	20061010	17 68	0	2006	10 0	1
SALDANHA, NELSON	9990220418	9990220418	254217	820483	20061010	85.41	0	2006	10 0	1
SNEDDEN, ANTHONY M	9990226908	9990226908	254233	820499	20061010	29 17	0	2006	10 0	1
SWEARIGEN, JOHN J	9990227584	9990227584	254234	820500	20061010	6.67	0	2006	10 0	1
CARUSI, LINO	9990232158	9990232158	254239	820505	20061010	40	0	2006	10 0	1
JOHNSON, ASHLEY D	9990235827	9990235827	254249	820515	20061010	58.85	0	2006	10 0	1
VYMLATIL, KYLE	9990238778	9990238778	254256	820522	20061010	78.49	0	2006	10 0	1
ALMONOR, ATHELA N	9990240608	9990240608	254258	820524	20061010	4.21	0	2006	10 0	1
CARDETTI, ALEXANDER E	9990240641	9990240641	254259	820525	20061010	37.23	0	2006	10 0	1
VARGO, MILDRED E	9990241126	9990241126	254260	820526	20061010	82.26	0	2006	10 0	1
SOLARZ, SAM	9990248705	9990248705	254270	820537	20061010	41.87	0	2006	10 0	1
LAWSON, ALFREDA M	9990008577	9990008577	254487	822129	20061016	45.69	0	2006	10 0	1
CAJUSTE, VIOLETTE	9990041501	9990041501	254493	822135	20061016	1 96	0	2006	10 0	1
JUBILEE CORPORATION	9990047364	9990047364	254495	822137	20061016	743 67	0	2006	10 0	1
WALLACE, DIANE	9990163571	9990163571	254510	822152	20061016	59.48	0	2006	10 0	1
MARTINEZ, ALBERTO T	9990207295	9990207295	254532	822174	20061016	37	0	2006	10 0	1
BLACKWELL, CINDY L	9990217345	9990217345	254545	822187	20061016	5.91	0	2006	10 0	1
MARCH, VAUGHN	9990218904	9990218904	254547	822189	20061016	53 72	0	2006	10 0	1
VICKERS, HAROLD W	9990223167	9990223167	254556	822198	20061016	170 33	0	2006	10 0	1
PIERCE, WILLIAM M	9990232511	9990232511	254573	822215	20061016	158.69	0	2006	10 0	1
TAYLOR, ANDREA R	9990233381	9990233381	254577	822219	20061016	65.87	0	2006	10 0	1
BOLTON, VICKY Y	9990237282	9990237282	254594	822236	20061016	8.41	0	2006	10 0	1
STEPHENS, TONI	9990237982	9990237982	254596	822238	20061016	11.83	0	2006	10 0	1
VILLA, HERMINIA	9990240673	9990240673	254604	822246	20061016	632.99	0	2006	10 0	1
DONALD C. WENING	2767	2767	254721	823213	20061019	258.51	0	2006	10 0	1
COMCAST OF MARIANNA	10864	10864	254808	823771	20061023	9.5	0	2006	10 0	1
RL LANTANA BOATYARD	9990212521	9990212521	254854	824583	20061023	5755.4	0	2006	10 0	1
CROWLEY, EDWARD T	9990029600	9990029600	254862	824502	20061023	20.95	0	2006	10 0	1
WENONE INC	9990103851	9990103851	254879	824521	20061023	132.57	0	2006	10 0	1
MED AIDE SERVICES INC.	9990157282	9990157282	254896	824538	20061023	183 9	0	2006	10 0	1
JOHNSON, TYRONE	9990161033	9990161033	254898	824540	20061023	21 95	0	2006	10 0	1
ROHE, ROBERT P	9990182595	9990182595	254912	824554	20061023	138 7	0	2006	10 0	1
DORT, ERNASE A	9990199612	9990199612	254929	824572	20061023	7 42	0	2006	10 0	1
DRAKE, JESSICA L	9990204845	9990204845	254934	824577	20061023	21 16	0	2006	10 0	1
RL LANTANA BOATYARD	9990212525	9990212525	254940	824584	20061023	1184 23	0	2006	10 0	1
DREW, CYNTHIA C	9990214410	9990214410	254942	824586	20061023	46 73	0	2006	10 0	1
MCCOUI, TRACY & JAMES	9990223814	9990223814	254958	824602	20061023	122.6	0	2006	10 0	1
CUCHETTI, ANTHONY J	9990224233	9990224233	254960	824604	20061023	36.22	0	2006	10 0	1
NETTO, MELISSA S	9990226344	9990226344	254967	824611	20061023	34 27	0	2006	10 0	1
CHRISTIAN, ZONIA B	9990228523	9990228523	254973	824617	20061023	122.84	0	2006	10 0	1
GONZALEZ, DELIO	9990234706	9990234706	254988	824632	20061023	66 83	0	2006	10 0	1
MORALES, LIDIA	9990236750	9990236750	255002	824646	20061023	59 41	0	2006	10 0	1
RODRIGUEZ, NATASHA	9990237541	9990237541	255006	824650	20061023	40 53	0	2006	10 0	1
BELONY, FREDONNE	9990237902	9990237902	255009	824653	20061023	86 23	0	2006	10 0	1
WILLIAMS, REBEKAH	9990239216	9990239216	255018	824662	20061023	85 06	0	2006	10 0	1
POWELL, SANDRA L	9990244447	9990244447	255036	824680	20061023	111.57	0	2006	10 0	1
PASCUAL, FRANCISCO	9990246209	9990246209	255045	824689	20061023	6.78	0	2006	10 0	1
KIRKLAND, KIM	9990248293	9990248293	255048	824692	20061023	261.97	0	2006	10 0	1
DOMINGUEZ, CORY M	9990248494	9990248494	255051	824695	20061023	16 18	0	2006	10 0	1
LECLAIR, TARA L	9990249041	9990249041	255053	824697	20061023	11 49	0	2006	10 0	1
CHAPMAN, ALVIN	9990249355	9990249355	255057	824701	20061023	13 95	0	2006	10 0	1
TRENT JR, DAVID L	9990251786	9990251786	255067	824711	20061023	82 82	0	2006	10 0	1
MORAGUES, ARIEL	9990252122	9990252122	255068	824712	20061023	53 32	0	2006	10 0	1
BRADFHAW, PHYLLIS	9990252435	9990252435	255069	824713	20061023	105 5	0	2006	10 0	1
UNKNOWN-ABANDONED PROPERTY-CEN	67834	67834	255130	825102	20061026	75	0	2006	10 0	1
JENNIFER HITES LITTRELL	67841	67841	255131	825103	20061026	227.03	0	2006	10 0	1
LINDSEY SMITH	67848	67848	255132	825104	20061026	41.06	0	2006	10 0	1
CLOAD, CHAD M	9990221002	9990221002	255195	825646	20061030	39.91	0	2006	10 0	1
DUENAS, JAIME	9990007601	9990007601	255197	826202	20061031	8 48	0	2006	10 0	1
HOLLEY, JEAN	9990097490	9990097490	255209	826214	20061031	47 89	0	2006	10 0	1
SANTIAGO, LUIS	9990103034	9990103034	255210	826215	20061031	58.08	0	2006	10 0	1
BROWN, HUBERT	9990152860	9990152860	255217	826223	20061031	4.4	0	2006	10 0	1
LYONS, SANDRA	9990183387	9990183387	255231	826237	20061031	39.4	0	2006	10 0	1
SIMETON, JOSEPH	9990191910	9990191910	255234	826240	20061031	6 08	0	2006	10 0	1
SOTO, OLGA B	9990201560	9990201560	255238	826244	20061031	32 46	0	2006	10 0	1
GLAZER, JOEL	9990214153	9990214153	255245	826251	20061031	19 7	0	2006	10 0	1
JONES SR, JAMES A	9990217093	9990217093	255252	826258	20061031	67 79	0	2006	10 0	1
STAGG, EDWARD J	9990222088	9990222088	255263	826269	20061031	54 31	0	2006	10 0	1
MESIDORT, FREDICKSON	9990223458	9990223458	255265	826271	20061031	163.5	0	2006	10 0	1
HOOVER, LEAANN M	9990233205	9990233205	255282	826288	20061031	24.85	0	2006	10 0	1
DUNES CLUB VILLAS CO, LLC	9990233947	9990233947	255284	826290	20061031	20.21	0	2006	10 0	1
DE-ROSA, UMBERTO	9990246498	9990246498	255315	826321	20061031	56 01	0	2006	10 0	1
DIXON, EMMA	9990249433	9990249433	255319	826325	20061031	1 36	0	2006	10 0	1
MCKINNON, KENNETH	9990250027	9990250027	255320	826326	20061031	35 66	0	2006	10 0	1
MARTIN, FELIPE	9990250432	9990250432	255321	826327	20061031	22 34	0	2006	10 0	1
DAVID BOYLE	67869	67869	255375	826564	20061102	100	0	2006	11 0	1
CITY OF WEST PALM BEACH	9689	9689	255391	826948	20061106	51640.61	0	2006	11 0	1
GRILL & HEARTH INC	54317	54317	255444	826972	20061106	100	0	2006	11 0	1
HANLEY, SYLVESTER E	9990005677	9990005677	255456	827278	20061107	33 42	0	2006	11 0	1
HUTTIG, BROOKE M	9990100607	9990100607	255464	827287	20061107	3	0	2006	11 0	1
LANG, KAREN M	9990121099	9990121099	255467	827291	20061107	22.94	0	2006	11 0	1
FUNICELLO, CARMELLA	9990189763	9990189763	255481	827305	20061107	87.33	0	2006	11 0	1
BRUMMIT, BETSY M	9990234838	9990234838	255507	827331	20061107	24 05	0	2006	11 0	1
HOLLIGAN, MARLO	9990236420	9990236420	255512	827337	20061107	20.26	0	2006	11 0	1
CANTRELL, AMY N	9990236621	9990236621	255514	827339	20061107	335 97	0	2006	11 0	1
SWEARINGEN, HEATHER I	9990238628	9990238628	255518	827343	20061107	3 04	0	2006	11 0	1
KENNEDY, MELISSA A	9990239004	9990239004	255519	827344	20061107	71	0	2006	11 0	1
HEYWOOD, JAZLYN	9990242214	9990242214	255526	827351	20061107	26 4	0	2006	11 0	1
PHILIP DENNESEN J	9990242625	9990242625	255528	827353	20061107	18 96	0	2006	11 0	1
NGUYEN, HUNG P	9990251200	9990251200	255535	827360	20061107	326 92	0	2006	11 0	1
SAINTINE, LUDNER	9990251357	9990251357	255537	827362	20061107	1 32	0	2006	11 0	1
LEPKO, MICHAEL A	9990253004	9990253004	255540	827365	20061107	146 1	0	2006	11 0	1
JOHN COSTLOW	3022	3022	255650	831472	20061109	20 23	0	2006	11 0	1
TERESA CASTEEL	67932	67932	255888	831772	20061109	100	0	2006	11 0	1
DEBRA MCCARTHY	68051	68051	255899	831784	20061109	40	0	2006	11 2	2

DAYTON, GEORGE	9990204288	9990204288	255903	831788	20061109	100	0	2006	11	0	1
SUNSHINE SERVICES UNLIMITED IN	38441	38441	255914	832316	20061113	5036 46	0	2006	11	0	1
C L STEIN	1142	1142	255921	832287	20061113	82.6	0	2006	11	0	1
LAKE WORTH GARDENS	9990052593	9990052593	255976	832873	20061115	2507.65	0	2006	11	0	1
ASHLEY, SHARON	9990008794	9990008794	255983	832864	20061115	31.97	0	2006	11	0	1
DANIELS, BUTLER	9990009286	9990009286	255985	832866	20061115	42.07	0	2006	11	0	1
SMITH, BOB R	9990027468	9990027468	255989	832870	20061115	57.51	0	2006	11	0	1
SHAVE, ROBERT	9990045044	9990045044	255991	832872	20061115	12.04	0	2006	11	0	1
MILLER, ROBERT T	9990085787	9990085787	255996	832878	20061115	60.76	0	2006	11	0	1
LORGREN, KENNETH J	9990142560	9990142560	256006	832889	20061115	10.55	0	2006	11	0	1
PRICE, ANTHONY S	9990190541	9990190541	256026	832911	20061115	53.98	0	2006	11	0	1
CADER, IDRIS	9990198988	9990198988	256033	832918	20061115	33.8	0	2006	11	0	1
ARMANTROUT, ASHLEY M	9990205921	9990205921	256041	832926	20061115	2.95	0	2006	11	0	1
ALVAREZ, JORGE L	9990208974	9990208974	256043	832928	20061115	23.73	0	2006	11	0	1
SPORN, ELIZABETH G	9990217377	9990217377	256052	832937	20061115	17.76	0	2006	11	0	1
DIAZ, EMELY Y	9990221145	9990221145	256061	832946	20061115	39.2	0	2006	11	0	1
LOPEZ, FLORENTIN	9990223035	9990223035	256066	832951	20061115	45.23	0	2006	11	0	1
ROURKE, KEITH R	9990223658	9990223658	256068	832953	20061115	57 5	0	2006	11	0	1
FROMOWITZ, ALAN	9990224499	9990224499	256069	832954	20061115	56 63	0	2006	11	0	1
SPARROW, CHRISTOPHER R	9990227753	9990227753	256076	832961	20061115	12.89	0	2006	11	0	1
HAGE, GHILSY	9990233940	9990233940	256084	832969	20061115	115.02	0	2006	11	0	1
WYNN, MELBA L	9990239013	9990239013	256094	832980	20061115	17.53	0	2006	11	0	1
HOLLAND, CHRISTINA L	9990239674	9990239674	256097	832983	20061115	106.05	0	2006	11	0	1
RUELAS, JOSE RAMIREZ	9990248069	9990248069	256116	833003	20061115	111 34	0	2006	11	0	1
MONTS, MONIQUE S	9990248171	9990248171	256117	833004	20061115	80.09	0	2006	11	0	1
LANGWORTHY, EDWARD T	9990249227	9990249227	256120	833007	20061115	71.29	0	2006	11	0	1
WINTER, MEGAN A	9990250527	9990250527	256128	833015	20061115	9.62	0	2006	11	0	1
MARTHA S. GARVIN	42998	42998	256150	833465	20061116	2920	0	2006	11	0	1
TOWN OF MANGONIA PARK	4183	4183	256257	833742	20061120	179.6	0	2006	11	0	1
LANDMARK CUSTOM HOMES	68100	68100	256310	834533	20061120	3565	0	2006	11	0	1
HENRY R. HIGGINBOTHAM	44468	44468	256344	834506	20061120	1000	0	2006	11	0	3
DENNIS S HUDSON III	61674	61674	256354	834519	20061120	1000	0	2006	11	0	1
MARGIE WILLIAMS	62297	62297	256357	834522	20061120	675	0	2006	11	0	1
RAYMOND, MICHELLE C	9990018876	9990018876	256376	835125	20061120	9.78	0	2006	11	0	1
LAKE WORTH GARDENS	9990052593	9990052593	256378	835127	20061120	783.18	0	2006	11	0	1
ALVAREZ & PETERS LLC	9990174856	9990174856	256402	835151	20061120	198.51	0	2006	11	0	1
FISHER, DAVID J	9990191064	9990191064	256413	835162	20061120	19 65	0	2006	11	0	1
SMITH, DAWN M	9990207300	9990207300	256423	835172	20061120	32 12	0	2006	11	0	1
MONSAAS, ERICK A	9990210209	9990210209	256425	835174	20061120	25 75	0	2006	11	0	1
FINGLETON, CHRISTOPHER	9990211598	9990211598	256427	835176	20061120	51 32	0	2006	11	0	1
NEWBERRY, KIP E	9990216322	9990216322	256431	835180	20061120	27.75	0	2006	11	0	1
DOYLE, AINSLEY	9990224180	9990224180	256445	835194	20061120	43 33	0	2006	11	0	1
WRIGHT, SCOTT	9990226896	9990226896	256447	835196	20061120	33.38	0	2006	11	0	1
FRITTS, ELAINE	9990228629	9990228629	256448	835197	20061120	13 66	0	2006	11	0	1
BIRD, MICHAEL A	9990230463	9990230463	256452	835201	20061120	6 14	0	2006	11	0	1
HAYES, LISA S	9990234017	9990234017	256456	835205	20061120	72.66	0	2006	11	0	1
PHELPS, ANNETTE	9990234084	9990234084	256457	835206	20061120	43.62	0	2006	11	0	1
MACEDO, ROSALBA	9990237455	9990237455	256466	835215	20061120	49.5	0	2006	11	0	1
AYTCHE, RICARDO	9990238564	9990238564	256476	835225	20061120	26.2	0	2006	11	0	1
THE AMELIA GROUP, LLC	9990243104	9990243104	256490	835239	20061120	197.25	0	2006	11	0	1
ALIAJ, ERGYS	9990244485	9990244485	256493	835242	20061120	25 85	0	2006	11	0	1
221 SEASPRAY LLC	9990248068	9990248068	256502	835251	20061120	28 34	0	2006	11	0	1
CHURCH, MARK A	9990248116	9990248116	256503	835252	20061120	19 88	0	2006	11	0	1
KENNETH C KESSLER	89	89	256523	835728	20061127	50	0	2006	11	0	1
WILLIAM J WELLS	414	414	256532	835737	20061127	50	0	2006	11	0	1
ALPHONSO FOREST	570	570	256537	835742	20061127	50	0	2006	11	0	1
ARTHUR VALENTI	723	723	256543	835748	20061127	50	0	2006	11	0	1
VIRGINIA UHLER	807	807	256544	835749	20061127	50	0	2006	11	0	1
ROY KINGREE	1000	1000	256549	835754	20061127	50	0	2006	11	0	1
PAUL LARSON	1151	1151	256557	835762	20061127	50	0	2006	11	0	1
ALVIN HICKOX	1409	1409	256562	835767	20061127	50	0	2006	11	0	1
ROBERT BROWN	1661	1661	256567	835772	20061127	50	0	2006	11	0	1
ROBERT CARMEN	1927	1927	256572	835777	20061127	50	0	2006	11	0	1
COLIN NETTLES	2049	2049	256575	835780	20061127	50	0	2006	11	0	1
JOHN GRAVES	2065	2065	256576	835781	20061127	50	0	2006	11	0	1
CAUSIER JAMES	2458	2458	256586	835791	20061127	50	0	2006	11	0	1
ROBERT GRIFFIN	3041	3041	256597	835802	20061127	50	0	2006	11	0	1
GEORGE SIMS	3480	3480	256604	835809	20061127	50	0	2006	11	0	1
ROBERT GRAHAM	3965	3965	256613	835818	20061127	50	0	2006	11	0	1
ALDIS BRUNSON	4424	4424	256616	835821	20061127	50	0	2006	11	0	1
COMCAST OF MARIANNA	10864	10864	256625	835830	20061127	9.5	0	2006	11	0	1
MJ ALTMAN COMPANIES, INC	46484	46484	256650	835858	20061127	46 68	0	2006	11	0	1
GULFSTREAM LIMITED PARTNERSHIP	9990013555	9990013555	256675	836242	20061128	202 33	0	2006	11	0	1
KELLEY, RALPH E	9990033233	9990033233	256678	836245	20061128	21 72	0	2006	11	0	1
JOHNSON, HERBERT	9990041349	9990041349	256680	836247	20061128	24 13	0	2006	11	0	1
JUBILEE CORPORATION	9990047364	9990047364	256681	836248	20061128	6.21	0	2006	11	0	1
HERNANDEZ, MARTHA L	9990065796	9990065796	256687	836254	20061128	19 14	0	2006	11	0	1
YOUNG, MAYOLA	9990092730	9990092730	256693	836260	20061128	21 49	0	2006	11	0	1
RODRIGUEZ, RUBEN Z	9990157929	9990157929	256705	836272	20061128	18.8	0	2006	11	0	1
EXPREZIT	9990189010	9990189010	256710	836277	20061128	1358.06	0	2006	11	0	1
MODHA, KISHORKUMAR M	9990195221	9990195221	256714	836281	20061128	47.34	0	2006	11	0	1
GERSDORF, STEVEN K	9990196990	9990196990	256715	836282	20061128	72.36	0	2006	11	0	1
TODD, BETTY	9990210658	9990210658	256722	836289	20061128	22 07	0	2006	11	0	1
WILLIAMS, SATYRA P	9990211996	9990211996	256723	836290	20061128	4.14	0	2006	11	0	1
SUTTON, MONTEL L	9990213163	9990213163	256725	836292	20061128	1.12	0	2006	11	0	1
GLAZER, JOEL	9990214153	9990214153	256727	836294	20061128	77.11	0	2006	11	0	1
MCKEONE, WILLIAM E	9990217414	9990217414	256728	836295	20061128	62 09	0	2006	11	0	1
BUEHL, RACHEL	9990224819	9990224819	256733	836300	20061128	40 61	0	2006	11	0	1
WATKE-BRATCHER, LYNN M	9990226425	9990226425	256734	836301	20061128	56	0	2006	11	0	1
JEANTY. JOHANNE	9990227687	9990227687	256737	836304	20061128	50	0	2006	11	0	1
PISANI, LINDSAY	9990229391	9990229391	256739	836306	20061128	94 72	0	2006	11	0	1
WALKER, COLLEEN C	9990236324	9990236324	256747	836314	20061128	58	0	2006	11	0	1
PEREZ-RODRIGUEZ, OSVALDO D	9990241899	9990241899	256757	836324	20061128	38 46	0	2006	11	0	1
MORTIMER III, STANLEY G	9990244656	9990244656	256762	836329	20061128	140.47	0	2006	11	0	1
TRIBUNELLA, JOSEPHINE	9990247487	9990247487	256768	836335	20061128	9 15	0	2006	11	0	1
WEST PALM BEACH HOUSING	68303	68303	256792	836913	20061130	3150	0	2006	11	0	1
TOWN OF BASCOM	4351	4351	256819	836835	20061130	219 3	0	2006	11	0	1
SUNSHINE SERVICES UNLIMITED IN	38441	38441	256842	836865	20061130	1408.75	0	2006	11	0	1
SHIRLEY CHAMBERS	68191	68191	256871	836899	20061130	100	0	2006	11	0	1
JACK TRAVIS	68226	68226	256876	836904	20061130	350	0	2006	11	0	1
AMANDA JAIKARAN	2885	2885	256911	837882	20061204	351 29	0	2006	12	0	1
SIGNAL 21, SECURITY SYS INC	6160	6160	256921	837895	20061204	54 32	0	2006	12	0	1
LAKE WORTH DRAINAGE DISTRICT	7755	7755	256922	837896	20061204	250	0	2006	12	0	1
ASSURANT EMPLOYEE BENEFITS	62304	62304	256945	837927	20061204	1873.79	0	2006	12	0	1
RONALD SKIPPER	68261	68261	256948	837930	20061204	590	0	2006	12	0	1

SMITH, CHARLES E	9990040742	9990040742	256955	838156	20061204	34.05	0	2006	12	0	1
GONZALES, ANDRES	9990041650	9990041650	256956	838157	20061204	26.54	0	2006	12	0	1
HAMPTON, OCEANNETTE S	9990048149	9990048149	256957	838158	20061204	36.36	0	2006	12	0	1
WEBB, TINA	9990110040	9990110040	256961	838162	20061204	41 63	0	2006	12	0	1
NOLTING, KIMBERLY A	9990143029	9990143029	256964	838165	20061204	87 08	0	2006	12	0	1
HENRY, SCOTT	9990178165	9990178165	256969	838170	20061204	39.69	0	2006	12	0	1
DANIELS, GARY N	9990201104	9990201104	256975	838176	20061204	81 84	0	2006	12	0	1
LEWIS, ROBERT	9990209094	9990209094	256978	838179	20061204	386.45	0	2006	12	0	1
BARDALES-SUAZO, ESMERALDA	9990212598	9990212598	256980	838181	20061204	4.68	0	2006	12	0	1
ANNUNZIATA, NINO	9990218763	9990218763	256984	838185	20061204	31.44	0	2006	12	0	1
MONTGOMERY, TOMOKO T	9990220458	9990220458	256985	838186	20061204	86.47	0	2006	12	0	1
TRIPLE D LLC	9990221659	9990221659	256986	838187	20061204	40.55	0	2006	12	0	1
HANKEN, JONATHAN	9990225714	9990225714	256988	838189	20061204	8.52	0	2006	12	0	1
SOLER, CARMEN	9990229835	9990229835	256991	838192	20061204	43.14	0	2006	12	0	1
WOODCOCK, RON	9990230182	9990230182	256993	838194	20061204	77.38	0	2006	12	0	1
GRANT, AUDREY M	9990234466	9990234466	256994	838195	20061204	17 34	0	2006	12	0	1
HAMMACHER JR, BERNARD L	9990240022	9990240022	257000	838201	20061204	63.64	0	2006	12	0	1
STOTT, JAMIE E	9990242707	9990242707	257006	838207	20061204	70 87	0	2006	12	0	1
SMITH, WILLIAM J	9990242985	9990242985	257007	838208	20061204	49.96	0	2006	12	0	1
THE AMELIA GROUP, LLC	9990243104	9990243104	257008	838209	20061204	10.17	0	2006	12	0	1
GORE, MARK	9990243748	9990243748	257009	838210	20061204	49.22	0	2006	12	0	1
PAGONA, ERIC	9990244243	9990244243	257010	838211	20061204	68.66	0	2006	12	0	1
SANTIZO, HUSAI	9990246791	9990246791	257014	838215	20061204	107.56	0	2006	12	0	1
THORSSON, DAKARR M	9990249050	9990249050	257017	838218	20061204	33.78	0	2006	12	0	1
HIGH TECH ENGINEERING, INC	41759	41759	257058	839612	20061207	45943	0	2006	12	0	1
MIDRANGE SUPPORT & SERVICE INC	47884	47884	257066	839640	20061207	15643.52	0	2006	12	0	1
EVOK ADVERTISING & DESIGN, INC	53169	53169	257070	839654	20061207	24488.92	0	2006	12	0	1
PIPER-MORGAN ASSOCIATES	66490	66490	257088	839714	20061207	10950	0	2006	12	0	1
ACE MARKING DEVICES	1178	1178	257101	839439	20061207	91	0	2006	12	0	1
OFFICE DEPOT CREDIT PLAN	9786	9786	257162	839514	20061207	178.55	0	2006	12	0	1
CHAMBER OF COMMERCE OF THE	15958	15958	257182	839539	20061207	1430	0	2006	12	0	1
THOMPSON TRACTOR CO INC	35788	35788	257218	839586	20061207	99 59	0	2006	12	0	1
THE MAILING EXPERTS INC	53484	53484	257272	839657	20061207	1285	0	2006	12	0	1
GRILL & HEARTH INC	54317	54317	257274	839659	20061207	100	0	2006	12	0	1
MCPHERSON PEST CONTROL	55556	55556	257281	839666	20061207	32.25	0	2006	12	0	1
CONGRESS AUTO PARTS STORE #5	60547	60547	257294	839688	20061207	1190.47	0	2006	12	0	1
PAT'S LP GAS	55612	55612	257400	840177	20061211	325	0	2006	12	0	1
DEBRA MCCARTHY	68051	68051	257411	840190	20061211	180	0	2006	12	2	2
POLYPLASTICS INC.	9990097250	9990097250	257412	840774	20061212	3396.68	0	2006	12	0	1
FPL Energy Services, Inc.	9990142527	9990142527	257413	840780	20061212	99565 55	0	2006	12	0	1
NATH MIAMI FRANCHISE GROUP	9990002461	9990002461	257416	840755	20061212	657 79	0	2006	12	0	1
MARVIN, ELIZABETH	9990008288	9990008288	257417	840756	20061212	27 16	0	2006	12	0	1
BROWN, VINCENT	9990018084	9990018084	257419	840758	20061212	331 7	0	2006	12	0	1
JERNIGAN, SARA S	9990027930	9990027930	257420	840759	20061212	6.64	0	2006	12	0	1
LIVINGSTON, ED	9990054522	9990054522	257425	840764	20061212	123.57	0	2006	12	0	1
POLLOCK, NICHOLAS D	9990059512	9990059512	257426	840765	20061212	22.05	0	2006	12	0	1
COURSON, EUGENE	9990062176	9990062176	257427	840766	20061212	18.55	0	2006	12	0	1
ROSENBERG JAMES H	9990072061	9990072061	257428	840767	20061212	63 89	0	2006	12	0	1
CRAWFORD, JOHN	9990081852	9990081852	257430	840769	20061212	239 63	0	2006	12	0	1
STILLWELL, HAROLD	9990087771	9990087771	257431	840770	20061212	78 39	0	2006	12	0	1
CLOWER, DAN	9990099017	9990099017	257435	840775	20061212	165 08	0	2006	12	0	1
CZAIKOWSKI, HENRY	9990110346	9990110346	257436	840776	20061212	37 9	0	2006	12	0	1
TOOMBS, LENNORIS	9990114542	9990114542	257437	840777	20061212	111.93	0	2006	12	0	1
JONSSON, SAVAR	9990121438	9990121438	257439	840779	20061212	32.96	0	2006	12	0	1
SLONIN, JOSEPH	9990151247	9990151247	257440	840782	20061212	20 92	0	2006	12	0	1
PRICE, ROSALIE E	9990151813	9990151813	257441	840783	20061212	35.02	0	2006	12	0	1
DERY, RONALD	9990152500	9990152500	257442	840784	20061212	1 15	0	2006	12	0	1
KNITTEL, ED	9990153505	9990153505	257443	840785	20061212	4 4	0	2006	12	0	1
SHEFFIELD RENTAL	9990153691	9990153691	257444	840786	20061212	2.24	0	2006	12	0	1
THE PELICAN ASSOC	9990162527	9990162527	257446	840788	20061212	1041	0	2006	12	0	1
CHOPIN, FRANK	9990179189	9990179189	257449	840791	20061212	10.44	0	2006	12	0	1
TURNER, PATRICIA E	9990187017	9990187017	257450	840792	20061212	143.72	0	2006	12	0	1
DEYESSO, WILLIAM M	9990187243	9990187243	257451	840793	20061212	30.69	0	2006	12	0	1
WHEATLEY, CLAUDETTE P	9990192915	9990192915	257452	840794	20061212	14.24	0	2006	12	0	1
MULLIN, PATRICK A	9990199067	9990199067	257454	840796	20061212	51.1	0	2006	12	0	1
CANTON, DEBORAH J	9990213545	9990213545	257461	840803	20061212	14.99	0	2006	12	0	1
CUEVAS, FLOR D	9990218315	9990218315	257465	840807	20061212	10.8	0	2006	12	0	1
JOHNSON, JACQUELINE J	9990219160	9990219160	257466	840808	20061212	52.68	0	2006	12	0	1
DEJESUS, ELIAS	9990220267	9990220267	257467	840809	20061212	17.47	0	2006	12	0	1
CLARK, TRACI	9990220473	9990220473	257468	840810	20061212	14 71	0	2006	12	0	1
LYTLE, KELLY A	9990220582	9990220582	257469	840811	20061212	23 38	0	2006	12	0	1
PRELEC, MICHAEL	9990222909	9990222909	257471	840813	20061212	109 09	0	2006	12	0	1
CLAROS, ROMY	9990223685	9990223685	257473	840815	20061212	15.55	0	2006	12	0	1
WIESNER, FRANTISEK	9990224632	9990224632	257476	840818	20061212	154.56	0	2006	12	0	1
JANISKI, HARRY A	9990228256	9990228256	257479	840821	20061212	16.76	0	2006	12	0	1
BELLEAU, MICHAEL N	9990232606	9990232606	257483	840825	20061212	15.57	0	2006	12	0	1
GATLING, JOHN M	9990234330	9990234330	257485	840827	20061212	176.2	0	2006	12	0	1
KAMPF, CHARLES	9990234630	9990234630	257487	840829	20061212	54 48	0	2006	12	0	1
DOWELL, MARK	9990234678	9990234678	257488	840830	20061212	78.38	0	2006	12	0	1
DEPAUL III, DONALD J	9990238019	9990238019	257492	840834	20061212	24.2	0	2006	12	0	1
ELLIOTT, SPENCER J	9990238790	9990238790	257497	840839	20061212	89.69	0	2006	12	0	1
PAULINO, ARMANLDO	9990241468	9990241468	257504	840846	20061212	23.27	0	2006	12	0	1
TORRES, SALVADOR	9990242525	9990242525	257507	840849	20061212	63 49	0	2006	12	0	1
WYNN, JENNIFER	9990243481	9990243481	257508	840851	20061212	43 15	0	2006	12	0	1
GARRIDO, ROSA E	9990246067	9990246067	257517	840860	20061212	44.99	0	2006	12	0	1
FLOWERS III, WILLIAM E	9990246177	9990246177	257518	840861	20061212	88.78	0	2006	12	0	1
TAYLOR SR, MARVIN K	9990247043	9990247043	257520	840863	20061212	17 95	0	2006	12	0	1
ESPINOZA, CASTO A	9990247806	9990247806	257522	840865	20061212	52 23	0	2006	12	0	1
YEZEKYAN, ERICA S	9990251361	9990251361	257525	840868	20061212	8 64	0	2006	12	0	1
MASHECK, RANCE	9990253468	9990253468	257528	840871	20061212	4.93	0	2006	12	0	1
RADFORD, LORRAINE	9990253857	9990253857	257529	840872	20061212	24.04	0	2006	12	0	1
SPANO, CATHY	9990254415	9990254415	257530	840873	20061212	78.31	0	2006	12	0	1
AVILES, JESUS M	9990254895	9990254895	257531	840874	20061212	125 1	0	2006	12	0	1
CHARLES SHELTON	1450	1450	257532	841971	20061214	4290 88	0	2006	12	0	1
JACKSONVILLE ELECTRIC	2584	2584	257534	841976	20061214	1083557 94	0	2006	12	0	1
PALM BEACH COUNTY	29663	29663	257537	842005	20061214	18324 4	0	2006	12	0	1
BELLSOUTH LONG DISTANCE	53099	53099	257539	842030	20061214	2512.86	0	2006	12	0	1
JONATHAN FOWLER	2884	2884	257556	841981	20061214	57	0	2006	12	0	1
PALM BEACH COUNTY	29663	29663	257577	842004	20061214	295 35	0	2006	12	0	1
HENRY R. HIGGINBOTHAM	44468	44468	257590	842018	20061214	1000	0	2006	12	0	1
EMBARQ	65783	65783	257614	842046	20061214	48.98	0	2006	12	0	1
LYNNE ANDERSON	68345	68345	257619	842052	20061214	100	0	2006	12	0	1
CHARLES VANNOSTRAN	68352	68352	257620	842053	20061214	100	0	2006	12	0	1
RUTH DINKINS	68359	68359	257621	842054	20061214	100	0	2006	12	0	1
CARTER FLETCHER	68366	68366	257622	842055	20061214	100	0	2006	12	0	1

EUGENE DUNN	68415	68415	257626	842060	20061214	350	0	2006	12 0	1
GEORGE GOEHNER	68422	68422	257627	842061	20061214	450	0	2006	12 0	1
THOMAS CARPELLOTTI	68450	68450	257631	842065	20061214	350	0	2006	12 0	1
ROBERT MULAC	68478	68478	257635	842069	20061214	100	0	2006	12 0	1
CHRISTINE MINTZ	68485	68485	257636	842070	20061214	100	0	2006	12 0	1
KEITH GERMARTZ	68499	68499	257638	842072	20061214	100	0	2006	12 0	1
PALM BEACH TOYOTA	68625	68625	257643	842077	20061214	1000	0	2006	12 0	1
JEFFERSON SMURFIT CORPORATION	16800	16800	257645	842354	20061218	9063	0	2006	12 0	1
MARTHA S. GARVIN	42998	42998	257648	842370	20061218	2920	0	2006	12 0	1
EVOK ADVERTISING & DESIGN, INC	53169	53169	257649	842378	20061218	51935.61	0	2006	12 0	1
KIM LEISURE	2694	2694	257655	842338	20061218	492 62	0	2006	12 0	1
MARIANNA OFFICE SUPPLY	2808	2808	257656	842339	20061218	634 72	0	2006	12 0	1
LIBERTY JOURNAL INC	11179	11179	257667	842351	20061218	50	0	2006	12 0	1
SEA COAST GROUP	34346	34346	257677	842363	20061218	837.25	0	2006	12 0	1
ALAN ZELENAK	45420	45420	257685	842373	20061218	350	0	2006	12 0	1
TECO PARTNERS	48262	48262	257687	842375	20061218	1498.4	0	2006	12 0	1
VERIZON WIRELESS	60127	60127	257692	842383	20061218	1539.41	0	2006	12 0	1
DONALD JOHNSON	68555	68555	257695	842386	20061218	100	0	2006	12 0	1
MORGAN MORGANELLI	68562	68562	257696	842387	20061218	100	0	2006	12 0	1
THERESA ORYL	68569	68569	257697	842388	20061218	350	0	2006	12 0	1
CHERI GARCIA	68583	68583	257698	842389	20061218	350	0	2006	12 0	1
JAMES FLYNN	68597	68597	257700	842391	20061218	85	0	2006	12 0	1
BARBARA JOHNSON	68604	68604	257701	842392	20061218	770	0	2006	12 0	1
W R. APPLEGATE	68618	68618	257703	842394	20061218	350	0	2006	12 0	1
NORTH FORK PARTNERS INC	9990247531	9990247531	257704	843161	20061218	4022 12	0	2006	12 0	1
LEWIS, DARLENE L	9990008811	9990008811	257707	843003	20061218	26.6	0	2006	12 0	1
DUNHAM, GLEN	9990024067	9990024067	257710	843006	20061218	10 06	0	2006	12 0	1
HUBBARD, THERESA E	9990024696	9990024696	257711	843007	20061218	47 75	0	2006	12 0	1
SMITH, CHARLES E	9990040742	9990040742	257712	843008	20061218	42.49	0	2006	12 0	1
LESLYNN MOTEL & APTS	9990052623	9990052623	257713	843009	20061218	109.14	0	2006	12 0	1
NEW YORK BAR & GRILL	9990056512	9990056512	257714	843010	20061218	260.94	0	2006	12 0	1
JONAS, JOY K	9990072791	9990072791	257716	843012	20061218	82.04	0	2006	12 0	1
FUNDERBURK, JEFF	9990075758	9990075758	257717	843013	20061218	23 41	0	2006	12 0	1
LORIOL, ALBERT	9990084095	9990084095	257719	843015	20061218	32 38	0	2006	12 0	1
ATHLETIC DIE CO INC	9990088782	9990088782	257721	843017	20061218	145 36	0	2006	12 0	1
CHANTECLAIR VILLAS	9990103883	9990103883	257723	843019	20061218	67.09	0	2006	12 0	1
KASSAR, RAYMOND	9990107910	9990107910	257725	843021	20061218	158.4	0	2006	12 0	1
MOORE, CAROL A	9990111560	9990111560	257727	843023	20061218	84.05	0	2006	12 0	1
BARONE, SAM	9990117483	9990117483	257728	843024	20061218	191.23	0	2006	12 0	1
GENEVA INN INC	9990126916	9990126916	257729	843025	20061218	206 47	0	2006	12 0	1
REP JOYCE CUSACK	9990137224	9990137224	257731	843027	20061218	103 5	0	2006	12 0	1
GREENBERG, STEVEN R	9990145904	9990145904	257732	843028	20061218	102 02	0	2006	12 0	1
DAVIS, JACQUELINE K	9990147194	9990147194	257733	843029	20061218	22 29	0	2006	12 0	1
VARUGHESE, SHIBU	9990154821	9990154821	257735	843031	20061218	64 53	0	2006	12 0	1
RENEE CLEANERS	9990155369	9990155369	257736	843032	20061218	1138.8	0	2006	12 0	1
BRYANT, VERONICA J	9990159372	9990159372	257737	843033	20061218	13.79	0	2006	12 0	1
LAWS, EDITH	9990161090	9990161090	257738	843034	20061218	50.5	0	2006	12 0	1
KELLY, WILLIAM J	9990162228	9990162228	257739	843035	20061218	29 59	0	2006	12 0	1
THE PELICAN ASSOC	9990162527	9990162527	257740	843036	20061218	622 4	0	2006	12 0	1
DISANO JR, JOSEPH J	9990168047	9990168047	257741	843037	20061218	4 01	0	2006	12 0	1
ANDINO, CLAUDIA	9990178022	9990178022	257742	843038	20061218	30.49	0	2006	12 0	1
WOOSLEY, MICHAEL	9990189143	9990189143	257744	843040	20061218	45.62	0	2006	12 0	1
AUSTIN, WENDY A	9990189699	9990189699	257745	843041	20061218	75.75	0	2006	12 0	1
THE BAILEY BOYS INC	9990191116	9990191116	257746	843042	20061218	248.98	0	2006	12 0	1
SANDERS, IDA	9990192567	9990192567	257747	843043	20061218	143.92	0	2006	12 0	1
ALEXANDER, SARA M	9990193343	9990193343	257748	843044	20061218	19.45	0	2006	12 0	1
MILLER, STEPHANIE A	9990193778	9990193778	257749	843045	20061218	51.79	0	2006	12 0	1
KIELY, KIMBERY Z	9990200254	9990200254	257750	843046	20061218	14 08	0	2006	12 0	1
HUETT, RICKY D	9990204334	9990204334	257752	843048	20061218	48.02	0	2006	12 0	1
PERSICO, MAGDALENA	9990204985	9990204985	257753	843049	20061218	25.55	0	2006	12 0	1
BURKHARDT, JASON T	9990205277	9990205277	257754	843050	20061218	45.05	0	2006	12 0	1
HOPKINS, LARRA M	9990206072	9990206072	257756	843052	20061218	42.32	0	2006	12 0	1
RENBERG, JAMES	9990206530	9990206530	257757	843053	20061218	42.81	0	2006	12 0	1
DESAYE, ERNEST A	9990208197	9990208197	257758	843054	20061218	49 21	0	2006	12 0	1
FURNO, KEVIN M	9990208486	9990208486	257759	843055	20061218	24 47	0	2006	12 0	1
WOMBLE, JOHN C	9990210303	9990210303	257760	843056	20061218	18 45	0	2006	12 0	1
BROWDE, MARYLIN	9990212025	9990212025	257761	843057	20061218	16.01	0	2006	12 0	1
JONES, RAY	9990212039	9990212039	257762	843058	20061218	12.97	0	2006	12 0	1
TUZEO, MICHAEL	9990212345	9990212345	257763	843059	20061218	62.71	0	2006	12 0	1
SOSA, CHERI L	9990214163	9990214163	257764	843060	20061218	38.53	0	2006	12 0	1
MCGILL, EVELYN H	9990215066	9990215066	257765	843061	20061218	176.97	0	2006	12 0	1
WHITE, MILDRED L	9990217634	9990217634	257767	843063	20061218	20 95	0	2006	12 0	1
BRAVO, JOHANN A	9990217725	9990217725	257768	843064	20061218	40.86	0	2006	12 0	1
GAY VU, LISA	9990218330	9990218330	257769	843065	20061218	9.99	0	2006	12 0	1
SILVA, LUIS	9990219698	9990219698	257771	843067	20061218	1 62	0	2006	12 0	1
POLASTRI, PABLO E	9990219956	9990219956	257772	843068	20061218	97.4	0	2006	12 0	1
ARNETT, LATOYIA	9990220238	9990220238	257775	843071	20061218	24 13	0	2006	12 0	1
CLAXTON, EDDIE	9990225430	9990225430	257778	843074	20061218	134 38	0	2006	12 0	1
BONNEAU, WILLIAM L	9990226859	9990226859	257781	843077	20061218	28 1	0	2006	12 0	1
ARCE, EDUARDO A	9990226890	9990226890	257782	843078	20061218	6 58	0	2006	12 0	1
DEMESTRE JR., JAMES	9990227827	9990227827	257783	843079	20061218	49.63	0	2006	12 0	1
FRANTZ, EMILY	9990228801	9990228801	257785	843081	20061218	73.91	0	2006	12 0	1
REED, MARY ELLEN	9990229058	9990229058	257786	843082	20061218	74	0	2006	12 0	1
GUERRERO, MOISES P	9990229419	9990229419	257787	843083	20061218	61 23	0	2006	12 0	1
COAN, JAMES T	9990229547	9990229547	257788	843084	20061218	55 36	0	2006	12 0	1
WHORL, CHARLES T	9990231154	9990231154	257792	843088	20061218	48 8	0	2006	12 0	1
VELASQUEZ, RUBEN D	9990231343	9990231343	257793	843089	20061218	132.9	0	2006	12 0	1
GLOVER, SHANDRA F	9990231468	9990231468	257794	843090	20061218	77 15	0	2006	12 0	1
MILLICAN, LISA	9990232509	9990232509	257796	843092	20061218	32	0	2006	12 0	1
KIDD, TODD	9990233566	9990233566	257800	843096	20061218	19 29	0	2006	12 0	1
CHRISTINA, DOMENICIHELLO A	9990233745	9990233745	257801	843097	20061218	19.49	0	2006	12 0	1
YOUSSEF, NADER	9990234939	9990234939	257803	843099	20061218	29	0	2006	12 0	1
JOSEPH, CELIA C	9990235073	9990235073	257804	843100	20061218	4.08	0	2006	12 0	1
NASTA, BRENDAN	9990235693	9990235693	257807	843103	20061218	7 85	0	2006	12 0	1
CHOU, HUANG J	9990236001	9990236001	257809	843105	20061218	46 85	0	2006	12 0	1
LILLY, JESSIKA L	9990236877	9990236877	257811	843107	20061218	73 58	0	2006	12 0	1
THOMAS, SHARONICA C	9990237568	9990237568	257814	843110	20061218	157.81	0	2006	12 0	1
POWELL, JENNIFER C	9990238718	9990238718	257816	843112	20061218	49.6	0	2006	12 0	1
YOUNG, NATHAN A	9990239050	9990239050	257817	843113	20061218	66.74	0	2006	12 0	1
HARBIN, JAMES	9990239400	9990239400	257818	843114	20061218	120 41	0	2006	12 0	1
FROEMSDORF, JOANNA D	9990239439	9990239439	257819	843115	20061218	36 01	0	2006	12 0	1
WOODWARD, AILEEN	9990239549	9990239549	257821	843117	20061218	19 33	0	2006	12 0	1
LEWIS, TEISA	9990239569	9990239569	257822	843118	20061218	31.41	0	2006	12 0	1
GIBSON, KELLY	9990240622	9990240622	257828	843124	20061218	196.61	0	2006	12 0	1
ROGIC, TOMISLAV	9990240839	9990240839	257831	843127	20061218	94.27	0	2006	12 0	1

PRINCE KELLEY	9990241736	9990241736	257832	843128	20061218	70 66	0	2006	12 0	1
RIVERA, JESSICA V	9990242549	9990242549	257837	843133	20061218	40.96	0	2006	12 0	1
ALCORN, MARGARET	9990242676	9990242676	257838	843134	20061218	55.69	0	2006	12 0	1
BURKE, BRIAN	9990243309	9990243309	257839	843135	20061218	77.38	0	2006	12 0	1
BURTON, KEVIN W	9990243317	9990243317	257840	843136	20061218	5.35	0	2006	12 0	1
RUIZ, FREDDY A	9990244204	9990244204	257841	843137	20061218	11.72	0	2006	12 0	1
MCCABE, MICHAEL J	9990244527	9990244527	257843	843139	20061218	42.38	0	2006	12 0	1
ISACKSON, SHERRY	9990245130	9990245130	257845	843141	20061218	20.62	0	2006	12 0	1
ES BONEY & ASSOC., INC.	9990245529	9990245529	257847	843143	20061218	12.53	0	2006	12 0	1
BABINEC, MARK	9990245587	9990245587	257848	843144	20061218	59.72	0	2006	12 0	1
HAGAN, RANDALL K	9990246203	9990246203	257853	843149	20061218	95.17	0	2006	12 0	1
BURNETT, WENDYLEE	9990246385	9990246385	257855	843151	20061218	27.47	0	2006	12 0	1
LOWINGER, LORI	9990246581	9990246581	257856	843152	20061218	26.71	0	2006	12 0	1
MCGIMSEY, ASHLEY	9990246709	9990246709	257857	843153	20061218	20.02	0	2006	12 0	1
SMITH, CANDICE F	9990247072	9990247072	257860	843156	20061218	96.82	0	2006	12 0	1
LUCHEY, ANDREW	9990247076	9990247076	257861	843157	20061218	54.01	0	2006	12 0	1
MONTEJO, ENRIQUE C	9990247198	9990247198	257862	843158	20061218	57.43	0	2006	12 0	1
HOLME, CARL	9990247331	9990247331	257863	843159	20061218	49.41	0	2006	12 0	1
STARLING, GINGER L	9990247579	9990247579	257865	843162	20061218	31.37	0	2006	12 0	1
MOSTER, MARK L	9990247826	9990247826	257867	843164	20061218	24.78	0	2006	12 0	1
WILSON, BRANDY C	9990248317	9990248317	257869	843166	20061218	7.5	0	2006	12 0	1
RUIZ, MIGUEL A	9990248323	9990248323	257870	843167	20061218	25.94	0	2006	12 0	1
REESE, LAURA	9990248769	9990248769	257871	843168	20061218	11.23	0	2006	12 0	1
SILVA, BEATRIZ H	9990249599	9990249599	257875	843172	20061218	18 81	0	2006	12 0	1
MARTIN, TIMOTHY J	9990249671	9990249671	257876	843173	20061218	129.97	0	2006	12 0	1
BENNETT, STEPHANIE P	9990249763	9990249763	257877	843174	20061218	39 16	0	2006	12 0	1
GILYARD, COURTNEY C	9990249962	9990249962	257878	843175	20061218	7 04	0	2006	12 0	1
DEMOURA, SYLVIA	9990251384	9990251384	257884	843181	20061218	87 96	0	2006	12 0	1
KHEMANI, LISA M	9990251558	9990251558	257885	843182	20061218	170.92	0	2006	12 0	1
ORTEGA, JAVIER	9990252322	9990252322	257886	843183	20061218	178.68	0	2006	12 0	1
PINDER, EDITH S	9990253758	9990253758	257891	843188	20061218	24.37	0	2006	12 0	1
PERKINS, RANDY E	9990253911	9990253911	257892	843189	20061218	84.17	0	2006	12 0	1
WOODRUFF, CAROLYN	9990253926	9990253926	257894	843191	20061218	189.89	0	2006	12 0	1
ANYA LLC	9990253942	9990253942	257895	843192	20061218	9 89	0	2006	12 0	1
ALBA, CESAR E	9990254219	9990254219	257896	843193	20061218	93 2	0	2006	12 0	1
REO FLORIDA ACCOUNTS INC	9990254458	9990254458	257897	843194	20061218	30 33	0	2006	12 0	1
CITY OF LAKE WORTH	4191	4191	257904	843424	20061219	10389.61	0	2006	12 0	1
TOWN OF LONGWOOD	4319	4319	257911	843434	20061219	3335 34	0	2006	12 0	1
CITY OF DELTONA	13713	13713	257919	843453	20061219	6559 82	0	2006	12 0	1
SEMINOLE COUNTY FINANCE DEPT	30058	30058	257922	843459	20061219	2990 2	0	2006	12 0	1
CITY OF LAUDERHILL	45938	45938	257923	843467	20061219	3071 78	0	2006	12 0	1
TOWN OF MANGONIA PARK	4183	4183	257926	843423	20061219	175 85	0	2006	12 0	1
CITY OF WINTER SPRINGS	4301	4301	257928	843432	20061219	27.4	0	2006	12 0	1
CITY OF WINTER SPRINGS	4301	4301	257929	843433	20061219	2483.05	0	2006	12 0	1
ALTHA	4343	4343	257931	843437	20061219	1840.96	0	2006	12 0	1
TOWN OF BASCOM	4351	4351	257932	843438	20061219	146.75	0	2006	12 0	1
TOWN OF MANALAPAN	8070	8070	257937	843446	20061219	568.37	0	2006	12 0	1
TOWN OF DAVIE	45952	45952	257952	843469	20061219	86.56	0	2006	12 0	1
CITY OF FT. LAUDERDALE	45980	45980	257955	843473	20061219	170 88	0	2006	12 0	1
CITY OF PEMBROKE PINES	47429	47429	257958	843476	20061219	21.22	0	2006	12 0	1
TOWN OF INGLIS	49942	49942	257960	843478	20061219	290.9	0	2006	12 0	1
CITY OF ORLANDO OFFICE OF	60575	60575	257967	843485	20061219	13.11	0	2006	12 0	1
TARA HILL	2695	2695	257970	844318	20061221	2908.78	0	2006	12 0	1
TOPLINE PRINTING & GRAPHICS	41551	41551	257976	844369	20061221	2675.83	0	2006	12 0	1
ATLANTIC UTILITIES ENTERPRISE,	42291	42291	257977	844371	20061221	9620.64	0	2006	12 0	1
ATLANTIC UTILITIES ENTERPRISE,	42291	42291	257978	844372	20061221	3027 46	0	2006	12 0	1
LEDGENT & LEDGENT SEARCH GROUP	58244	58244	257981	844392	20061221	2517 69	0	2006	12 0	1
COSTCO WHOLESALE CORP	68653	68653	257983	844410	20061221	11451 48	0	2006	12 0	1
ADDISON RESERVE COUNTRY CLUB	68660	68660	257984	844411	20061221	13095	0	2006	12 0	1
LAMP SALES UNLIMITED	68667	68667	257985	844412	20061221	3001 6	0	2006	12 0	1
LORIN MRACHECK	68695	68695	257986	844416	20061221	3954 56	0	2006	12 0	1
BROOKFIELD BUILDERS INC	68723	68723	257987	844420	20061221	3956	0	2006	12 0	1
PALM BEACH KENNEL CLUB	68737	68737	257988	844422	20061221	3430	0	2006	12 0	1
THE BURTON CONSULTING COMPANY	68793	68793	257989	844428	20061221	4567.5	0	2006	12 0	1
INTERSTATE PROPERTIES LLC	9990173172	9990173172	257990	844435	20061221	2898.19	0	2006	12 0	1
I B.E.W. LOCAL 1924	161	161	257992	844311	20061221	424.7	0	2006	12 0	1
CULLIGAN WATER CONDITIONING CO	1323	1323	257993	844312	20061221	34.85	0	2006	12 0	1
INTERNATIONAL CHEMICAL WORKERS	2516	2516	257997	844316	20061221	1100	0	2006	12 0	1
WAYNE C BONN	2563	2563	257998	844317	20061221	465.18	0	2006	12 0	1
NICOLE KROL	2847	2847	258000	844320	20061221	492.23	0	2006	12 0	1
PITNEY BOWES	3199	3199	258002	844322	20061221	120.99	0	2006	12 0	1
STUART C IRBY CO	3675	3675	258004	844324	20061221	459.42	0	2006	12 0	1
JACK BROWN	3720	3720	258005	844326	20061221	1215	0	2006	12 0	1
FLORIDA TRANSFORMER INC	4081	4081	258006	844327	20061221	24	0	2006	12 0	1
CITY OF FERNANDINA BEACH	4378	4378	258007	844328	20061221	237 19	0	2006	12 0	1
GLOBAL EQUIPMENT CO	4515	4515	258008	844329	20061221	47 43	0	2006	12 0	1
ACCOUNTEMPS	4669	4669	258009	844330	20061221	517 98	0	2006	12 0	1
HOME DEPOT	6818	6818	258011	844333	20061221	29 63	0	2006	12 0	1
FLORIDA PUBLIC UTILITIES CO	6891	6891	258012	844334	20061221	1006 87	0	2006	12 0	1
SIR SPEEDY	11711	11711	258015	844338	20061221	500 49	0	2006	12 0	1
DIANE M. MATOUSEK	11795	11795	258016	844339	20061221	285 15	0	2006	12 0	1
RAHAL CHEVROLET-BUICK INC	12116	12116	258017	844340	20061221	651 4	0	2006	12 0	1
LEE & CATES GLASS, INC	12511	12511	258018	844341	20061221	691.69	0	2006	12 0	1
BELLSOUTH	12607	12607	258019	844342	20061221	837 76	0	2006	12 0	1
CITY OF RIVIERA BEACH	13160	13160	258021	844344	20061221	50	0	2006	12 0	1
NASSAU EQUIPMENT, INC.	15323	15323	258023	844346	20061221	23 48	0	2006	12 0	1
GE SUPPLY	19138	19138	258026	844349	20061221	1798 43	0	2006	12 0	1
THE ORLANDO SENTINEL	20230	20230	258027	844351	20061221	29	0	2006	12 0	1
DOTTIE "B" FLORIST	25443	25443	258029	844353	20061221	112.35	0	2006	12 0	1
M A B PAINTS	27617	27617	258030	844354	20061221	522.51	0	2006	12 0	1
ALLTEL	32162	32162	258032	844356	20061221	2260 12	0	2006	12 0	1
WASTE MANAGEMENT OF DOTHAN	32316	32316	258033	844357	20061221	211 65	0	2006	12 0	1
J J. KELLER & ASSOCIATES, INC	33212	33212	258034	844358	20061221	135.56	0	2006	12 0	1
CITY OF LONGWOOD	39561	39561	258039	844363	20061221	190	0	2006	12 0	1
BELLSOUTH ADVERTISING AND	40058	40058	258040	844364	20061221	517	0	2006	12 0	1
SANFORD HISTORIC TRUST, INC	40781	40781	258042	844367	20061221	570	0	2006	12 0	1
CINGULAR WIRELESS	41607	41607	258044	844370	20061221	308 45	0	2006	12 0	1
US DEPT OF EDUCATION	43271	43271	258045	844373	20061221	171	0	2006	12 0	1
MARIECO, INC	43649	43649	258046	844374	20061221	1697.91	0	2006	12 0	1
I B.E.W LOCAL UNION 2152	43964	43964	258047	844375	20061221	320	0	2006	12 0	1
NORTHEAST FLORIDA SAFETY	45399	45399	258050	844378	20061221	585	0	2006	12 0	1
SHEEHAN'S TOWING, INC	47338	47338	258053	844381	20061221	211	0	2006	12 0	1
OMEGA RAIL MANAGEMENT	51265	51265	258055	844383	20061221	50	0	2006	12 0	1
EVOK ADVERTISING & DESIGN, INC	53169	53169	258056	844385	20061221	1137.12	0	2006	12 0	1
CLASSIC ZUKERMAN HOMES	54415	54415	258058	844387	20061221	1005.01	0	2006	12 0	1

PIONEER PEST SERVICES INC	56326	56326	258059	844389	20061221	29.82	0	2006	12	0	1
J&J SCHMIDT FAMILY LIMITED	60204	60204	258063	844394	20061221	1065	0	2006	12	0	1
CONGRESS AUTO PARTS STORE #5	60547	60547	258064	844395	20061221	320.02	0	2006	12	0	1
PARAMOUNT IBIS LLC	62402	62402	258065	844397	20061221	1040	0	2006	12	0	1
SANFIEL SEPTIC SPEEDY ROOTER	62899	62899	258066	844398	20061221	1350	0	2006	12	0	1
R.H. DONNELLEY	63095	63095	258067	844399	20061221	1425.8	0	2006	12	0	1
PUBLIX EMPLOYEE FEDERAL	66385	66385	258072	844404	20061221	76.24	0	2006	12	0	1
AMERICAN MESSAGING	66630	66630	258073	844405	20061221	164.9	0	2006	12	0	1
ROSALYNN AUSTIN	67029	67029	258074	844406	20061221	392.31	0	2006	12	0	1
DEBRA MCCARTHY	68051	68051	258076	844408	20061221	350	0	2006	12	0	1
HETTIE WILLIAMS	68632	68632	258077	844409	20061221	100	0	2006	12	0	1
RONALD BORICK	68674	68674	258078	844413	20061221	622.66	0	2006	12	0	1
JOHN LINKEY	68681	68681	258079	844414	20061221	350	0	2006	12	0	1
TED BROWNSTEIN	68688	68688	258080	844415	20061221	622	0	2006	12	0	1
JACK BYRD	68702	68702	258081	844417	20061221	350	0	2006	12	0	1
DELRAY OCEAN ESTATES	68709	68709	258082	844418	20061221	452	0	2006	12	0	1
150 DUNBAR ROAD INC	68716	68716	258083	844419	20061221	500	0	2006	12	0	1
SEPPALA CORPORATION	68730	68730	258084	844421	20061221	602.93	0	2006	12	0	1
ALLEN MILLER	68744	68744	258085	844423	20061221	1487.87	0	2006	12	0	1
ADDISON DEVELOPMENT CORP	68751	68751	258086	844424	20061221	290.8	0	2006	12	0	1
JILL KAUFMAN	68772	68772	258088	844426	20061221	350	0	2006	12	0	1
STEPHEN O'REILLY	68800	68800	258090	844429	20061221	138	0	2006	12	0	1
IVAN MULLENIX	68807	68807	258091	844430	20061221	800	0	2006	12	0	1
DALE DUCKWORTH	68814	68814	258092	844431	20061221	365	0	2006	12	0	1
J.F. BRENNAN	68821	68821	258093	844432	20061221	12.16	0	2006	12	0	1
STEAK AND SHAKE INC	9990133658	9990133658	258094	844433	20061221	91.37	0	2006	12	0	1
HITT, PAUL J	9990145208	9990145208	258095	844434	20061221	414.37	0	2006	12	0	1
DONHAN, JOHN	9990178938	9990178938	258096	844436	20061221	1115	0	2006	12	0	1
COOPER, TL	9990232416	9990232416	258097	844437	20061221	73.12	0	2006	12	0	1
GAHAN, DIANE E	9990238409	9990238409	258099	844439	20061221	77.21	0	2006	12	0	1
FERONY, WILLIAM P	9990241973	9990241973	258100	844440	20061221	51 97	0	2006	12	0	1
CAROL TOMLINSON DBA	9990003383	9990003383	258101	844924	20061226	27.4	0	2006	12	0	1
RILEY, AMIE	9990009086	9990009086	258102	844925	20061226	7.79	0	2006	12	0	1
BEASLEY, VERONICA D	9990009228	9990009228	258103	844926	20061226	23	0	2006	12	0	1
MCCRANIE AND ASSOC INC	9990010853	9990010853	258104	844927	20061226	5.84	0	2006	12	0	1
BREITENBECK, GREGORY A	9990014096	9990014096	258105	844928	20061226	368	0	2006	12	0	1
NEWSOME, LISA	9990038001	9990038001	258106	844929	20061226	16 83	0	2006	12	0	1
BECKOWITZ, JOHN S	9990040401	9990040401	258107	844930	20061226	32 39	0	2006	12	0	1
PALM BEACH INSTITUTE	9990045948	9990045948	258108	844931	20061226	337 67	0	2006	12	2	2
BLAIR, CARY	9990050348	9990050348	258109	844932	20061226	38 34	0	2006	12	0	1
40 AND 8 VOITURE 290	9990051927	9990051927	258110	844933	20061226	24.1	0	2006	12	0	1
MOORE, EILEEN	9990068821	9990068821	258111	844934	20061226	8 74	0	2006	12	0	1
FLOWERS, ROBERT A	9990078167	9990078167	258112	844935	20061226	32.26	0	2006	12	0	1
ESPOSITO, RAE C	9990080397	9990080397	258113	844936	20061226	14.34	0	2006	12	0	1
MANGIAPANE, DENISE	9990085880	9990085880	258114	844937	20061226	64.93	0	2006	12	0	1
THOMAS, WILLIAM S	9990104295	9990104295	258115	844938	20061226	211.28	0	2006	12	0	1
WARREN, JAMES A	9990107286	9990107286	258116	844939	20061226	15.49	0	2006	12	0	1
BURCH, SUSAN	9990113879	9990113879	258117	844940	20061226	1010.58	0	2006	12	0	1
BURCH, ROBERT	9990113880	9990113880	258118	844941	20061226	45 93	0	2006	12	0	1
MOSLEY, DELORES	9990116020	9990116020	258119	844942	20061226	150 33	0	2006	12	0	1
LAUGHLIN, JANE A	9990118784	9990118784	258120	844943	20061226	29 32	0	2006	12	0	1
KNAC LIMITED LIABILITY CO	9990119992	9990119992	258121	844944	20061226	210 81	0	2006	12	0	1
GLENNY, PATRICK	9990140119	9990140119	258122	844945	20061226	17.24	0	2006	12	0	1
STIMMLER, GENE C	9990140708	9990140708	258123	844946	20061226	254.12	0	2006	12	0	1
ALEXIS, FOUMANN	9990145300	9990145300	258124	844947	20061226	29.26	0	2006	12	0	1
BORST, LULA	9990152841	9990152841	258126	844949	20061226	7	0	2006	12	0	1
WATSON, MARY A	9990153428	9990153428	258127	844950	20061226	2.2	0	2006	12	0	1
YOUNG, ROBIN W	9990153707	9990153707	258128	844951	20061226	4 23	0	2006	12	0	1
MORSE, JENNIFER A	9990157091	9990157091	258129	844952	20061226	4.24	0	2006	12	0	1
ARLINE, TABITHA M	9990159573	9990159573	258130	844953	20061226	17.29	0	2006	12	0	1
BAKER, ROBERT C	9990161608	9990161608	258131	844954	20061226	100.79	0	2006	12	0	1
GIVENS, BLAIR M	9990172615	9990172615	258132	844955	20061226	36.62	0	2006	12	0	1
LAIRD, BRENDA A	9990180647	9990180647	258133	844956	20061226	17.9	0	2006	12	0	1
BAUST, MICHAEL	9990182695	9990182695	258134	844957	20061226	147.81	0	2006	12	0	1
BYRNE, LEONA J	9990185076	9990185076	258135	844958	20061226	14.41	0	2006	12	0	1
MILLER, MARGOT	9990191480	9990191480	258137	844960	20061226	44 55	0	2006	12	0	1
WILLIAMS, BYRON	9990194196	9990194196	258138	844961	20061226	15 98	0	2006	12	0	1
ATKINSON, DAVID	9990194991	9990194991	258139	844962	20061226	39 54	0	2006	12	0	1
LOWE, DONNA S	9990195442	9990195442	258140	844963	20061226	40 29	0	2006	12	0	1
MILL, ANDY	9990196063	9990196063	258141	844964	20061226	116.09	0	2006	12	0	1
MACCURRACH GOLF CONST CO	9990200335	9990200335	258142	844965	20061226	23 75	0	2006	12	0	1
HASTIE, DAVID L	9990201606	9990201606	258143	844966	20061226	395 39	0	2006	12	0	1
SNYDER, STELL	9990202167	9990202167	258144	844967	20061226	100	0	2006	12	0	1
PREMIER PALM BEACH LP	9990208995	9990208995	258145	844968	20061226	1879 12	0	2006	12	0	1
HILL JAMES C	9990210437	9990210437	258146	844969	20061226	35 1	0	2006	12	0	1
OLMOS, EDGAR B	9990210742	9990210742	258147	844970	20061226	20 76	0	2006	12	0	1
ROBINSON, SIMONE C	9990212285	9990212285	258148	844971	20061226	15.43	0	2006	12	0	1
VANWINTER, WILLIAM	9990212907	9990212907	258149	844972	20061226	71 53	0	2006	12	0	1
ISLAND WALK ASSOC. LLC	9990214909	9990214909	258150	844973	20061226	59 39	0	2006	12	0	1
PIERRE-LOUIS, FRANTZ	9990214972	9990214972	258151	844974	20061226	44 45	0	2006	12	0	1
FICKER, DENISE	9990215225	9990215225	258152	844975	20061226	525 6	0	2006	12	0	1
ANDERSON QUALITY CONST	9990216934	9990216934	258153	844976	20061226	3 55	0	2006	12	0	1
BLUEBERRY BAKERY	9990217965	9990217965	258155	844978	20061226	162.53	0	2006	12	0	1
SABOGAL, NHORA	9990218442	9990218442	258157	844980	20061226	57 15	0	2006	12	0	1
COPPENBARGER HOMES INC	9990219008	9990219008	258158	844981	20061226	10 76	0	2006	12	0	1
HELMS, JOSEPH P	9990219263	9990219263	258159	844982	20061226	175 44	0	2006	12	0	1
SILVA, LUIS	9990219698	9990219698	258160	844983	20061226	16 04	0	2006	12	0	1
MOHAMMED, RHONDA K	9990220408	9990220408	258161	844984	20061226	39 42	0	2006	12	0	1
MACARTHUR, JAMES A	9990221866	9990221866	258162	844985	20061226	21.7	0	2006	12	0	1
TALAMO, DONNA	9990222447	9990222447	258163	844986	20061226	34 62	0	2006	12	0	1
MAYER, JEFF	9990223534	9990223534	258164	844987	20061226	43 24	0	2006	12	0	1
VANN, BOBBY C	9990225928	9990225928	258165	844988	20061226	25 29	0	2006	12	0	1
ANDERSON, LISA M	9990227204	9990227204	258166	844989	20061226	39.28	0	2006	12	0	1
O BRIEN, LISA	9990227851	9990227851	258167	844990	20061226	82 11	0	2006	12	0	1
MITCHELL, GLEN	9990229654	9990229654	258168	844991	20061226	117.19	0	2006	12	0	1
DUNN, WILLIAM	9990229663	9990229663	258169	844992	20061226	99 88	0	2006	12	0	1
DICKEL, WILLIAM	9990230246	9990230246	258170	844993	20061226	23.06	0	2006	12	0	1
KINDLE, JUNE	9990230414	9990230414	258171	844994	20061226	173.96	0	2006	12	0	1
REYES, GLORIA L	9990231943	9990231943	258173	844996	20061226	8.01	0	2006	12	0	1
PROSPERITY 2000, LLC	9990232167	9990232167	258174	844997	20061226	153.24	0	2006	12	0	1
LANDSOUTH CONSTRUCTION, LLC	9990232712	9990232712	258175	844998	20061226	75.28	0	2006	12	0	1
SOUSA, ROSAMAR	9990233061	9990233061	258176	844999	20061226	176.48	0	2006	12	0	1
FERRELL, DEBORAH K	9990234468	9990234468	258177	845000	20061226	51 28	0	2006	12	0	1
VANCE, DAVID A	9990234815	9990234815	258178	845001	20061226	119 82	0	2006	12	0	1
ERNEST, FRANK	9990235061	9990235061	258179	845002	20061226	71	0	2006	12	0	1

SCHULZ, LEONARD F	9990235536	9990235536	258180	845003	20061226	43.43	0	2006	12 0	1
TOSCANO, NORMA	9990236490	9990236490	258181	845004	20061226	65.86	0	2006	12 0	1
THE KINGS TABLE ENTERPRISE	9990237443	9990237443	258183	845006	20061226	60.96	0	2006	12 0	1
SCHMITZ, ERIC F	9990237642	9990237642	258184	845007	20061226	60.56	0	2006	12 0	1
MURPHY, BARBARA	9990238280	9990238280	258186	845009	20061226	34.64	0	2006	12 0	1
MCDONNELL, MARTIN M	9990239181	9990239181	258187	845010	20061226	198.65	0	2006	12 0	1
TANNER, MARTHA R	9990239324	9990239324	258188	845011	20061226	6.74	0	2006	12 0	1
VASQUEZ, GIL X	9990239457	9990239457	258189	845012	20061226	24.8	0	2006	12 0	1
GREEN, JUDITH E	9990239650	9990239650	258190	845013	20061226	43.31	0	2006	12 0	1
ZAKER, AHMAD	9990241333	9990241333	258191	845014	20061226	12.7	0	2006	12 0	1
LITTLEFIELD, KATHY	9990241406	9990241406	258192	845015	20061226	55.33	0	2006	12 0	1
SLAY, ASHLEY M	9990241784	9990241784	258193	845016	20061226	22 56	0	2006	12 0	1
O'QUINN, JEANNIE L	9990242008	9990242008	258194	845017	20061226	49.45	0	2006	12 0	1
DAWSON, RICHARD	9990242358	9990242358	258195	845018	20061226	78.83	0	2006	12 0	1
INGELSBY, MICHAEL R	9990242437	9990242437	258196	845019	20061226	6.04	0	2006	12 0	1
PRATT, RORI	9990242456	9990242456	258197	845020	20061226	99.5	0	2006	12 0	1
WOJCIK, ANTHONY J	9990243050	9990243050	258198	845021	20061226	1.75	0	2006	12 0	1
COME 2 DAVE'S INC	9990243204	9990243204	258199	845022	20061226	168.16	0	2006	12 0	1
MATTHEWS, JAMIE H	9990243761	9990243761	258200	845023	20061226	23.54	0	2006	12 0	1
KANGIESER, CARL M	9990244215	9990244215	258202	845025	20061226	75.41	0	2006	12 0	1
HENDRIX, MELBA M	9990244451	9990244451	258203	845026	20061226	155.94	0	2006	12 0	1
WATSON CUSTOM HOME BLDRS	9990245077	9990245077	258204	845027	20061226	61	0	2006	12 0	1
BUTIKOFER, KEVIN D	9990245537	9990245537	258205	845028	20061226	37.22	0	2006	12 0	1
WILSON, SIDNEY C	9990246164	9990246164	258206	845029	20061226	132 92	0	2006	12 0	1
MCCUTCHAN, JOHN P	9990246192	9990246192	258207	845030	20061226	100.72	0	2006	12 0	1
GOMEZ, JUAN C	9990248438	9990248438	258210	845033	20061226	27 73	0	2006	12 0	1
BARRIOS, JAVIER	9990249540	9990249540	258211	845034	20061226	26 68	0	2006	12 0	1
MAHER, MAHMOUD	9990249591	9990249591	258212	845035	20061226	92.38	0	2006	12 0	1
MITCHELL, DESSIE	9990249813	9990249813	258213	845036	20061226	15 34	0	2006	12 0	1
MAJORS, TERI N	9990250118	9990250118	258214	845037	20061226	46 38	0	2006	12 0	1
WIGGINS, JIM V	9990250435	9990250435	258215	845038	20061226	269 65	0	2006	12 0	1
FERNANDINA BEACH REALTY	9990250979	9990250979	258216	845039	20061226	70 3	0	2006	12 0	1
KELCORP LLC	9990251219	9990251219	258217	845040	20061226	41 21	0	2006	12 0	1
NGUYEN, KIM LAN -THI	9990251605	9990251605	258218	845041	20061226	8	0	2006	12 0	1
BAILEY, BONNIT R	9990251749	9990251749	258219	845042	20061226	64 93	0	2006	12 0	1
FELICIANO, ANNA M	9990252360	9990252360	258220	845043	20061226	20.35	0	2006	12 0	1
HUGHES, ALVIS P	9990252402	9990252402	258221	845044	20061226	7 24	0	2006	12 0	1
GALPHIN RENTALS	9990252679	9990252679	258222	845045	20061226	44 2	0	2006	12 0	1
TITUS SOLUTIONS, LLC	9990253148	9990253148	258223	845046	20061226	18 72	0	2006	12 0	1
BERAUD, IRMA	9990253368	9990253368	258224	845047	20061226	55 03	0	2006	12 0	1
WOODRUFF, CAROLYN	9990253926	9990253926	258225	845048	20061226	10.74	0	2006	12 0	1
ANYA LLC	9990253942	9990253942	258226	845049	20061226	40.54	0	2006	12 0	1
STODGHILL, JOHN D	9990254038	9990254038	258227	845050	20061226	56.16	0	2006	12 0	1
ERA FNDA BCH REALTY	9990254341	9990254341	258229	845052	20061226	23.8	0	2006	12 0	1
GUNNING, JOHN	9990254867	9990254867	258230	845053	20061226	40	0	2006	12 0	1
CERA, LINDA	9990254914	9990254914	258231	845054	20061226	33.48	0	2006	12 0	1
SUMMERLIN, ELLIS M	9990254968	9990254968	258232	845055	20061226	140 98	0	2006	12 0	1
OGLESBY, MILTON L	9990255027	9990255027	258233	845056	20061226	29 46	0	2006	12 0	1
PIERSON, JOHN	9990255086	9990255086	258234	845057	20061226	47 87	0	2006	12 0	1
ALMOBOVAR, ALCABIA	9990255835	9990255835	258236	845059	20061226	98.88	0	2006	12 0	1
MCGUIRE, DOROTHY	9990256117	9990256117	258237	845060	20061226	85.5	0	2006	12 0	1
FLORIDA POWER & LIGHT	2146	2146	258238	845706	20061228	6196.78	0	2006	12 0	1
PALM BEACH COUNTY BOARD OF	4538	4538	258239	845723	20061228	2763.5	0	2006	12 0	1
CITY OF COTTONDALE	5581	5581	258240	845729	20061228	3186.75	0	2006	12 0	1
BELLSOUTH	12607	12607	258241	845733	20061228	3977.54	0	2006	12 0	1
AON CONSULTING, INC.	15722	15722	258242	845736	20061228	8442	0	2006	12 0	1
TRI STATE UTILITY PRODUCTS INC	17822	17822	258243	845739	20061228	22683.53	0	2006	12 0	1
BOND PLUMBING SUPPLY, INC.	19586	19586	258244	845742	20061228	4952.4	0	2006	12 0	1
CITY OF WEST PALM BEACH	27721	27721	258245	845747	20061228	3471.63	0	2006	12 0	1
SEA COAST GROUP	34346	34346	258246	845750	20061228	3212.33	0	2006	12 0	1
VOYAGER	40408	40408	258247	845754	20061228	12294	0	2006	12 0	1
CITY OF NEW SMYRNA BEACH	45959	45959	258248	845759	20061228	6150 81	0	2006	12 0	1
UNUM LIFE INS. CO. OF AMERICA	46428	46428	258249	845760	20061228	9369 57	0	2006	12 0	1
SPRINT	48143	48143	258250	845763	20061228	11311 62	0	2006	12 0	1
EVOK ADVERTISING & DESIGN INC	53169	53169	258251	845767	20061228	11097 97	0	2006	12 0	1
LEDGENT & LEDGENT SEARCH GROUP	58244	58244	258252	845769	20061228	5265.88	0	2006	12 0	1
SUREGUARD SECURITY & PATROL	60750	60750	258253	845772	20061228	9103 89	0	2006	12 0	1
FLORIDA GAS WORKS INC	61450	61450	258254	845773	20061228	8699 13	0	2006	12 0	1
SEVERN TRENT ENVIRONMENTAL	68170	68170	258255	845781	20061228	64470 85	0	2006	12 0	1
ABC DEMOLITION INC	68324	68324	258256	845782	20061228	10200	0	2006	12 0	1
CLAIRE M VAZQUEZ	68401	68401	258257	845783	20061228	4500	0	2006	12 0	1
CIGNA HEALTHCARE OF SOUTH	68891	68891	258258	845788	20061228	205240.14	0	2006	12 0	1
DAVID MONTGOMERY	433	433	258259	845701	20061228	190 62	0	2006	12 0	1
FANNIE SUE KOKE	511	511	258260	845702	20061228	40	0	2006	12 0	1
DALE BUTCHER	1505	1505	258261	845703	20061228	240 3	0	2006	12 0	1
COLETTE MARTIN	2063	2063	258262	845704	20061228	588.61	0	2006	12 0	1
FLORIDA EAST COAST RAILWAY	2090	2090	258263	845705	20061228	750	0	2006	12 0	1
FLORIDA POWER & LIGHT	2153	2153	258264	845707	20061228	17.43	0	2006	12 0	1
ARNELL WILLIS	2370	2370	258265	845708	20061228	584 65	0	2006	12 0	1
PETTY JULIE	2472	2472	258266	845709	20061228	44	0	2006	12 0	1
JOEL E RUDERMAN	2633	2633	258267	845710	20061228	40 05	0	2006	12 0	1
LAURA SCOTTEN	2708	2708	258268	845711	20061228	12 46	0	2006	12 0	1
TERRY KNOWLES	2790	2790	258269	845712	20061228	209 98	0	2006	12 0	1
JARRETT SMITH	2843	2843	258270	845713	20061228	432 55	0	2006	12 0	1
M NICOLE MOORE	2880	2880	258271	845714	20061228	176	0	2006	12 0	1
GERARD STUCKART	2915	2915	258273	845716	20061228	1847 25	0	2006	12 0	1
TOWN OF ALFORD	4335	4335	258275	845718	20061228	1098.28	0	2006	12 0	1
ALTHA	4343	4343	258276	845719	20061228	1745	0	2006	12 0	1
TOWN OF BASCOM	4351	4351	258277	845720	20061228	160 67	0	2006	12 0	1
CITY OF MALONE	4360	4360	258278	845721	20061228	2310.18	0	2006	12 0	1
GREENWOOD	4440	4440	258279	845722	20061228	1510.44	0	2006	12 0	1
DEPARTMENT OF REVENUE	4651	4651	258280	845724	20061228	484.31	0	2006	12 0	1
UNITED PARCEL SERVICE INC	4837	4837	258281	845725	20061228	71.9	0	2006	12 0	1
CITY OF LAKE WORTH UTILITES	4909	4909	258282	845726	20061228	20.19	0	2006	12 0	1
FEDERAL EXPRESS CORP	5389	5389	258283	845727	20061228	1150 62	0	2006	12 0	1
CITY OF WEST PALM BEACH	5426	5426	258284	845728	20061228	634.91	0	2006	12 0	1
FLORIDA PUBLIC UTILITIES CO	6891	6891	258285	845730	20061228	137.38	0	2006	12 0	1
TEMPACO INC	6980	6980	258286	845731	20061228	845	0	2006	12 0	1
TOWN OF PALM BEACH SHORES	8281	8281	258287	845732	20061228	2053 38	0	2006	12 0	1
TOWN OF BRISTOL	14138	14138	258289	845735	20061228	1931 39	0	2006	12 0	1
THE PENNYSAVER	16674	16674	258290	845737	20061228	45 2	0	2006	12 0	1
SOUTH CENTRAL POOL SUPPLY, CO	16758	16758	258291	845738	20061228	68.34	0	2006	12 0	1
TOWN OF GULFSTREAM	17996	17996	258292	845740	20061228	844.47	0	2006	12 0	1
ALTERNATIVE TECHNOLOGIES,INC	19852	19852	258294	845743	20061228	80	0	2006	12 0	1
ZEPHYRHILLS	20769	20769	258295	845744	20061228	62	0	2006	12 0	1

ZEPHYRHILLS	20769	20769	258296	845745	20061228	25 02	0	2006	12	0	1
A PLUS FIREPLACES & SUPPLIES	27254	27254	258297	845746	20061228	220.47	0	2006	12	0	1
HELEN STREETMAN	29364	29364	258298	845748	20061228	500	0	2006	12	0	1
FLORIDA CHAMBER OF COMMERCE	37615	37615	258300	845751	20061228	2500	0	2006	12	0	1
OFFICETEAM	38343	38343	258301	845752	20061228	1246.2	0	2006	12	0	1
IRON MOUNTAIN	39330	39330	258302	845753	20061228	18.09	0	2006	12	0	1
BO & MIKE'S DETAIL SHOP	40822	40822	258303	845755	20061228	23.54	0	2006	12	0	1
THYSSENKRUPP ELEVATOR	42333	42333	258304	845756	20061228	150.39	0	2006	12	0	1
UTILITIES COMMISSION CITY OF	45455	45455	258306	845758	20061228	12.15	0	2006	12	0	1
CONTROLS INC.	46953	46953	258307	845761	20061228	893.95	0	2006	12	0	1
FIESTA RENTALS	47555	47555	258308	845762	20061228	249	0	2006	12	0	1
AMERICAN SOLUTIONS FOR	50152	50152	258310	845765	20061228	360.52	0	2006	12	0	1
NATURE'S BOUQUET	51139	51139	258311	845766	20061228	63.9	0	2006	12	0	1
BROWN & PHILLIPS, INC	55185	55185	258312	845768	20061228	1222 5	0	2006	12	0	1
ESPERANZA MERCADO	58944	58944	258313	845770	20061228	2205	0	2006	12	0	1
HAMILTON GROUP	59973	59973	258314	845771	20061228	55 64	0	2006	12	0	1
CITY OF DEERFIELD BEACH	62220	62220	258315	845774	20061228	1303 94	0	2006	12	0	1
FLORIDA GREEN BUILDING	62542	62542	258316	845775	20061228	475	0	2006	12	0	1
SERRAES FAMILY PARTNERSHIP	65069	65069	258317	845776	20061228	1775	0	2006	12	0	1
EXTRA TOUCH FLOWERS	65594	65594	258318	845777	20061228	319.5	0	2006	12	0	1
EMBARQ	65783	65783	258319	845778	20061228	639.57	0	2006	12	0	1
EMBARQ	65783	65783	258320	845779	20061228	909.97	0	2006	12	0	1
JONATHAN WOLFF	68779	68779	258322	845784	20061228	717	0	2006	12	0	1
GUISEPPE GISMONDI	68863	68863	258323	845785	20061228	100	0	2006	12	0	1
ROBERT TOTARO	68870	68870	258324	845786	20061228	100	0	2006	12	0	1
JEANNETTE ALEXANDER	68884	68884	258325	845787	20061228	350	0	2006	12	0	1
MARCO'S CAFE AND RESTAURANT,IN	999025338(	999025338(	258326	845789	20061228	732 04	0	2006	12	2	2
JACKSONVILLE ELECTRIC	2584	2584	258328	845801	20061228	25000	0	2006	12	0	1
						##########					
	Check's O/S over 6 months booked 12/06 to cash					62,695 28					
	Net reclass for 10k					##########					

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
NOTES

RECLASSIFICATION AND ELIMINATION

A Elimination of Plant Acquisition Adjs. and Reclassified to Natural & Bottled Gas and Electric Utility Plant.

B Elimination of Contributions in Aid and Reclassified to Accum. Depr. & Amort and Water Utility Plant.

C Elimination of Investment in Assoc. Co. and Reclassified to Common Stock and Treasury Stock.

D Elimination of Working Funds and Reclassified to Cash.

E Elimination of Receivable Assoc. Co. and Payable to Assoc. Co.

F Elimination of Under/Over Recovery of Fuel and Reclassified to Under/Over Recovery.

G Reclassified Debits to Taxes Accrued to Prepayments other - I/T. (.8 & .9 accounts)

H Elimination of accum. def. income taxes asset and reclass. to accum. def. income taxes liab.

I Elimination of OWIP - Environment cleanup to environmental reserve

J Elimination of Under/Over Recovery of Conservation & Unbundling and Reclassified to Under/Over Recovery.

K Reclassify plant acquisition adjustment from Intangible Assets to Plant.

M Cost of Removal

N Propane Asset Retirement Obligation

O Eliminate Unamortized Debt to LT Debt

BALANCE SHEET CLASSIFICATION - See references on Balance Sheet

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Address D:\Exhibit 2.8\KHOJASTEH

Folders	Name	Size	Type	Date Modified	Location
	Files Currently on the CD				
nents	Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
:	RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
9	Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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Friday, Apr 11, 2008 11:40 AM

Clara Leider

From: Lundgren April
Sent: Friday, March 16, 2007 7:55 AM
To: Martin Cheryl; Khojasteh Mehrdad
Subject: FW: Q changes

1. I could not find section 26 (a) in the 3 Q revised file... However the table would disclose the following:

Statement of Income

	Inc (Dec)
Operation and maintenance	225
Total operating expenses	225
Operating income	(225)
Earnings Before Income Taxes	(225)
Income taxes	(85)
Net income	(140)
Earnings for common stock	(140)
Earnings per common share	(0.03)

Balance Sheet

	Inc (Dec)
Common shareholders' equity	(140)
Total capitalization	(140)
Deferred income taxes	(85)
Other liabilities	225
Total other liabilities	140

Thanks,
April
x1788

-----Original Message-----
From: Dale Buschmann [mailto:dbuschmann@bdo.com]
Sent: Thursday, March 15, 2007 8:37 PM
To: Martin Cheryl; Lundgren April
Cc: Khojasteh Mehrdad
Subject: Q changes

1. Under par 26 (a) to FAS 154 the company has to disclose:

"a. The effect of the correction on each financial statement line item and any per-share amounts affected for each prior period presented". Why don't you provide this disclosure by a note that includes a table that shows the effects of the restatement on the Company's previously reported statements of income and balance sheet.

2. The 2006 income statements columns and the 9/30/06 balance sheet should state in the heading that they are restated.

Thanks Dale

<font>

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Friday, Apr 11, 2008 11:41 AM

Clara Leider

From: Lundgren April
Sent: Friday, March 16, 2007 7:55 AM
To: Martin Cheryl; Khojasteh Mehrdad
Subject: FW: Q changes

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Thanks,
April
x1788

-----Original Message-----
From: Dale Buschmann [mailto:dbuschmann@bdo.com]
Sent: Thursday, March 15, 2007 8:37 PM
To: Martin Cheryl; Lundgren April
Cc: Khojasteh Mehrdad
Subject: Q changes

1. Under par 26 (a) to FAS 154 the company has to disclose:

"a. The effect of the correction on each financial statement line item and any per-share amounts affected for each prior period presented". Why don't you provide this disclosure by a note that includes a table that shows the effects of the restatement on the Company's previously reported statements of income and balance sheet.

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Thanks Dale

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Friday, Apr 11, 2008 11:41 AM

Clara Leider

From: Cox Doreen
Sent: Friday, March 02, 2007 3:44 PM
To: 'dbuschmann@bdo.com'
Cc: Khojasteh Mehrdad
Subject: Impairment Testing 2005 - Balance Sheet Allocations
Attachments: Balance Sheet Allocation 2005.xls; ALLOCATION BASIS.doc

Dale:
Please find attached 2005 Impairment Balance Sheet Allocations and basis.
Regards
Doreen
(561) 838-1797

FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2005

REPORT NAME: 10QCONSBS
DATE: 2/17/2006
USER: ISTERLING

10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	CONSOLIDATED	SOURCE / ALLOCATION BASIS	ELEC	NAT GAS	PROPANE	COMMON / NON-UTILITY	TOTAL	CAPITAL	DIFFERENCE
						<< ESTIMATED ALLOCATION >>							
ASSETS													
UTILITY PLANT:													
ELECTRIC		70080568	0	3,690	70,084,258	PLANT SUMMARY	72,674,597				72,674,597		(2,590,339)
NATURAL & BOTTLED GAS		88571462	15500385	1,263,777	105,335,624	PLANT SUMMARY		93,039,080	16,076,658		109,115,738		(3,780,114)
		0	0	-	-					-	-		-
PLANT ACQUISITION ADJS.	1140	1267467	0	(1,267,467)	-						-		-
COMMON PLANT		3859023	0	-	3,859,023	PLANT SUMMARY				240,954	240,954		3,618,069
TOTAL		163778520	15500385	0	179,278,905		72,674,597	93,039,080	16,076,658	240,954	182,031,289		(2,752,384)
LESS ACCUM. DEPR. & AMORT		-60111248	-4362552	8,256,355	(56,217,445)	PLANT SUMMARY	(25,702,211)	(27,071,091)	(4,612,605)		(57,385,907)		1,168,462
NET UTILITY PLANT		103667272	11137833	8256355	123,061,460		46,972,386	65,967,989	11,464,053	240,954	124,645,382		(1,583,922)
NET OTHER PLANT	1210,1220	8436	0	-	8,436	SEGMENT INFO SCH	-	8,436	-	-	8,436		-
INVEST IN ASSOC. CO.	1230	10000	0	(10,000)	-	WORK-CAP					-	10,000	-
											-		
CURRENT ASSETS:											-		
CASH	1310	652745	0	42,370	695,115	WORK-CAP	217,018	363,755	114,342		695,115		-
WORKING FUNDS	1350	39100	3270	(42,370)	-						-		-
SPEC DEP-OTHER	1320-1340	3257814	0	-	3,257,814	WORK-CAP		3,257,814			3,257,814		-
ACCOUNTS REC	1420-1430,1720	13077461	1919689	-	14,997,150	WORK-CAP	3,715,832	9,361,629	1,919,689		14,997,150		-
NOTES REC	1410	0	0	298,411	298,411	Alloc based on Net Plant	112,456	157,933	27,446	577	298,411		-
ALLOW FOR UNCOLL ACCTS	1440	-216748	-55250	-	(271,998)	WORK-CAP	(29,335)	(187,412)	(55,250)		(271,997)		(1)
RECEIVABLES ASSOC. COS.	1460	12872618	0	(12,872,618)	-						-		-
OTHER INVESTMENTS	1240,1280	6044591	47650	(298,411)	5,793,830	Alloc based on Net Plant	2,183,394	3,066,358	532,878	11,200	5,793,830		-
MAT & SUPPLY	151,154-156,163	1864340	1916798	-	3,781,138	WORK-CAP	821,965	459,278	1,916,798	583,097	3,781,138		-
PREPAYMENTS-INS & PEN	1650	950750	0	-	950,750	WORK-CAP	304,240	484,883	161,627		950,750		-
PREPAYMENTS - OTHER - I/T		0	0	1,159,283	1,159,283	TAX ACCRUED SCHEDULE	(240,702)	1,159,834	394,845	(154,694)	1,159,283		-
UNBILLED REVENUES	1730	1510318	407676	-	1,917,994	SEGMENT INFO SCH	415,764	1,094,554	407,676	-	1,917,994		-
TOTAL		40052989	4239833	-11713335	32,579,487		7,500,632	19,218,625	5,420,051	440,180	32,579,488		(1)
DEFERRED DEBITS													
GOODWILL	1140.2	552803	1852435	-	2,405,238	SEGMENT INFO SCH	-	552,803	1,852,435	-	2,405,238		-
INTANG ASSETS-NET	1010.3031	3384334	1006430	-	4,390,764	INTANGIBLES SCH (NON-AMORT)	-	1,900,000	906,842	-	2,806,842		1,583,922
UNAMORTIZED DEBT EXP	1810	1880040	0		1,880,040	*** LT DEBT					-	1,880,040	
PREPAY PENSIONS-RETIRE	1650.3	0	0		-	WORK-CAP	-	-	-		-		-
CLEARING ACCOUNTS	184*	0	0	-	-	WORK-CAP	-	-	-		-		-
TEMPORARY FACILITIES	1850	21285	0	-	21,285	WORK-CAP	21,285	-	-		21,285		-
OTHER WORK IN PROGRESS	1860.1	688676	0		688,676	WORK-CAP	306,949	321,317	60,410		688,676		-
MISC. DEFERRED DEBITS	1860	5777329	28466		5,805,795	10K	-	5,777,329	28,466		5,805,795		-
OTHER REG. ASSETS-STORM	1820	0	0	452,327	452,327						-		452,327
OTHER REG ASSETS-ENVIRON	1820	9319979	0	(452,327)	8,867,652	SEGMENT INFO SCH	-	9,319,979	-	-	9,319,979		(452,327)
UNDERREC FUEL	1860.21	4527745	0	(1,152,894)	3,374,851	WORK-CAP	1,611,846	2,915,899			4,527,745		(1,152,894)
UNDERREC CON & UNBUND	1860.6&7	82931	0	(82,931)	-	WORK-CAP		-			-		-
UNAMORT LOSS/REACQD DEBT	1890	227025	0		227,025	*** LT DEBT					-	227,025	
REGULATORY ASSETS	1901	0	0	-	-						-		-
ACCUM DEFERRED INC TAX	1900	3877356	88090	(3,965,446)	-	ITB / DIRECT	997,076	2,877,014	88,090	3,266	3,965,446		(3,965,446)
TOTAL		30339503	2975421	(5,201,271)	28,113,653		2,937,156	23,664,341	2,936,243	3,266	29,541,006		(3,534,418)
TOTAL ASSETS		174078200	18353087	(8,668,251)	183,763,036		57,410,174	108,859,391	19,820,346	684,400	186,774,312		(5,118,341)

FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2005
REPORT NAME: 10QCONSBS
DATE: 2/17/2006
USER: ISTERLING

10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	CONSOLIDATED	SOURCE / ALLOCATION BASIS	<< ESTIMATED ALLOCATION >> ELEC	NAT GAS	PROPANE	COMMON / NON-UTILITY	TOTAL	CAPITAL	DIFFERENCE
LIABILITIES													
CAPITALIZATION:													
COMMON STOCK	2010	9229514	10000	(10,000)	9,229,514						-	9,229,514	
PREMIUM ON COMMON	2070	5373461	0	-	5,373,461						-	5,373,461	
MISC PAID IN CAPITAL	2110	1052761	0	-	1,052,761						-	1,052,761	
RETAINED EARNINGS	2160	31396084	2229013	-	33,625,097						-	33,625,097	
CAP STOCK EXP & DIS	2130-2150	-428441	0	-	(428,441)						-	(428,441)	
TREASURY STOCK	2170	-3349121	0	-	(3,349,121)						-	(3,349,121)	
COMMON SHARE EQUITY		43274258	2239013	-10000	45,503,271						-	45,503,271	
PREFERRED STOCK - A	2040	600000	0	-	600,000						-	600,000	
LONG TERM DEBT	2210,2240	52500000	0	-	52,500,000						-	52,500,000	
TOTAL CAPITALIZATION		96374258	2239013	-10000	98,603,271								
CURRENT LIABILITIES:												-	
L-T DEBT - CURRENT		0	0	-	-						-	-	
NOTES PAYABLE	2310	9558000	0	-	9,558,000						-	9,558,000	
ACCOUNTS PAYABLE	2320	13165662	0	-	13,165,662	Alloc based on Revenues	4,804,617	6,996,210	1,364,835		13,165,662		-
PAYABLES TO ASSOC CO		0	12872618	(12,872,618)	-						-		-
CUSTOMER DEPOSITS	2350	7453496	614064	-	8,067,560	ITB	2,078,518	5,374,978	614,064		8,067,560		-
TAXES ACCRUED	2360	586155	-1287074	1,159,283	458,364	WORK-CAP	344,178	113,546	**640**		458,364		-
INTEREST ACCRUED	2370	1011667	2264	-	1,013,931	WORK-CAP	363,874	585,547	**64,511**		1,013,932		(1)
DIVIDENDS DECLARED	2380	623174	0	-	623,174	alloc based on cash	194,558	326,108	102,508		623,174		-
TAX COLLECTIONS PAYABLE	2410	977939	75765	-	1,053,704	WORK-CAP	258,513	719,427	75,765		1,053,705		(1)
VACATION PAY ACCRUED	2420	1075748	0	-	1,075,748	WORK-CAP	301,210	548,632	**225,906**		1,075,748		-
INSURANCE ACCRUED	2280	296132	0	-	296,132	WORK-CAP	94,762	151,027	**50,343**		296,132		-
RATE REFUND	2420,2290	700000	0	-	700,000	WORK-CAP	-	700,000			700,000		-
MISC. CURRENT LIABS.	2420	124305	0	-	124,305	WORK-CAP	34,700	71,141	**18,463**		124,304		1
INACT DIVIDEND CHECKS	2420.2	0	0	-	-	WORK-CAP					-		-
TOTAL		35572278	12277637	-11713335	36,136,580		8,474,929	15,586,616	2,517,035	-	26,578,581		(1)
DEFERRED CREDITS:													
OVERREC. FUEL	2530.21	1152894	0	(1,152,894)	-	ITB	1,152,894				1,152,894		**(1,152,894)**
OVERREC CON & UNBUND	2530.6&7	107034	0	(82,931)	24,103	10K	24,103				24,103		-
MIS DEF -ENV INS PRO	2530.3	14000745	0		14,000,745	WORK-CAP / 10K		14,000,745			14,000,745		-
STORM DAMAGE RESERVE	2280.11	1536145	0		1,536,145	WORK-CAP	1,506,886	29,258			1,536,144		1
COST OF REMOVAL		0	0	8,256,355	8,256,355	COST OF REMOVAL SCH	4,692,093	3,564,262			8,256,355		-
MED & PENSION RESERVE	2280.3	2662982	0		2,662,982	WORK-CAP	823,330	1,358,121	**481,531**		2,662,982		-
CUST ADVANCES-CONSTR	2520.1	1830826	515562	-	2,346,388	ITB	688,490	1,142,336	515,562		2,346,388		-
UNAMORTIZED I.T.C.	2550.1	410110	418	-	410,528	ITB	157,283	252,827	418		410,528		-
OTHER DEF CR	2530.1,4	161073	0	-	161,073	WORK-CAP	-	161,073			161,073		-
REGULATORY LIABILITIES	2821	990879	0	-	990,879	ITB	167,691	823,188			990,879		-
CONTRIB IN AID	2710,2720	0	0	-	-						-		-
TOTAL		22852688	515980	7,020,530	30,389,198		9,212,770	21,331,810	997,511	-	31,542,091		(1,152,893)
ROUNDING		0	3	-	3								
ACCUM DEF I/T	2820,2830	19278976	3320457	(3,965,446)	18,633,987	ITB Common alloc based on Net Plant	7,317,724	11,707,362	3,568,245	6,099	22,599,430		**(3,965,443)**
TOTAL LIABILITIES		174078200	18353087	-8668251	183,763,036		25,005,424	48,625,788	7,082,792	6,099	80,720,102	-	(5,118,337)
													(4)
CAPITAL (LT Debt, Notes Payable, Stock)							**32,404,750**	**60,233,603**	**12,737,555**	**678,301**	**106,054,210**	**106,054,206**	**(4)**
										-	Check	4	106,054,210
											GL		106,054,206
													4

LEGENDS:

Re-classifications
Non-Utility Accounts allocated to Propane
Input required

OPERATING REVENUES ('000)			
ELEC	NG	PROPANE	TOTAL
47,450	69,094	13,479	130,023

FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF YEAR END AND
13 MONTH AVERAGE PLANT

REPORT GROUP NAME: ROR
REPORT NAME: PLANT
DATE: 2/12/2006
USER: YOUNG

YEAR END AND AVERAGE PLANT

DESCRIPTION		12 MTHS AGO	11 MTHS AGO	10 MTHS AGO	9 MTHS AGO	8 MTHS AGO	7 MTHS AGO	6 MTHS AGO	5 MTHS AGO	4 MTHS AGO	3 MTHS AGO	2 MTHS AGO	1 MTH AGO	12 2005	
		NW FL ELEC	NE FL ELEC	SOUTH FL	CENT FL		NE FL WATER	TOTAL-FPU	SF PROPANE	CF PROPANE	NC PROPANE	NE PROPANE	TOTAL-PROP.	M&J	TOTAL
EDP EQUIP:		14	17	35	20	0	0	86	7	3	1	1	12	2	100
REM. COMMON:		14	18	40	14	0	0	86	7	2	1	1	11	3	100
COMMON PLANT EDP		2,578,442	2,607,331	2,607,331	2,606,160	2,549,514	2,665,116	2,674,724	2,685,299	2,688,429	2,700,846	2,630,039	2,660,641	910,211	2,504,929
REMAINING COMMON		3,115,778	3,189,166	3,078,405	3,231,236	3,071,520	2,981,227	2,920,117	2,919,304	2,903,621	2,929,377	2,916,324	2,915,112	4,814,773	3,152,766
COMMON RESERVES		1,634,577	1,841,367	1,872,403	1,901,490	1,794,071	1,824,307	1,828,722	1,858,902	1,889,282	1,907,422	1,925,925	1,956,616	1,978,173	1,862,558
COMM RES EDP		924,012	1,283,226	1,306,744	1,328,916	1,346,949	1,370,532	1,394,130	1,417,728	1,441,317	1,452,867	1,464,779	1,488,880	429,486	1,280,736
REMAIN COMM RES		710,565	558,141	565,659	572,574	447,122	453,775	434,592	441,174	447,965	454,555	461,146	467,736	1,548,687	581,822
ELECTRIC CONSOL:															
	101	64,103,494	64,275,080	64,450,005	64,919,718	64,296,325	64,307,507	64,418,566	64,798,805	65,010,190	65,287,933	68,611,317	68,722,797	68,757,204	65,535,303
	118	1,796,366	1,828,805	1,793,362	1,841,904	1,773,236	1,780,179	1,763,601	1,766,621	1,762,572	1,774,663	1,748,535	1,757,635	1,822,893	1,785,413
	106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	107	4,470,059	4,454,103	4,508,100	4,231,045	4,310,431	4,341,090	4,362,934	4,196,830	4,369,934	4,423,712	1,884,033	1,923,048	2,090,809	3,812,779
	114	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691
TOTAL		70,373,610	70,561,679	70,755,158	70,996,358	70,383,683	70,432,467	70,548,792	70,765,947	71,146,387	71,489,999	72,247,576	72,407,171	72,674,597	71,137,186
	108	28,636,845	28,832,825	29,039,151	29,154,386	28,587,490	28,697,417	28,770,556	28,950,172	29,139,668	29,287,600	29,482,854	29,652,098	29,761,892	29,076,381
	119	513,825	576,405	586,101	595,187	560,633	570,073	571,250	580,671	590,157	595,846	601,647	611,228	628,721	583,211
	115	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691
	252	502,524	541,387	583,069	581,354	582,134	553,933	553,552	616,594	600,390	650,955	717,590	733,319	688,489	608,099
TOTAL		29,656,885	29,954,308	30,212,012	30,334,618	29,733,948	29,825,114	29,899,049	30,151,128	30,333,906	30,538,092	30,805,782	31,000,336	31,082,793	30,271,382
NET PLANT		40,716,725	40,607,371	40,543,146	40,661,740	40,649,735	40,607,353	40,649,743	40,614,819	40,812,481	40,951,907	41,441,794	41,406,835	41,591,804	40,865,804
GAS CONSOLIDATED															
	101	83,375,383	83,879,723	84,299,241	84,315,046	84,637,261	85,153,426	85,369,283	85,897,512	86,266,723	86,858,566	87,326,793	87,638,814	88,116,515	85,625,714
	118	3,100,663	3,156,182	3,096,371	3,178,255	3,060,854	3,075,677	3,047,961	3,053,338	3,046,591	3,067,329	3,021,336	3,037,513	3,100,593	3,080,205
	104	368,522	372,582	372,040	375,680	380,667	380,008	377,109	374,338	373,982	378,746	375,137	373,038	373,314	375,013
	106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	107	2,362,225	2,177,911	2,195,889	2,334,518	2,461,613	2,520,761	2,448,720	2,219,830	2,159,359	1,891,368	1,822,405	2,088,947	2,084,882	2,212,956
	114	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579	1,816,579
TOTAL		91,023,372	91,402,977	91,780,120	92,020,078	92,356,974	92,946,451	93,059,652	93,361,597	93,663,234	94,012,588	94,362,250	94,954,891	95,491,883	93,110,467
	108	27,957,409	27,979,476	28,177,582	28,112,298	28,140,479	28,325,148	28,259,292	28,434,822	28,613,582	28,761,744	28,922,868	29,118,842	29,219,219	28,463,289
	119	891,912	1,007,170	1,024,165	1,040,094	982,268	998,832	1,001,452	1,017,984	1,034,625	1,044,537	1,054,647	1,071,461	1,072,508	1,018,589
	115	312,570	315,158	317,746	320,334	322,922	325,510	328,098	330,686	333,274	335,862	339,009	341,038	343,626	328,141
	252	837,655	861,714	894,855	902,827	956,517	969,252	994,435	1,023,011	1,140,595	1,172,278	1,194,857	1,136,145	1,142,336	1,017,421
TOTAL		29,999,546	30,163,518	30,414,348	30,375,553	30,402,186	30,618,742	30,583,277	30,806,503	31,122,076	31,314,421	31,511,381	31,667,486	31,777,689	30,827,440
NET PLANT		61,023,826	61,239,459	61,365,772	61,644,525	61,954,788	62,327,709	62,476,375	62,555,094	62,541,158	62,698,167	62,850,869	63,287,405	63,714,194	62,283,027

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FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF YEAR END AND
13 MONTH AVERAGE PLANT

REPORT GROUP NAME: ROR
REPORT NAME: PLANT
DATE: 2/12/2006
USER: YOUNG

YEAR END AND AVERAGE PLANT

DESCRIPTION		12 MTHS AGO	11 MTHS AGO	10 MTHS AGO	9 MTHS AGO	8 MTHS AGO	7 MTHS AGO	6 MTHS AGO	5 MTHS AGO	4 MTHS AGO	3 MTHS AGO	2 MTHS AGO	1 MTH AGO	12 2005	
		NW FL ELEC	NE FL ELEC	SOUTH FL	CENT FL		NE FL WATER	TOTAL-FPU	SF PROPANE	CF PROPANE	NC PROPANE	NE PROPANE	TOTAL-PROP.	M&J	TOTAL
EDP EQUIP:		14	17	35	20	0	0	86	7	3	1	1	12	2	100
REM. COMMON:		14	18	40	14	0	0	86	7	2	1	1	11	3	100
PROPANE SOUTH FL															
	101	7.573,467	7,631,269	7,665.819	7,722,916	7,778,279	7.793,895	7,874,330	7,922,883	7,989,734	8,064,507	8,111,735	8,138,692	8,293,053	7,889.275
	118	398,595	405.755	398.001	408,618	393,472	395.244	391,639	392,322	391,443	394,115	388,246	390,303	400,749	396.039
	106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	107	81,380	107.314	106,811	107,881	107,881	113.684	102,728	105,796	169,044	226,489	288,020	340,801	346,178	169.539
	114	0	392,707	392,707	392,707	392,707	392,707	392,707	392,707	392,707	392,707	392,707	392,707	392,707	362.499
TOTAL		8.053,442	8,537,045	8,563,338	8.632,122	8,672,339	8,695,530	8,761,404	8,813,708	8.942,928	9,077,818	9.180,708	9,262,503	9,432,687	8.817.352
	108	2,687,975	2,717,100	2,744,111	2.771,076	2,796,731	2,824,497	2,851,527	2,893,645	2,923.090	2,953,576	2,988,977	3,021,337	3,053,081	2,863.594
	119	114,421	128.896	131.068	133,104	125,585	127,701	128,010	130,123	132,250	133,520	134,815	136,964	138,472	130.380
	115	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	252	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL		2.802,396	2,845,996	2,875.179	2,904,180	2,922,316	2,952,198	2,979,537	3,023,768	3,055,340	3,087,096	3,123,792	3,158,301	3,191,553	2,993,974
NET PLANT		5.251.046	5,691,049	5.688,159	5.727,942	5,750,023	5,743,332	5,781,867	5,789,940	5.887,588	5,990,722	6,056,916	6,104,202	6,241,134	5,823,378
PROPANE CENTRAL															
	101	2.834,272	2,848,240	2,885.406	2,933.551	2,964,704	2,995,505	3,014,417	3,051,892	3.090,389	3,105,463	3,130,936	3.155,755	3,206,526	3,016,697
	118	139,669	142,003	139.788	142,810	137,915	139,578	138,644	138,945	138.725	139,613	137,227	138,121	123,601	138.203
	106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	107	26,405	70,707	70.948	100,806	96,994	104,653	107,391	109,015	138,827	144,281	144,878	149,720	105,486	105.393
	114	1,412,877	159,402	159.402	159,402	159,402	159,402	159,402	159,402	159,402	159,402	159,402	159,402	159,402	255,823
TOTAL		4,413,223	3,220,352	3,255,544	3.336,569	3,359,015	3.399,138	3,419,854	3,459,254	3.527,343	3,548,759	3,572,443	3,602,998	3,595,015	3,516,116
	108	596,824	606,861	614,482	629,133	643,095	650,598	660,688	670,708	680,005	690,072	697,633	708,178	718,849	659.010
	119	41,931	49,660	50.515	51.318	49,350	50,192	50,516	51.355	52,199	52,677	53,166	54,021	43,859	50.058
	115	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	252	48,497	90,829	90.829	88,669	82,110	76,066	75,591	70,624	69,674	69,674	69,674	69,674	69,674	74,737
TOTAL		687,252	747,350	755.826	769.120	774,555	776,856	786,795	792,687	801,878	812,423	820,473	831,873	832,382	783,805
NET PLANT		3.725,971	2,473.002	2,499,718	2.567.449	2,584,460	2,622,282	2,633,059	2,666,567	2,725.465	2,736,336	2,751,970	2,771,125	2,762,633	2,732,311
PROPANE NATURE C															
	101	1.483,215	1,490,809	1,500.257	1.501,313	1,530,028	1.531,709	1,529,059	1,536,765	1.542,544	1,544,166	1,545,387	1,546,800	1,591,234	1,528,714
	118	56,942	57.965	56,857	58,374	56,210	56,463	55,948	56.046	55,920	56,302	55.463	55,757	57,250	56,577
	106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	107	663,874	689,305	709,904	719.546	728,693	735,991	759,872	764,379	796,411	834,993	839,361	908,719	748,749	761,523
	114	238,567	1.099,335	1,099.335	1.099.335	1,099,335	1,099,335	1,099.335	1,099,335	1.099,335	1,099,335	1,099,335	1,099,335	1,099,335	1,033,122
TOTAL		2.442.598	3,337,414	3,366,353	3.378,568	3,414,266	3,423,498	3,444,214	3,456,525	3,494,210	3,534,796	3,539,546	3,610,611	3,496,568	3,379,936
	108	157,641	163.377	168,748	170.905	185,281	188,192	187,192	192,939	200,592	204,682	209,763	213,877	219,833	189,463
	119	16,346	18,413	18.724	19,015	17,940	18,243	18,287	18,589	18,893	19,075	19,259	19,566	19,782	18,625
	115	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	252	447,300	447,300	420.280	420,280	420,280	397.250	378,720	371,310	371,310	364,335	357,375	346,755	350,700	391,784
TOTAL		621.287	629,090	607,752	610.200	623,501	603,685	584,199	582,838	590,795	588,092	586.397	580,198	590,315	599,872
NET PLANT		1.821,311	2,708.324	2,758.601	2.768.368	2,790,765	2.819.813	2,860,015	2,873,687	2,903,415	2,946,704	2,953,149	3,030,413	2,906,253	2,780,064

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FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF YEAR END AND
13 MONTH AVERAGE PLANT

REPORT GROUP NAME: ROR
REPORT NAME: PLANT
DATE: 2/12/2006
USER: YOUNG

YEAR END AND AVERAGE PLANT

A		B	C	D	E	F	G	H	I	J	K	L	M	N	O
DESCRIPTION		12 MTHS AGO	11 MTHS AGO	10 MTHS AGO	9 MTHS AGO	8 MTHS AGO	7 MTHS AGO	6 MTHS AGO	5 MTHS AGO	4 MTHS AGO	3 MTHS AGO	2 MTHS AGO	1 MTH AGO	12 2005	
		NW FL ELEC	NE FL ELEC	SOUTH FL	CENT FL		NE FL WATER	TOTAL-FPU	SF PROPANE	CF PROPANE	NC PROPANE	NE PROPANE	TOTAL-PROP.	M&J	TOTAL
EDP EQUIP:		14	17	35	20	0	0	86	7	3	1	1	12	2	100
REM. COMMON:		14	18	40	14	0	0	86	7	2	1	1	11	3	100
PROPANE NE FL															
	101	1,714,262	1,721,301	1,731,532	1,776,864	1,762,160	1,775,604	1,793,503	1,808,780	1,821,426	1,830,870	1,857,026	1,880,036	1,999,667	1,805,618
	118	56,942	57,965	56,857	58,374	56,210	56,463	55,948	56,046	55,920	56,302	55,463	55,757	57,250	56,577
	106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	107	27,054	27,590	121,607	114,133	114,133	191,908	194,082	196,515	220,085	227,176	232,643	232,797	81,915	152,434
	114	200,991	200,991	200,991	200,991	200,991	200,991	200,991	200,991	200,991	200,991	200,991	200,991	200,991	200,991
TOTAL		1,999,249	2,007,847	2,110,987	2,150,362	2,133,494	2,224,966	2,244,524	2,262,332	2,298,422	2,315,339	2,346,123	2,369,581	2,339,823	2,215,620
	108	344,454	351,919	360,145	369,341	357,610	367,767	384,023	393,488	403,422	411,720	421,251	430,890	398,947	384,229
	119	16,346	18,413	18,724	19,015	17,940	18,243	18,287	18,589	18,893	19,075	19,259	19,566	19,782	18,625
	115	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	252	56,688	56,688	56,688	48,688	38,807	95,188	95,188	95,188	95,188	95,188	95,188	95,188	95,188	78,389
TOTAL		417,488	427,020	435,557	437,044	414,357	481,198	497,498	507,265	517,503	525,983	535,698	545,644	513,917	481,243
NET PLANT		1,581,761	1,580,827	1,675,430	1,713,318	1,719,137	1,743,768	1,747,026	1,755,067	1,780,919	1,789,356	1,810,425	1,823,937	1,825,906	1,734,377
PRO. NET PLANT		12,380,089	12,453,202	12,621,908	12,777,077	12,844,385	12,929,195	13,021,967	13,085,261	13,297,387	13,463,118	13,572,460	13,729,677	13,735,926	13,070,130
SF NATURAL GAS															
	101	57,544,787	57,832,423	58,200,485	58,348,039	58,664,747	59,104,142	59,334,075	59,739,872	59,984,104	60,486,474	60,886,697	61,084,236	61,519,020	59,440,700
	118	2,148,766	2,188,232	2,143,928	2,204,650	2,120,938	2,125,282	2,104,200	2,107,577	2,102,398	2,117,047	2,087,044	2,097,269	2,244,483	2,137,831
	106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	107	1,968,974	1,867,623	1,913,833	1,950,122	2,041,959	2,126,362	2,056,210	1,895,491	1,895,777	1,613,998	1,549,549	1,701,582	1,718,975	1,869,266
	114	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)	(29,523)
TOTAL		61,633,004	61,858,755	62,228,723	62,473,288	62,798,121	63,326,263	63,464,962	63,713,417	63,952,756	64,187,996	64,493,767	64,853,564	65,452,955	63,418,274
	108	19,334,129	20,057,406	20,195,430	20,313,915	20,338,565	20,467,093	20,417,179	20,547,109	20,683,938	20,793,871	20,910,955	21,045,577	21,178,906	20,483,390
	119	607,630	672,385	683,624	694,151	650,281	661,196	661,783	672,675	683,647	690,325	697,131	708,202	769,795	680,987
	115	(24,176)	(24,256)	(24,336)	(24,415)	(24,495)	(24,575)	(24,654)	(24,734)	(24,814)	(24,893)	(24,973)	(25,053)	(25,132)	(24,654)
	252	744,715	763,880	791,740	797,556	849,609	876,027	899,706	916,791	1,030,303	1,054,320	1,075,540	1,016,828	1,017,792	910,370
TOTAL		20,662,298	21,469,415	21,646,458	21,781,207	21,813,960	21,979,741	21,954,014	22,111,841	22,373,074	22,513,623	22,658,653	22,745,554	22,941,361	22,050,093
NET PLANT		40,970,706	40,389,340	40,582,265	40,692,081	40,984,161	41,346,522	41,510,948	41,601,576	41,579,682	41,674,373	41,835,114	42,108,010	42,511,594	41,368,181
CF NATURAL GAS															
	101	25,830,596	26,047,300	26,098,756	25,967,007	25,972,515	26,049,284	26,035,208	26,157,640	26,282,619	26,372,092	26,440,096	26,554,578	26,597,496	26,185,014
	118	951,897	967,949	952,443	973,605	939,916	950,395	943,761	945,763	944,193	950,282	934,293	940,244	856,110	942,373
	104	368,522	372,582	372,040	375,680	380,667	380,008	377,109	374,338	373,982	378,746	375,137	373,038	373,314	375,013
	106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	107	393,252	310,289	282,056	384,396	419,654	394,400	392,510	324,339	263,581	277,370	272,856	387,364	365,908	343,690
	114	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102	1,846,102
TOTAL		29,390,369	29,544,222	29,551,397	29,546,790	29,558,854	29,620,189	29,594,690	29,648,182	29,710,477	29,824,592	29,868,484	30,101,326	30,038,930	29,692,192
	108	8,623,280	7,922,071	7,982,153	7,798,383	7,801,915	7,858,055	7,842,112	7,887,712	7,929,644	7,967,873	8,011,913	8,073,265	8,040,313	7,979,899
	119	284,281	334,785	340,541	345,943	331,987	337,635	339,669	345,310	350,978	354,211	357,516	363,259	302,713	337,602
	115	336,746	339,414	342,082	344,749	347,417	350,085	352,752	355,420	358,088	360,756	363,982	366,091	368,759	352,795
	252	92,940	97,835	103,115	105,271	106,908	93,225	94,729	106,220	110,291	117,958	119,316	119,316	124,544	107,051
TOTAL		9,337,247	8,694,105	8,767,891	8,594,346	8,588,227	8,639,000	8,629,262	8,694,662	8,749,001	8,800,798	8,852,727	8,921,931	8,836,329	8,777,347
NET PLANT		20,053,122	20,850,117	20,783,506	20,952,444	20,970,627	20,981,189	20,965,428	20,953,520	20,961,476	21,023,794	21,015,757	21,179,395	21,202,601	20,914,845
NW FL ELECTRIC															
-	101	27,815,660	27,886,019	27,985,851	28,024,367	27,997,593	27,987,812	28,142,924	28,242,218	28,278,115	28,343,043	28,412,675	28,463,966	28,478,712	28,158,381

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FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF YEAR END AND
13 MONTH AVERAGE PLANT

REPORT GROUP NAME: ROR
REPORT NAME: PLANT
DATE: 2/12/2006
USER: YOUNG

YEAR END AND AVERAGE PLANT

Row	A		B	C	D	E	F	G	H	I	J	K	L	M	N	O
13	DESCRIPTION		12 MTHS AGO	11 MTHS AGO	10 MTHS AGO	9 MTHS AGO	8 MTHS AGO	7 MTHS AGO	6 MTHS AGO	5 MTHS AGO	4 MTHS AGO	3 MTHS AGO	2 MTHS AGO	1 MTH AGO	12 2005	
15			NW FL ELEC	NE FL ELEC	SOUTH FL	CENT FL		NE FL WATER	TOTAL-FPU	SF PROPANE	CF PROPANE	NC PROPANE	NE PROPANE	TOTAL-PROP.	M&J	TOTAL
16	EDP EQUIP:		14	17	35	20	0	0	86	7	3	1	1	12	2	100
17	REM. COMMON:		14	18	40	14	0	0	86	7	2	1	1	11	3	100
180		118	797,191	811,509	796,003	817,235	786,945	790,488	783,277	784,645	782,887	788,231	776,490	780,606	801,498	792,077
181		106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
182		107	831,864	834,785	881,420	907,543	985,274	1,009,036	953,410	934,082	967,207	980,812	951,686	959,322	1,000,687	938,241
183		114	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691
185	TOTAL		29,448,406	29,536,004	29,666,965	29,752,836	29,773,503	29,791,027	29,883,302	29,964,636	30,031,900	30,115,777	30,144,542	30,207,585	30,284,588	29,892,390
187		108	13,223,233	13,320,549	13,419,428	13,434,470	13,432,964	13,451,238	13,539,049	13,618,799	13,693,228	13,764,181	13,843,509	13,934,754	14,003,161	13,590,659
188		119	228,841	257,792	262,136	266,208	251,170	255,403	256,021	260,246	264,499	267,039	269,629	273,926	276,944	260,758
189		115	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691	3,691
190		252	94,055	94,055	111,016	111,016	111,386	120,137	119,756	116,402	117,174	118,456	118,456	118,456	96,285	111,281
192	TOTAL		13,549,820	13,676,087	13,796,271	13,815,385	13,799,211	13,830,469	13,918,517	13,999,138	14,078,592	14,153,367	14,235,285	14,330,827	14,380,081	13,966,389
194	NET PLANT		15,898,586	15,859,917	15,870,694	15,937,451	15,974,292	15,960,558	15,964,785	15,965,498	15,953,308	15,962,410	15,909,257	15,876,758	15,904,507	15,926,001
197	NE FL ELECTRIC															
198		101	36,287,834	36,389,061	36,464,154	36,895,351	36,298,732	36,319,695	36,275,642	36,556,587	36,732,075	36,944,890	40,198,642	40,258,831	40,278,492	37,376,922
199		118	999,175	1,017,296	997,359	1,024,669	986,291	989,691	980,324	981,976	979,685	986,432	972,045	977,029	1,021,395	993,336
200		106	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201		107	3,638,195	3,619,318	3,626,680	3,323,502	3,325,157	3,332,054	3,409,524	3,262,748	3,402,727	3,442,900	932,347	963,726	1,090,122	2,874,538
202		114	0	0	0	0	0	0	0	0	0	0	0	0	0	0
204	TOTAL		40,925,204	41,025,675	41,088,193	41,243,522	40,610,180	40,641,440	40,665,490	40,801,311	41,114,487	41,374,222	42,103,034	42,199,586	42,390,009	41,244,796
206		108	15,413,612	15,512,276	15,619,723	15,719,916	15,154,526	15,246,179	15,231,507	15,331,373	15,446,440	15,523,419	15,639,345	15,717,344	15,758,731	15,485,722
207		119	284,984	318,613	323,965	328,979	309,463	314,670	315,229	320,425	325,658	328,807	332,018	337,302	351,777	322,453
208		115	0	0	0	0	0	0	0	0	0	0	0	0	0	0
209		252	408,469	447,332	472,053	470,338	470,748	433,796	433,796	500,192	483,216	532,499	599,134	614,863	592,204	496,818
211	TOTAL		16,107,065	16,278,221	16,415,741	16,519,233	15,934,737	15,994,645	15,980,532	16,151,990	16,255,314	16,384,725	16,570,497	16,669,509	16,702,712	16,304,993
213	NET PLANT		24,818,139	24,747,454	24,672,452	24,724,289	24,675,443	24,646,795	24,684,958	24,649,321	24,859,173	24,989,497	25,532,537	25,530,077	25,687,297	24,939,803
215	BALANCE SHEET		REPORT CK													
216	TOTAL ASSETS		61,687,800	62,062,311	63,154,254	61,249,597	60,034,012	61,002,652	60,717,370	60,673,816	62,092,995	65,562,404	65,270,179	68,083,046	74,078,200	63,512,975
217	TOTAL LIABILITIE		(61,687,802)	(62,062,307)	(63,154,253)	(61,249,597)	(60,034,010)	(61,002,652)	(60,717,366)	(60,673,815)	(62,092,997)	(65,562,405)	(65,270,176)	(68,083,041)	(74,078,199)	(63,512,972)
219	DIFFERENCE		(2)	4	1	0	2	0	4	1	(2)	(1)	3	5	1	3

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Summary of Plant (ROR)

PLANT AS PER ROR		ELEC	GAS	PROPANE	M&J	TOTAL
Plant	**101**	**68,757,204**	**88,116,515**	**15,090,480**		**171,964,199**
Corp Plant	**118**	**1,822,893**	**3,100,593**	**638,850**		**5,562,336**
Merch Plant	**104**		**373,314**			**373,314**
		0	**0**			**0**
CWIP	**107**	**2,090,809**	**2,084,882**	**1,282,328**		**5,458,019**
Acq Adj	**114**	**3,691**	**1,816,579**	**1,852,435**		**3,672,705**
		72,674,597	**95,491,883**	**18,864,093**	**0**	**187,030,573**
Adjustments to Plant:						
Less Goodwill (Non-amort portion)			(552,803)	(1,852,435)		(2,405,238)
Less Acq Adj (Non-amort)		0	(1,900,000)	(935,000)	0	(2,835,000)
Adjusted Plant		72,674,597	93,039,080	16,076,658	0	181,790,335
RESERVE AS PER ROR						
Plant	**108**	**29,761,892**	**29,219,219**	**4,390,710**		**63,371,821**
Corp Plant	**119**	**628,721**	**1,072,508**	**221,895**		**1,923,124**
Acq Adj	**115**	**3,691**	**343,626**	**0**		**347,317**
Cust Adv	**252**	**688,489**	**1,142,336**	**515,562**		**2,346,387**
		31,082,793	**31,777,689**	**5,128,167**	**0**	**67,988,649**
Less Acq Adj						0
Less Cust Adv		(688,489)	(1,142,336)	(515,562)		(2,346,387)
Less Cost of Removal		(4,692,093)	(3,564,262)			(8,256,355)
Adjusted Reserve		25,702,211	27,071,091	4,612,605	0	57,385,907
NET PLANT		**41,591,804**	**63,714,194**	**13,735,926**	**0**	**119,041,924**
		46,972,386	65,967,989	11,464,053	0	124,404,428
					Check	0

Report Name: WORK CAP
Date: 2/12/2006
User: YOUNG
Working Capital for Rate of Return Report

FLORIDA PUBLIC UTILITIES COMPANY
WORKING CAPITAL 13 MONTH AVERAGES
13 MONTHS ENDING DEC 2005

DESCRIPTION	BASIS	12 mth ago	11 mth ago	10 mth ago	9 mth ago	8 mth ago	7 mth ago	6 mth ago	5 mth ago	4 mth ago	3 mth ago	2 mth ago	1		
ALLOCATION FACTORS:	***	(from input	sheet)***												
BASE REVENUE:	BR SF														
Natural Gas		0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79
Propane		0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21
															0.00
BASE REVENUE:	BR CF														
Natural Gas		0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Propane		0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
															0.00
BASE REVENUE:	BR ELEC														
Northwest Fl		0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49
Northeast Fl		0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51
															0.00
BASE REVENUE:	BR GAS														
South Fl		0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69
Central Fl		0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31
															0.00
BASE REVENUE:	BASE REV														
Northwest Fl		0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19
Northeast Fl		0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
South Fl		0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Central Fl		0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19
															0.00
BASE REVENUE:	BASE REV														
Northwest Fl		0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
Northeast Fl		0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
South Fl		0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Central Fl		0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
Non-Utility		0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
															1.00
PAYROLL:	P/R														
Northwest Fl		0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Northeast Fl		0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
South Fl		0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Central Fl		0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
Non-Utility		0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21
															1.00
PLANT:	PLT														
Northwest Fl		0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Northeast Fl		0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22
South Fl		0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Central Fl		0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Non-Utility		0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
															1.00
EDP PLANT:	EDPPLT														
Northwest Fl		0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
Northeast Fl		0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
South Fl		0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41
Central Fl		0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
Non-Utility		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
															1
FROM INPUT WORKSHEET:		** ENTER	MONTHLY**												
Stores Expense (M&J)															
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Stores Expense Total		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Def'd Debit	Division														
Northwest Fl		0	0	0	0	0	0	0	31,601	108,306	0	7,842	7,842	12,245	12,910
Northeast Fl		0	0	0	0	0	0	0	0	0	23,594	132,453	87,819	19,245	20,239
South Fl		31,419	34,217	31,419	38,640	40,095	39,417	42,081	42,653	46,708	53,020	90,110	119,040	39,236	49,851
Central Fl		22,437	22,014	21,592	21,169	18,871	18,918	18,964	19,010	19,057	15,693	15,859	16,024	16,190	18,908
Internet Service	NE FL	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc Def Rate Case	Division														
Northeast Fl(SJ 335	56)	360,215	353,152	346,089	339,026	331,963	324,900	317,837	310,774	303,711	296,648	289,585	282,522	275,459	317,837
South Fl (SJ 33800)		343,974	336,811	337,990	330,824	323,658	316,492	309,326	302,160	294,994	287,828	280,662	273,276	265,891	307,991
Misc Def Deb:Corp.															
Corporate		12,711	11,652	10,593	9,533	8,474	7,415	6,355	14,776	4,237	3,177	2,118	1,059	0	7,085
Propane		89,306	69,584	34,984	(568)	(6,278)	77,649	76,029	69,872	63,551	54,399	39,029	33,251	60,410	50,863

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Report Name: WORK CAP
Date: 2/12/2006
User: YOUNG
Working Capital for Rate of Return Report

FLORIDA PUBLIC UTILITIES COMPANY
WORKING CAPITAL 13 MONTH AVERAGES
13 MONTHS ENDING DEC 2005

DESCRIPTION	BASIS	12 mth ago	11 mth ago	10 mth ago	9 mth ago	8 mth ago	7 mth ago	6 mth ago	5 mth ago	4 mth ago	3 mth ago	2 mth ago		1	
Accounts Payable															
Northwest Fl		1,561,588	1,557,200	1,344,552	1,464,415	1,243,933	1,499,069	1,572,615	1,690,907	1,794,581	1,784,359	1,616,864	1,457,854	1,880,514	1,574,496
Northeast Fl		1,457,191	1,659,846	1,436,706	1,872,320	1,312,306	1,666,507	1,818,064	1,798,873	2,000,991	1,870,512	1,755,911	1,583,511	1,790,215	1,694,073
South Fl		3,933,977	3,523,968	3,161,294	3,470,126	3,097,197	2,338,212	2,042,643	2,328,447	2,267,550	2,681,750	3,746,772	4,519,005	5,477,038	3,275,998
Central Fl		1,659,717	1,488,368	1,263,256	1,442,040	1,204,981	932,985	800,337	927,905	1,073,166	1,409,531	2,957,813	2,109,575	2,666,386	1,533,543
Ad Valorem															
Northwest Fl		0	(16,423)	(32,846)	(49,269)	(65,692)	(82,115)	(98,538)	(114,961)	(131,384)	(147,807)	(164,230)	14,744	0	(68,348)
Northeast Fl		0	(28,855)	(57,710)	(86,565)	(115,420)	(144,275)	(173,130)	(201,985)	(230,840)	(259,695)	(288,550)	13,951	0	(121,006)
South Fl		0	(59,263)	(118,526)	(177,789)	(237,052)	(296,315)	(355,578)	(414,841)	(474,104)	(533,367)	(592,630)	37,893	0	(247,813)
Central Fl		0	(32,165)	(64,330)	(96,495)	(128,660)	(160,825)	(192,990)	(225,155)	(257,320)	(289,485)	(321,650)	23,463	0	(134,278)
Div Decl'd-Preferred		(7,125)	0	0	(7,125)	0	0	(7,125)	0	0	(7,125)	0	0	(7,125)	(2,740)
== End of Input Area															
1310.1.7&8 CASH & IN	BASE REV	479,283	200,673	1,163,943	726,393	26,847	961,718	613,536	242,773	860,609	892,566	(548,188)	(958,390)	652,745	408,808
Northwest Fl		76,685	32,108	186,231	116,223	4,296	153,875	98,166	38,844	137,697	142,811	(87,710)	(153,342)	104,439	65,409
Northeast Fl		76,685	32,108	186,231	116,223	4,296	153,875	98,166	38,844	137,697	142,811	(87,710)	(153,342)	104,439	65,409
South Fl		167,749	70,236	407,380	254,238	9,396	336,601	214,738	84,971	301,213	312,398	(191,866)	(335,437)	228,461	143,083
Central Fl		76,685	32,108	186,231	116,223	4,296	153,875	98,166	38,844	137,697	142,811	(87,710)	(153,342)	104,439	65,409
Non-Utility		81,479	34,113	197,870	123,486	4,563	163,492	104,300	41,270	146,305	151,735	(93,192)	(162,927)	110,967	69,498
1310.4 Cash-Local	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
1250 Sinking Fund	BASE REV	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
1340.1 Special Depos	BASE REV	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
1340.2 Spec Dep Env	South FL	3,183,372	3,184,168	3,185,512	3,184,854	3,186,674	3,188,621	3,212,405	3,214,645	3,220,880	3,214,454	3,217,227	3,233,938	3,257,814	3,206,505
1340.3 Project Fund	BASE REV	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
1350 Work Fund-Cor	P/R	500	500	500	500	500	500	500	500	500	500	500	500	500	500
Northwest Fl		70	70	70	70	70	70	70	70	70	70	70	70	70	70
Northeast Fl		70	70	70	70	70	70	70	70	70	70	70	70	70	70
South Fl		175	175	175	175	175	175	175	175	175	175	175	175	175	175
Central Fl		80	80	80	80	80	80	80	80	80	80	80	80	80	80
Non-Utility		105	105	105	105	105	105	105	105	105	105	105	105	105	105
1350 Work Fund-Div	DIRECT	18,000	19,600	22,600	22,600	22,600	22,600	20,866	31,109	31,109	36,100	33,184	38,600	38,600	27,506
Northwest Fl		2,500	2,500	2,500	2,500	2,500	2,500	2,500	5,000	5,000	5,000	5,000	5,000	5,000	3,654
Northeast Fl		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	3,000	3,000	2,577
South Fl		9,400	11,000	14,000	14,000	14,000	14,000	12,266	19,009	19,009	24,000	21,084	26,000	26,000	17,213
Central Fl		3,600	3,600	3,600	3,600	3,600	3,600	3,600	4,600	4,600	4,600	4,600	4,600	4,600	4,062
132/30 Div. Spec Dep	BASE REV	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
142/30 Customer A/R	DIRECT	9,549,393	10,168,835	11,274,359	9,434,231	8,915,492	8,568,445	8,355,887	8,975,426	8,722,881	10,289,738	10,382,893	10,855,888	13,077,461	9,890,072
Northwest Fl		1,300,906	1,561,816	1,793,149	1,366,136	1,411,179	1,417,730	1,723,247	1,979,335	1,797,508	2,114,594	1,990,399	1,640,338	2,003,112	1,699,958
Northeast Fl		1,442,601	1,749,540	2,026,462	1,934,631	1,668,276	1,758,741	2,110,573	2,294,519	2,008,147	2,307,003	2,041,286	1,840,717	1,712,720	1,915,017
South Fl		4,882,661	4,862,569	5,241,806	4,263,572	4,191,314	3,874,884	3,118,556	3,292,954	3,055,663	3,938,837	4,424,046	5,181,342	7,041,484	4,413,053
Central Fl		1,923,225	1,994,910	2,212,942	1,869,892	1,644,723	1,517,090	1,403,511	1,408,618	1,861,563	1,929,304	1,927,162	2,193,491	2,320,145	1,862,044
1440 Accum Prov Uncol	DIRECT	(198,203)	(209,145)	(258,313)	(272,880)	(274,835)	(272,607)	(257,641)	(251,594)	(241,352)	(233,193)	(265,872)	(297,522)	(216,747)	(249,992)
Northwest Fl		(56,202)	(55,662)	(58,175)	(59,967)	(60,863)	(62,345)	(64,677)	(63,900)	(66,087)	(68,119)	(75,263)	(79,839)	(18,806)	(60,762)
Northeast Fl		(36,169)	(37,392)	(38,393)	(34,434)	(35,932)	(36,617)	(35,888)	(38,126)	(40,558)	(42,126)	(45,116)	(47,203)	(10,529)	(36,806)
South Fl		(50,831)	(56,542)	(99,563)	(109,732)	(109,686)	(105,559)	(92,950)	(89,167)	(78,332)	(65,335)	(80,794)	(97,159)	(146,232)	(90,914)

Report Name: WORK CAP
Date: 2/12/2006
User: YOUNG
Working Capital for Rate of Return Report

FLORIDA PUBLIC UTILITIES COMPANY
WORKING CAPITAL 13 MONTH AVERAGES
13 MONTHS ENDING DEC 2005

DESCRIPTION	BASIS	12 mth ago	11 mth ago	10 mth ago	9 mth ago	8 mth ago	7 mth ago	6 mth ago	5 mth ago	4 mth ago	3 mth ago	2 mth ago	1		
Central Fl		(55,001)	(59,549)	(62,182)	(68,747)	(68,354)	(68,086)	(64,126)	(60,401)	(56,375)	(57,613)	(64,699)	(73,321)	(41,180)	(61,510)
1510 Fuel Stock	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
1630 Stores Expense	DIRECT	0	1,418	1,967	2,075	36,178	1,355	1,176	763	3,939	10,406	2,170	886	0	4,795
Northwest Fl		0	0	23	0	39	0	0	0	0	53	45	44	0	16
Northeast Fl		0	0	0	0	463	0	0	0	0	0	439	0	0	69
South Fl		0	1,480	1,944	2,075	35,676	1,742	1,094	351	2,633	10,158	1,686	285	0	4,548
Central Fl		0	(62)	0	0	0	(387)	82	412	1,306	195	0	557	0	162
1540 Materl & Supply	DIRECT	1,089,290	1,137,278	1,137,446	1,135,472	1,191,635	1,262,048	1,208,658	1,242,521	1,283,386	1,342,693	1,294,404	1,446,425	1,385,479	1,242,826
Northwest Fl		229,598	229,221	264,798	249,740	280,285	269,954	269,233	264,436	267,575	271,621	282,170	284,116	259,409	263,243
Northeast Fl		448,942	449,411	457,513	474,946	480,174	557,505	545,504	583,582	597,724	632,821	582,527	611,354	562,556	537,274
South Fl	BR SF	209,523	247,261	213,001	197,380	202,958	214,472	190,603	195,075	199,113	220,143	211,655	237,669	222,359	212,401
Central Fl	BR CF	122,246	122,353	122,232	135,188	146,384	137,009	128,227	123,961	139,478	134,055	135,903	210,091	236,919	145,695
Non-Utility		78,981	89,032	79,902	78,218	81,834	83,108	75,091	75,467	79,496	84,053	82,149	103,195	104,236	84,213
1650 Prepay-Exc Pens	BASE REV	814,294	826,737	752,762	622,188	573,883	574,146	442,269	319,214	378,456	938,036	979,912	1,126,594	950,750	715,327
Northwest Fl		130,287	132,278	120,442	99,550	91,821	91,863	70,763	51,074	60,553	150,086	156,786	180,255	152,120	114,452
Northeast Fl		130,287	132,278	120,442	99,550	91,821	91,863	70,763	51,074	60,553	150,086	156,786	180,255	152,120	114,452
South Fl		285,003	289,358	263,467	217,766	200,859	200,951	154,794	111,725	132,460	328,313	342,969	394,308	332,763	250,364
Central Fl		130,287	132,278	120,442	99,550	91,821	91,863	70,763	51,074	60,553	150,086	156,786	180,255	152,120	114,452
Non-Utility		138,430	140,545	127,969	105,772	97,561	97,606	75,186	54,267	64,337	159,465	166,585	191,521	161,627	121,607
1650.3 Prepay-Pension	P/R	725,619	598,536	471,452	344,369	217,286	90,202	0	(113,750)	0	0	0	0	0	179,516
Northwest Fl		101,587	83,795	66,003	48,212	30,420	12,628	0	(15,925)	0	0	0	0	0	25,132
Northeast FL		101,587	83,795	66,003	48,212	30,420	12,628	0	(15,925)	0	0	0	0	0	25,132
South Fl		253,967	209,488	165,008	120,529	76,050	31,571	0	(39,813)	0	0	0	0	0	62,831
Central Fl		116,099	95,766	75,432	55,099	34,766	14,432	0	(18,200)	0	0	0	0	0	28,723
Non-Utility		152,379	125,692	99,006	72,317	45,630	18,943	0	(23,887)	0	0	0	0	0	37,698
1710 Int. & Div. Rec	CORP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1720 Leased Equip.	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
1820.3 Other Regulato	ry Asset	9,713,454	9,675,425	9,638,596	9,667,272	9,630,289	9,589,651	9,492,156	9,458,269	9,425,379	9,461,540	9,423,511	9,389,040	9,319,979	9,529,582
1730 Unbilled Rev	DIRECT	1,882,080	1,844,992	1,554,910	1,540,829	1,348,208	1,271,572	1,254,783	1,173,436	1,265,236	1,131,083	1,066,987	1,193,984	1,510,318	1,387,570
Northwest Fl		276,559	253,680	192,935	222,232	191,118	237,828	241,016	251,710	289,661	235,060	192,871	191,262	225,091	230,848
Northeast Fl		277,108	249,908	190,114	197,786	168,498	196,797	232,015	219,080	275,897	208,657	141,395	132,272	190,673	206,169
South Fl		955,493	958,296	859,423	835,239	749,295	625,842	584,115	519,773	520,883	472,220	522,239	622,090	706,499	687,031
Central Fl		372,920	383,108	312,438	285,572	239,297	211,105	197,637	182,873	178,795	215,146	210,482	248,360	388,055	263,522
1810.2 Unam Debt Dis	Env CORP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1840.7 Clear-Refunds	Base Rev	0	0	(60)	0	0	7,329	0	0	0	0	0	0	0	559
Northwest Fl		0	0	(10)	0	0	1,173	0	0	0	0	0	0	0	89
Northeast Fl		0	0	(10)	0	0	1,173	0	0	0	0	0	0	0	89
South Fl		0	0	(21)	0	0	2,565	0	0	0	0	0	0	0	196
Central Fl		0	0	(10)	0	0	1,173	0	0	0	0	0	0	0	89
Non-Utility		0	0	(10)	0	0	1,246	0	0	0	0	0	0	0	95
1840 Clearing Accts	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
1840 Clear Acct-Cor	P/R	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
1850 Temp Facility	DIRECT	10,005	11,462	12,281	15,916	16,500	17,543	20,582	24,687	26,939	29,043	29,641	29,661	21,285	20,427
Northwest Fl		(2,175)	(1,822)	(2,733)	(1,831)	(2,177)	(2,849)	(2,061)	(2,704)	(3,276)	(2,121)	(2,395)	(2,511)	51	(2,200)
Northeast Fl		12,180	13,284	15,014	17,747	18,677	20,392	22,643	27,391	30,215	31,164	32,036	32,172	21,234	22,627
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
1860.1 Misc. Def. Deb	DIRECT	758,045	746,183	737,062	729,619	714,542	699,699	688,153	706,152	772,692	676,699	816,402	786,430	628,266	727,688
Northwest Fl		0	0	0	0	0	0	0	31,601	108,306	0	7,842	7,842	12,245	12,910
Northeast Fl		360,215	353,152	346,089	339,026	331,963	324,900	317,837	310,774	303,711	320,242	422,038	370,341	294,704	338,076
South Fl		375,393	371,017	369,381	369,424	363,708	355,881	351,352	344,767	341,618	340,764	370,663	392,223	305,127	357,794
Central Fl		22,437	22,014	21,592	21,169	18,871	18,918	18,964	19,010	19,057	15,693	15,859	16,024	16,190	18,908
1860.1 MisDefDeb-Corp	BSE REV	12,711	11,652	10,593	9,533	8,474	7,415	6,355	14,776	4,237	3,177	2,118	1,059	0	7,085
Northwest Fl		2,034	1,864	1,695	1,525	1,356	1,186	1,017	2,364	678	508	339	169	0	1,134
Northeast Fl		2,034	1,864	1,695	1,525	1,356	1,186	1,017	2,364	678	508	339	169	0	1,134
South Fl		4,449	4,078	3,708	3,337	2,966	2,595	2,224	5,172	1,483	1,112	741	371	0	2,480
Central Fl		2,034	1,864	1,695	1,525	1,356	1,186	1,017	2,364	678	508	339	169	0	1,134

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Report Name: WORK CAP
Date: 2/12/2006
User: YOUNG
Working Capital for Rate of Return Report

FLORIDA PUBLIC UTILITIES COMPANY
WORKING CAPITAL 13 MONTH AVERAGES
13 MONTHS ENDING DEC 2005

DESCRIPTION	BASIS	12 mth ago	11 mth ago	10 mth ago	9 mth ago	8 mth ago	7 mth ago	6 mth ago	5 mth ago	4 mth ago	3 mth ago	2 mth ago	1		
Non-Utility		2,160	1,982	1,800	1,621	1,440	1,262	1,080	2,512	720	541	360	181	0	1,203
1860.3"-7" MisDebCon&	P/R DIR	5,786,066	5,738,455	5,710,652	5,728,639	5,705,207	5,709,542	5,751,681	5,749,252	5,830,953	5,923,481	5,981,061	5,934,962	5,860,260	5,800,785
Northwest Fl		0	1,666	1,665	5,467	8,744	12,700	13,929	0	4,572	12,858	10,391	12,667	0	6,512
Northeast Fl		0	1,382	1,679	5,658	9,065	10,931	22,423	0	7,779	9,746	13,452	21,899	0	8,001
South Fl		2,762,127	2,735,274	2,724,757	2,725,980	2,691,828	2,689,597	2,709,282	2,708,455	2,527,558	2,543,849	2,545,299	2,437,058	2,376,550	2,629,047
Central Fl		3,023,939	3,000,133	2,982,551	2,991,534	2,995,570	2,996,314	3,006,047	3,040,797	3,291,044	3,357,028	3,411,919	3,463,338	3,483,710	3,157,225
1860.21 Underrec Cost	DIRECT	1,683,121	1,696,778	1,556,518	1,678,340	1,538,080	1,806,031	1,858,208	1,723,363	1,790,955	1,650,695	1,510,435	3,048,043	4,527,745	2,005,255
Northwest Fl		966,951	956,131	875,552	995,777	915,198	1,091,471	1,099,011	1,023,847	1,049,733	969,154	888,575	895,446	1,008,219	979,620
Northeast Fl		716,170	740,647	680,966	682,563	622,882	714,560	759,197	699,516	741,222	681,541	621,860	562,179	603,627	678,995
South Fl		0	0	0	0	0	0	0	0	0	0	0	620,787	1,319,418	149,247
Central Fl		0	0	0	0	0	0	0	0	0	0	0	969,631	1,596,481	197,393
1210 Non-Utility Prop	CORP	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436
1280.1 Oth Special Fu	nd CORP	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
1460 Receiv. Assoc Co	CORP	11,351,417	11,394,025	11,286,250	11,334,660	11,198,506	11,107,866	11,318,027	11,265,991	11,471,439	11,730,289	12,096,785	12,682,940	12,872,618	11,623,909
1550 M&J Mater & Sup	CORP	295,368	299,455	319,095	368,214	391,088	389,734	372,769	380,305	510,346	490,254	510,568	447,045	421,892	399,703
1860.1 Mis Def Deb Pr	op CORP	89,306	69,584	34,984	(568)	(6,278)	77,649	76,029	69,872	63,551	54,399	39,029	33,251	60,410	50,863
1840 Clear Purch Gas	South FL	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT ASSETS		47,261,557	47,435,047	48,631,545	46,290,692	44,459,312	45,099,495	44,454,835	44,246,146	45,440,571	47,660,396	46,591,203	49,011,770	54,387,811	46,997,725
Northwest Fl		3,028,800	3,197,645	3,444,145	3,045,634	2,873,986	3,227,784	3,452,214	3,565,752	3,651,990	3,831,575	3,369,120	2,981,517	3,750,950	3,340,085
Northeast Fl		3,534,210	3,772,547	4,056,375	3,886,003	3,394,529	3,810,504	4,146,820	4,175,663	4,125,635	4,445,023	3,881,902	3,553,883	3,634,614	3,878,285
South Fl		22,751,935	22,563,283	22,988,574	21,746,109	21,245,502	21,023,589	19,950,810	19,826,361	19,669,735	20,802,628	20,808,635	22,102,690	24,990,397	21,574,636
Central Fl		5,738,551	5,728,603	5,977,043	5,510,685	5,112,410	5,078,172	4,863,968	4,794,032	5,638,476	5,891,893	5,710,721	7,059,933	8,261,559	5,797,388
Non-Utility		453,534	391,469	506,642	381 519	231,133	365,762	255,762	149,734	290,963	395,899	156,007	132,075	376,935	314,419
Corporate		11,754,527	11,781,500	11,658,765	11,720,742	11,601,752	11,593,685	11,785,261	11,734,604	12,063,772	12,293,378	12,664,818	13,181,672	13,373,356	12,092,911
Total Current Assets		47,261,557	47,435,047	48,631,544	46,290,692	44,459,312	45,099,496	44,454,835	44,246,146	45,440,571	47,660,396	46,591,203	49,011,770	54,387,811	46,997,724
2280.31 Pension Reser	PAYROLL	0	0	0	0	0	0	36,881	36,881	264,771	378,911	493,051	607,191	721,331	195,309
Northwest Fl		0	0	0	0	0	0	5,163	5,163	37,068	53,048	69,027	85,007	100,986	27,343
Northeast Fl		0	0	0	0	0	0	5,163	5,163	37,068	53,048	69,027	85,007	100,986	27,343
South Fl		0	0	0	0	0	0	12,908	12,908	92,670	132,619	172,568	212,517	252,466	68,358
Central Fl		0	0	0	0	0	0	5,901	5,901	42,363	60,626	78,888	97,151	115,413	31,249
Non-Utility		0	0	0	0	0	0	7,746	7,746	55,602	79,570	103,541	127,509	151,480	41,016
2280.32 Med Self Ins	BASE REV	1,756,814	1,768,511	1,781,150	1,787,021	1,796,874	1,806,743	1,817,619	1,830,705	1,850,249	1,870,435	1,890,164	1,910,447	1,942,393	1,831,471
Northwest Fl		281,090	282,962	284,984	285,923	287,500	289,079	290,819	292,913	296,040	299,270	302,426	305,672	310,783	293,035
Northeast Fl		281,090	282,962	284,984	285,923	287,500	289,079	290,819	292,913	296,040	299,270	302,426	305,672	310,783	293,035
South Fl		614,885	618,979	623,403	625,457	628,906	632,360	636,167	640,747	647,587	654,652	661,557	668,656	679,838	641,015
Central Fl		281,090	282,962	284,984	285,923	287,500	289,079	290,819	292,913	296,040	299,270	302,426	305,672	310,783	293,035
Non-Utility		298,659	300,646	302,795	303,795	305,468	307,146	308,995	311,219	314,542	317,973	321,329	324,775	330,206	311,351
2280.34 401k accrual	PAYROLL	0	0	0	0	0	0	0	0	0	0	0	(173)	(742)	(70)
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	(24)	(104)	(10)
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	(24)	(104)	(10)
South Fl		0	0	0	0	0	0	0	0	0	0	0	(61)	(260)	(25)
Central Fl		0	0	0	0	0	0	0	0	0	0	0	(28)	(119)	(11)
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	(36)	(155)	(14)
2280.1" Storm Damage	BR	1,538,088	1,546,346	1,553,138	1,565,094	1,575,229	1,585,092	1,594,897	1,605,032	1,615,167	1,634,769	1,644,496	1,655,039	1,536,144	1,588,348
South Fl	BR-GAS	0	(1,244)	(1,244)	0	0	0	0	0	0	81,263	80,982	81,263	20,188	20,093
Central Fl		0	(559)	(559)	0	0	0	0	0	0	36,510	36,383	36,510	9,070	9,027
Northwest Fl	BR-ELEC	753,663	758,593	761,921	766,896	771,862	776,695	781,500	786,466	791,432	743,328	748,294	753,260	738,374	764,022
Northeast Fl		784,425	789,556	793,020	798,198	803,367	808,397	813,397	818,566	823,735	773,668	778,837	784,006	768,512	795,206
2280 1 & 2"	BASE REV	363,547	364,086	354,177	340,641	339,052	329,297	320,487	313,457	310,842	310,842	302,763	299,200	296,132	326,502
Northwest Fl		58,168	58,254	56,668	54,503	54,248	52,688	51,278	50,153	49,735	49,735	48,442	47,872	47,381	52,240
Northeast Fl		58,168	58,254	56,668	54,503	54,248	52,688	51,278	50,153	49,735	49,735	48,442	47,872	47,381	52,240
South Fl		127,241	127,430	123,962	119,224	118,668	115,254	112,170	109,710	108,795	108,795	105,967	104,720	103,646	114,276
Central Fl		58,168	58,254	56,668	54,503	54,248	52,688	51,278	50,153	49,735	49,735	48,442	47,872	47,381	52,240
Non-Utility		61,802	61,894	60,211	57,908	57,640	55,979	54,483	53,288	52,842	52,842	51,470	50,864	50,343	55,506
2320.1" & .99	A/P	8,612,473	8,229,382	7,205,808	8,248,901	6,858,417	6,436,773	6,233,659	6,746,132	7,136,288	7,746,152	10,077,360	9,669,945	11,814,153	8,078,110
Northwest Fl		1,561,588	1,557,200	1,344,552	1,464,415	1,243,933	1,499,069	1,572,615	1,690,907	1,794,581	1,784,359	1,616,864	1,457,854	1,880,514	1,574,496
Northeast Fl		1,457,191	1,659,846	1,436,706	1,872,320	1,312,306	1,666,507	1,818,064	1,798,873	2,000,991	1,870,512	1,755,911	1,583,511	1,790,215	1,694,073
South Fl		3,933,977	3,523,968	3,161,294	3,470,126	3,097,197	2,338,212	2,042,643	2,328,447	2,267,550	2,681,750	3,746,772	4,519,005	5,477,038	3,275,998
Central Fl		1,659,717	1,488,368	1,263,256	1,442,040	1,204,981	932,985	800,337	927,905	1,073,166	1,409,531	2,957,813	2,109,575	2,666,386	1,533,543
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2320 8 Sal & Wage Pay	P/R	686,060	731,238	719,818	477,847	506,203	614,228	379,754	445,377	633,120	536,459	431,125	746,200	558,482	574,301
Northwest Fl		96,048	102,373	100,775	66,899	70,868	85,992	53,166	62,353	88,637	75,104	60,358	104,468	78,187	80,402
Northeast Fl		96,048	102,373	100,775	66,899	70,868	85,992	53,166	62,353	88,637	75,104	60,358	104,468	78,187	80,402
South Fl		240,121	255,933	251,936	167,246	177,171	214,980	132,914	155,882	221,592	187,761	150,894	261,170	195,469	201,005
Central Fl		109,770	116,998	115,171	76,456	80,992	98,276	60,761	71,260	101,299	85,833	68,980	119,392	89,357	91,888

Report Name WORK CAP
Date 2/12/2006
User YOUNG
Working Capital for Rate of Return Report

FLORIDA PUBLIC UTILITIES COMPANY
WORKING CAPITAL 13 MONTH AVERAGES
13 MONTHS ENDING DEC 2005

DESCRIPTION	BASIS	12 mth ago	11 mth ago	10 mth ago	9 mth ago	8 mth ago	7 mth ago	6 mth ago	5 mth ago	4 mth ago	3 mth ago	2 mth ago	1		
Non-Utility		144,073	153,561	151,161	100,347	106,304	128,988	79,747	93,529	132,955	112,657	90,535	156,702	117,282	120,604
2320 Oth Acct Payable	BASE RE	562,826	428,680	399,497	517,164	479,532	483,326	458,445	411,237	486,536	586,354	625,893	581,928	793,027	524,189
Northwest Fl		90,052	68,589	63,920	82,746	76,725	77,332	73,351	65,798	77,846	93,817	100,143	93,108	126,884	83,870
Northeast Fl		90,052	68,589	63,920	82,746	76,725	77,332	73,351	65,798	77,846	93,817	100,143	93,108	126,884	83,870
South Fl		196,989	150,038	139,824	181,007	167,836	169,164	160,456	143,933	170,288	205,224	219,063	203,675	277,559	183,466
Central Fl		90,052	68,589	63,920	82,746	76,725	77,332	73,351	65,798	77,846	93,817	100,143	93,108	126,884	83,870
Non-Utility		95,681	72,875	67,913	87,919	81,521	82,166	77,936	69,910	82,710	99,679	106,401	98,929	134,816	89,113
2360 Taxes Accrued															
2360.1 Ad Valorem	DIRECT	0	136,706	273,412	410,118	546,824	683,530	820,236	956,942	1,093,648	1,230,354	1,367,060	(90,051)	0	571,445
Northwest Fl		0	16,423	32,846	49,269	65,692	82,115	98,538	114,961	131,384	147,807	164,230	(14,744)	0	68,348
Northeast Fl		0	28,855	57,710	86,565	115,420	144,275	173,130	201,985	230,840	259,695	288,550	(13,951)	0	121,006
South Fl		0	59,263	118,526	177,789	237,052	296,315	355,578	414,841	474,104	533,367	592,630	(37,893)	0	247,813
Central Fl		0	32,165	64,330	96,495	128,660	160,825	192,990	225,155	257,320	289,485	321,650	(23,463)	0	134,278
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Environmental Tax	BASE REV	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2360.2 State Gr Recpt	s DIRECT	236,211	258,203	255,102	241,984	215,096	202,482	197,305	209,721	203,119	221,218	226,774	231,906	271,724	228,527
Northeast Fl		236,211	258,203	255,102	241,984	215,096	202,482	197,305	209,721	203,119	221,218	226,774	231,906	271,724	228,527
Franchise Tax		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2360.3 FPSC Assessmnt	BASE RV	146,801	38,581	74,466	110,112	141,795	170,395	194,602	24,650	48,649	74,558	105,186	139,431	183,596	111,756
Northwest Fl		27,892	7,330	14,149	20,921	26,941	32,375	36,974	4,684	9,243	14,166	19,985	26,492	34,883	21,234
Northeast Fl		29,360	7,716	14,893	22,022	28,359	34,079	38,920	4,930	9,730	14,912	21,037	27,886	36,719	22,351
South Fl		61,656	16,204	31,276	46,247	59,554	71,566	81,733	10,353	20,433	31,314	44,178	58,561	77,110	46,938
Central Fl		27,893	7,331	14,148	20,922	26,941	32,375	36,975	4,683	9,243	14,166	19,986	26,492	34,884	21,233
2360.4 Emrg Excs Tax	BASE REV	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2360.5 Fed Unempl Tax	PAYROLL	724	196	2,581	19,451	500	846	1,261	197	361	574	273	671	1,032	2,205
Northwest Fl		101	27	361	2,723	70	118	177	28	51	80	38	94	144	309
Northeast Fl		101	27	361	2,723	70	118	177	28	51	80	38	94	144	309
South Fl		253	69	903	6,808	175	296	441	69	126	201	96	235	361	772
Central Fl		116	31	413	3,112	80	135	202	32	58	92	44	107	165	353
Non-Utility		153	42	543	4,085	105	179	264	40	75	121	57	141	218	462
2360.6 St Unempl Tax	PAYROLL	1,330	383	5,033	37,930	975	1,650	2,459	383	705	1,120	532	1,308	2,012	4,294
Northwest Fl		186	54	705	5,310	137	231	344	54	99	157	74	183	282	601
Northeast Fl		186	54	705	5,310	137	231	344	54	99	157	74	183	282	601
South Fl		466	134	1,762	13,276	341	578	861	134	247	392	186	458	704	1,503
Central Fl		213	61	805	6,069	156	264	393	61	113	179	85	209	322	687
Non-Utility		279	80	1,056	7,965	204	346	517	80	147	235	113	275	422	902
2360.7 FICA	PAYROLL	0	0	0	18,464	18,433	0	26,769	25,646	0	19,202	0	0	0	8,347
Northwest Fl		0	0	0	2,585	2,581	0	3,748	3,590	0	2,688	0	0	0	1,169
Northeast Fl		0	0	0	2,585	2,581	0	3,748	3,590	0	2,688	0	0	0	1,169
South Fl		0	0	0	6,462	6,452	0	9,369	8,976	0	6,721	0	0	0	2,921
Central Fl		0	0	0	2,954	2,949	0	4,283	4,103	0	3,072	0	0	0	1,336
Non-Utility		0	0	0	3,878	3,870	0	5,621	5,387	0	4,033	0	0	0	1,752
2360.8 Fed Income Tax	BASE RV	(312,884)	276,016	814,716	1,092,516	2,158,790	2,208,795	1,336,417	1,564,817	1,532,117	1,476,300	1,288,547	1,009,615	89,947	1,118,131
Northwest Fl		(50,061)	44,163	130,355	174,803	345,406	353,407	213,827	250,371	245,139	236,208	206,168	161,538	14,392	178,901
Northeast Fl		(50,061)	44,163	130,355	174,803	345,406	353,407	213,827	250,371	245,139	236,208	206,168	161,538	14,392	178,901
South Fl		(109,509)	96,606	285,151	382,381	755,577	773,078	467,746	547,686	536,241	516,705	450,991	353,365	31,481	391,346
Central Fl		(50,061)	44,163	130,355	174,803	345,406	353,407	213,827	250,371	245,139	236,208	206,168	161,538	14,392	178,901
Non-Utility		(53,192)	46,921	138,500	185,726	366,995	375,496	227,190	266,018	260,459	250,971	219,052	171,636	15,290	190,082
2360.9 St Income Tax	BASE REV	(54,271)	46,629	138,629	186,229	232,149	242,686	77,856	116,956	111,456	282,669	312,369	264,467	37,844	153,513
Northwest Fl		(8,683)	7,461	22,181	29,797	37,144	38,830	12,457	18,713	17,833	45,227	49,979	42,315	6,055	24,562
Northeast Fl		(8,683)	7,461	22,181	29,797	37,144	38,830	12,457	18,713	17,833	45,227	49,979	42,315	6,055	24,562
South Fl		(18,995)	16,320	48,520	65,180	81,252	84,940	27,250	40,935	39,010	98,934	109,329	92,563	13,245	53,730
Central Fl		(8,683)	7,461	22,181	29,797	37,144	38,830	12,457	18,713	17,833	45,227	49,979	42,315	6,055	24,562
Non-Utility		(9,227)	7,926	23,566	31,658	39,465	41,256	13,235	19,882	18,947	48,054	53,103	44,959	6,434	26,097
2370.1& 2 Interest Ac	cr PLANT	687,384	760,149	1,088,253	1,417,355	1,488,605	721,158	673,594	759,357	1,087,136	1,416,416	1,487,292	722,968	691,640	1,000,101
Northwest Fl		116,855	129,225	185,003	240,950	253,063	122,597	114,511	129,091	184,813	240,791	252,840	122,905	117,579	170,017
Northeast Fl		151,224	167,233	239,416	311,818	327,493	158,655	148,191	167,059	239,170	311,612	327,204	159,053	152,161	220,022
South Fl		240,584	266,052	380,889	496,074	521,012	252,405	235,758	265,775	380,498	495,746	520,552	253,039	242,074	350,035
Central Fl		116,855	129,225	185,003	240,950	253,063	122,597	114,511	129,091	184,813	240,791	252,840	122,905	117,579	170,017
Non-Utility		61,866	68,414	97,942	127,563	133,974	64,904	60,623	68,341	97,842	127,476	133,856	65,066	62,247	90,010

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Report Name: WORK CAP
Date: 2/12/2006
User: YOUNG
Working Capital for Rate of Return Report

FLORIDA PUBLIC UTILITIES COMPANY
WORKING CAPITAL 13 MONTH AVERAGES
13 MONTHS ENDING DEC 2005

DESCRIPTION	BASIS	12 mth ago	11 mth ago	10 mth ago	9 mth ago	8 mth ago	7 mth ago	6 mth ago	5 mth ago	4 mth ago	3 mth ago	2 mth ago	1		
2370 Int Accr-Cust De	p DIRECT	279,793	307,160	338,009	32,151	63,092	94,119	128,152	158,143	190,248	222,942	256,640	285,975	320,028	205,881
Northwest Fl		36,832	40,468	44,619	4,112	8,226	12,352	16,840	20,704	24,908	29,057	32,714	36,325	40,916	26,775
Northeast Fl		48,941	53,260	58,553	4,960	10,617	16,332	22,156	27,325	32,637	37,903	42,622	47,352	53,218	35,067
South Fl		144,763	158,990	174,762	18,356	33,384	49,126	66,520	81,783	97,779	114,794	133,269	148,416	166,668	106,816
Central Fl		49,257	54,442	60,075	4,723	10,865	16,309	22,636	28,331	34,924	41,188	48,035	53,882	59,226	37,223
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2380 Divds Decl-Pref	BASE REV	7,125	0	0	7,125	0	0	7,125	0	0	7,125	0	0	7,125	2,740
Northwest Fl		1,140	0	0	1,140	0	0	1,140	0	0	1,140	0	0	1,140	438
Northeast Fl		1,140	0	0	1,140	0	0	1,140	0	0	1,140	0	0	1,140	438
South Fl		2,494	0	0	2,494	0	0	2,494	0	0	2,494	0	0	2,494	959
Central Fl		1,140	0	0	1 140	0	0	1,140	0	0	1,140	0	0	1,140	438
Non-Utility		1,211	0	0	1,211	0	0	1,211	0	0	1,211	0	0	1,211	467
2410 Tax Collect Pay	PAYROLL	0	0	0	47,281	47,298	0	72,977	70,482	(22)	50,154	(2,389)	0	0	21,983
Northwest Fl		0	0	0	6,619	6,622	0	10,217	9,867	(3)	7,022	(334)	0	0	3,078
Northeast Fl		0	0	0	6,619	6,622	0	10,217	9,867	(3)	7,022	(334)	0	0	3,078
South Fl		0	0	0	16,548	16,554	0	25,542	24,669	(8)	17,554	(836)	0	0	7,694
Central Fl		0	0	0	7,565	7,568	0	11,676	11,277	(4)	8,025	(382)	0	0	3,517
Non-Utility		0	0	0	9,930	9,932	0	15,325	14,802	(4)	10,531	(503)	0	0	4,616
2410 Tax Collect Pay	DIRECT	1,613,928	1,397,801	1,578,293	1,495,931	1,180,760	1,284,549	928,634	962,632	948,207	959,362	882,315	909,267	977,940	1,163,047
Northwest Fl		208,329	161,185	237,014	131,896	134,586	141,448	162,701	180,340	179,757	197,885	174,578	140,111	152,038	169,374
Northeast Fl		222,074	123,295	183,105	260,122	105,863	170,518	130,201	139,874	141,404	156,710	139,817	118,707	106,475	153,705
South Fl		924,536	863,823	892,554	818,499	738,203	792,849	463,451	446,734	421,982	389,958	385,948	439,578	501,931	621,542
Central Fl		258,989	249,498	265,620	285,414	202,108	179,734	172,281	195,684	205,064	214,809	181,972	210,871	217,496	218,426
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2420.1 Vactn Pay Acc	PAYROLL	1,018,853	1,018,853	1,018,853	1,018,853	1,018,853	1,018,853	1,018,853	1,018,853	1,018,853	1,018,853	1,018,853	1,018,853	1,075,748	1,023,230
Northwest Fl		142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	150,605	143,252
Northeast Fl		142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	142,639	150,605	143,252
South Fl		356,599	356,599	356,599	356,599	356,599	356,599	356,599	356,599	356,599	356,599	356,599	356,599	376,512	358,131
Central Fl		163,016	163,016	163,016	163,016	163,016	163,016	163,016	163,016	163,016	163,016	163,016	163,016	172,120	163,717
Non-Utility		213,960	213,960	213,960	213,960	213,960	213,960	213,960	213,960	213,960	213,960	213,960	213,960	225,906	214,878
2420.3 Audt Fees Acc	BASE REV	108,699	139,397	129,550	136,033	168,915	170,069	181,882	176,448	122,175	114,583	138,274	84,250	89,106	135,337
Northwest Fl		17,392	22,304	20,728	21,765	27,026	27,211	29,101	28,232	19,548	18,333	22,124	13,480	14,257	21,654
Northeast Fl		17,392	22,304	20,728	21,765	27,026	27,211	29,101	28,232	19,548	18,333	22,124	13,480	14,257	21,654
South Fl		38,045	48,789	45,343	47,612	59,120	59,524	63,659	61,757	42,761	40,104	48,396	29,488	31,187	47,368
Central Fl		17,392	22,304	20,728	21,765	27,026	27,211	29,101	28,232	19,548	18,333	22,124	13,480	14,257	21,654
Non-Utility		18,478	23,696	22,023	23,126	28,717	28,912	30,920	29,995	20,770	19,480	23,506	14,322	15,148	23,007
2290 Rate Refund Pend	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	251,000	251,000	251,000	518,000	518,000	518,000	700,000	231,308
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2420.6 Software Maint	EDPPLT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Central Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Utility		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2420.7 Commission Fnd	DIRECT	4,056	3,898	4,827	6,034	5,911	6,565	6,907	8,327	8,836	9,436	10,119	9,489	8,419	7,141
Northwest Fl		1,225	1,229	1,495	1,619	1,710	1,917	1,909	1,899	2,152	2,017	2,434	1,389	(54)	1,611
Northeast Fl		0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Fl		667	582	1,085	1,643	1,495	1,580	1,802	3,261	3,556	4,212	4,281	4,533	4,906	2,585
Central Fl		2,164	2,087	2,247	2,772	2,706	3,068	3,196	3,167	3,128	3,207	3,404	3,567	3,567	2,945
2420.8 ANALYSIS CHG		6,913	1,912	3,824	5,736	1,986	3,973	5,959	2,354	5,809	7,061	2,426	4,853	7,279	4,622
South Fl		6,913	1,912	3,824	5,736	1,986	3,973	5,959	2,354	5,809	7,061	2,426	4,853	7,279	4,622
Non-Utility		0	227	453	(3,731)	(3,516)	(2,307)	(5,077)	0	0	(391)	0	0	3,315	(849)
2420.9 Misc Cur & Acc	r Liab	0	1,333	2,667	(21,940)	(20,682)	(13,570)	(29,873)	0	0	(2,300)	0	0	19,500	(4,990)
Northwest Fl		0	213	427	(3,510)	(3,309)	(2,171)	(4,780)	0	0	(368)	0	0	3,120	(798)
Northeast Fl		0	213	427	(3,510)	(3,309)	(2,171)	(4,780)	0	0	(368)	0	0	3,120	(798)
South Fl		0	467	933	(7,679)	(7,239)	(4,750)	(10,456)	0	0	(805)	0	0	6,825	(1,747)
Central Fl		0	213	427	(3,510)	(3,309)	(2,171)	(4,780)	0	0	(368)	0	0	3,120	(798)
2530.1&4 Cshrs Ovr/Sh	t DIRECT	281,493	271,425	261,383	251,331	241,312	231,498	221,454	211,330	201,220	191,126	181,222	171,171	161,073	221,310
Northwest Fl		0	(24)	(124)	(124)	(122)	(143)	(141)	(138)	(128)	(181)	(180)	(215)	0	(117)
Northeast Fl		0	20	15	15	17	18	22	20	27	27	27	39	0	19
South Fl		199,746	192,348	185,054	177,656	170,258	163,060	155,662	148,164	140,691	133,293	126,025	118,627	110,970	155,504
Central Fl		81,747	79,081	76,438	73,784	71,159	68,563	65,911	63,284	60,630	57,987	55,350	52,720	50,103	65,904
2530.61 Conservation	DIRECT	131,874	220,262	349,324	378,224	371,440	402,963	354,387	360,303	143,726	143,386	126,539	113,864	107,034	246,410
Northwest Fl		53,669	53,921	50,227	42,621	37,557	26,512	24,823	27,945	18,413	15,406	1,666	(8,878)	(13,344)	25,426
Northeast Fl		78,205	86,423	91,950	100,919	100,808	104,354	112,781	122,495	125,313	127,980	124,873	122,742	120,378	109,171
South Fl		0	74,395	228,599	230,044	259,911	322,068	293,371	332,852	0	0	0	0	0	133,942

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Report Name: WORK CAP
Date: 2/12/2006
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Working Capital for Rate of Return Report

FLORIDA PUBLIC UTILITIES COMPANY
WORKING CAPITAL 13 MONTH AVERAGES
13 MONTHS ENDING DEC 2005

DESCRIPTION	BASIS	12 mth ago	11 mth ago	10 mth ago	9 mth ago	8 mth ago	7 mth ago	6 mth ago	5 mth ago	4 mth ago	3 mth ago	2 mth ago	1		
Central FL		0	5,523	(21,452)	4,640	(26,836)	(49,971)	(76,588)	(122,989)	0	0	0	0	0	(22,129)
2530.7* Unbundling-So	uth Fl	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2530.7* Unbundling-Ce	ntral Fl	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Overrecoveries	DIRECT	1,409,238	1,224,031	1,641,283	1,496,186	1,586,465	2,220,496	2,453,611	2,615,269	2,683,032	2,809,086	1,226,841	1,177,986	1,152,894	1,822,801
Northwest Fl		0	0	32,353	32,353	43,178	43,178	43,178	43,178	43,178	160,417	266,046	266,046	266,046	95,319
Northeast Fl		301,107	276,012	464,771	439,679	530,997	505,905	480,813	558,540	543,670	747,837	914,653	911,940	886,848	581,752
South Fl		411,003	297,628	363,373	269,438	287,606	815,703	965,930	985,531	1,008,950	1,057,557	539,448	0	0	538,628
Central Fl		697,128	650,391	780,786	754,716	724,684	855,710	963,690	1,028,020	1,087,234	843,275	(493,306)	0	0	607,102
2380 Divid Declar Com	CORP	592,503	0	0	594,093	0	0	614,475	0	0	615,730	0	0	616,049	233,297
2530.3 Environ Ins Pr	oc CORP	5,101,867	5,102,663	5,104,007	5,105,492	5,107,312	5,109,259	5,135,019	5,137,259	5,143,494	5,149,951	5,152,724	5,169,435	5,193,311	5,131,676
2530.31&32 Env Cost	South Fl	8,887,360	8,883,101	8,880,285	8,899,602	8,905,349	8,893,715	8,863,085	8,862,749	8,856,782	8,850,281	8,850,001	8,843,380	8,807,434	8,867,933
TOTAL LIABILITIES		33,668,805	33,156,942	33,978,085	35,922,959	35,036,485	34,909,490	34,385,888	34,882,639	35,947,524	38,451,109	38,614,450	36,056,615	38,181,655	35,630,205
Northwest Fl		3,388,125	3,454,589	3,527,798	3,628,870	3,634,283	3,803,471	3,736,095	3,929,911	4,154,365	4,359,152	4,280,555	3,776,897	4,071,064	3,826,551
Northeast Fl		3,936,810	4,179,458	4,418,984	5,012,544	4,598,000	4,876,878	4,817,627	4,979,262	5,325,268	5,546,174	5,621,389	4,969,543	5,040,362	4,870,945
South Fl		16,259,794	16,008,386	16,298,613	16,593,825	16,674,419	16,402,595	15,780,612	16,237,849	16,145,042	17,226,546	17,819,322	17,234,747	18,087,125	16,674,529
Central Fl		3,555,963	3,461,604	3,548,560	3,832,795	3,677,832	3,420,262	3,209,364	3,444,161	3,928,508	4,215,154	4,424,040	3,636,891	4,059,581	3,724,207
Non-Utility		833,743	950,242	1,080,123	1,155,340	1,344,639	1,297,025	1,092,696	1,154,197	1,250,847	1,338,402	1,316,420	1,269,102	1,114,163	1,169,000
Corporate		5,694,370	5,102,663	5,104,007	5,699,585	5,107,312	5,109,259	5,749,494	5,137,259	5,143,494	5,765,681	5,152,724	5,169,435	5,809,360	5,364,973
TOTAL LIABILITIES		33,668,805	33,156,942	33,978,085	35,922,959	35,036,485	34,909,490	34,385,888	34,882,639	35,947,524	38,451,109	38,614,450	36,056,615	38,181,655	35,630,205
WORKING CAPITAL		13,592,752	14,278,105	14,653,460	10,367,733	9,422,827	10,190,005	10,068,947	9,363,507	9,493,047	9,209,287	7,976,753	12,955,155	16,206,156	11,367,520
ADJMENTS TO WORKING	CAPITAL														
1310.8 Cash -Int Bear	ing REV	5,846	5,849	5,851	5,854	6,433	6,841	1,705,898	6,164	5,966	6,691	7,171	7,175	7,179	137,148
Northwest Fl		935	936	936	937	1,029	1,095	272,944	986	955	1,071	1,147	1,148	1,149	21,944
Northeast Fl		935	936	936	937	1,029	1,095	272,944	986	955	1,071	1,147	1,148	1,149	21,944
South Fl		2,046	2,047	2,048	2,049	2,252	2,394	597,064	2,157	2,088	2,342	2,510	2,511	2,513	48,002
Central Fl		935	936	936	937	1,029	1,095	272,944	986	955	1,071	1,147	1,148	1,149	21,944
Non-Utility		995	994	995	994	1,094	1,162	290,002	1,049	1,013	1,136	1,220	1,220	1,219	23,314
1710 Int. & Div. Rec.	CORP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1810.2 Unam Debt Dis	Env CORP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1860 - Unamort. Rate	Case														
Internet Service	NE FL	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northeast Fl 1/2 RC	Exp	180,108	176,576	173,045	169,513	165,982	162,450	158,919	155,387	151,856	148,324	144,793	141,261	137,730	158,919
Net Under/Overrecov.	(if net	is an under	rec.)												
1860.21 Cons Elec F	uel NW	1,382,014	1,420,766	1,059,394	1,206,308	963,905	1,256,948	1,334,217	1,121,645	1,204,107	742,441	329,736	279,639	458,952	981,544
1860.21 Cons PGA *	South FL	0	0	0	0	0	0	0	0	0	0	0	1,590,418	2,915,899	0
1860 61 Cons Elec C	onser NW	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1860.61 Cons Gas Co	nser SF	37,418	0	0	0	0	0	0	0	44,157	156,900	186,062	140,939	82,931	0
1860.7* Cons Unbund	ling SF	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1420.2* A/R Non-Util	NW FL	0	(16)	0	0	0	0	0	0	0	0	0	0	0	(1)
1420.2* A/R Non-Util	NE FL	86,705	87,099	76,384	58,501	64,065	71,236	108,541	117,931	102,838	108,051	96,561	132,905	160,381	97,784
1420.2* A/R Non-Util	South FL	292,884	339,053	320,311	268,369	209,386	172,615	233,378	264,522	574,238	602,810	632,892	652,159	660,545	401,782
1420.2* A/R Non-Util	CF	201,589	193,458	152,887	176,625	179,901	208,795	173,178	170,993	295,959	334,265	270,173	228,349	240,289	217,420
1210 Non-Utility Prop	CORP	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436
1280 Other Investment	s CORP	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
1340.2 Spec Dep Env	South FL	3,183,372	3,184,168	3,185,512	3,184,854	3,186,674	3,188,621	3,212,405	3,214,645	3,220,880	3,214,454	3,217,227	3,233,938	3,257,814	3,206,505
1460 Receiv Assoc Co	CORP	11,351,417	11,394,025	11,286,250	11,334,660	11,198,506	11,107,866	11,318,027	11,265,991	11,471,439	11,730,289	12,096,785	12,682,940	12,872,618	11,623,909
1550 M&J Mater & Sup	CORP	295,368	299,455	319,095	368,214	391,088	389,734	372,769	380,305	510,346	490,254	510,568	447,045	421,892	399,703
1840 Clear Purch Gas	South Fl	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1860.4 Def Debit-AEP	CF	4,299,315	4,273,586	4,243,442	4,218,333	4,220,127	4,212,312	4,225,516	4,224,337	4,225,826	4,224,450	4,219,302	4,212,170	4,190,130	4,229,911
1860 Mis Def Deb Prop	ane CORP	89,306	69,584	34,984	(568)	(6,278)	77,649	76,029	69,872	63,551	54,399	39,029	33,251	60,410	50,863
2380 Divid Declare Co	CORP	(592,503)	0	0	(594,093)	0	0	(614,475)	0	0	(615,730)	0	0	(616,049)	(233,297)
2530.3 Environ Ins Pr	oc CORP	(5,101,867)	(5,102,663)	(5,104,007)	(5,105,492)	(5,107,312)	(5,109,259)	(5,135,019)	(5,137,259)	(5,143,494)	(5,149,951)	(5,152,724)	(5,169,435)	(5,193,311)	(5,131,676)
Total Adj To Work Cap		15,729,408	16,359,376	15,771,584	15,309,514	15,490,913	15,764,244	17,187,819	15,872,969	16,746,105	16,066,083	16,616,011	18,631,190	19,675,846	16,158,950
TOTAL NET WORKING CAP		(2,136,656)	(2,081,271)	(1,118,124)	(4,941,781)	(6,068,086)	(5,574,239)	(7,118,872)	(6,509,462)	(7,253,058)	(6,856,796)	(8,639,258)	(5,676,035)	(3,469,690)	(4,791,430)
WORKING CAPITAL															
Northwest Fl															
Assets		3,028,800	3,197,645	3,444,145	3,045,634	2,873,986	3,227,784	3,452,214	3,565,752	3,651,990	3,831,575	3,369,120	2,981,517	3,750,950	3,340,085
Liabilities		3,388,125	3,454,589	3,527,798	3,628,870	3,634,283	3,803,471	3,736,095	3,929,911	4,154,365	4,359,152	4,280,555	3,776,897	4,071,064	3,826,551
Working Cap Adj		(1,382,949)	(1,421,686)	(1,060,330)	(1,207,245)	(964,934)	(1,258,043)	(1,607,161)	(1,122,631)	(1,205,062)	(743,512)	(330,883)	(280,787)	(460,101)	(1,003,487)
Northwest Fl *		(1,742,274)	(1,678,630)	(1,143,983)	(1,790,481)	(1,725,231)	(1,833,730)	(1,891,042)	(1,486,790)	(1,707,437)	(1,271,089)	(1,242,318)	(1,076,167)	(780,215)	(1,489,953)

Report Name: WORK CAP
Date: 2/12/2006
User: YOUNG
Working Capital for Rate of Return Report

FLORIDA PUBLIC UTILITIES COMPANY
WORKING CAPITAL 13 MONTH AVERAGES
13 MONTHS ENDING DEC 2005

DESCRIPTION	BASIS	12 mth ago	11 mth ago	10 mth ago	9 mth ago	8 mth ago	7 mth ago	6 mth ago	5 mth ago	4 mth ago	3 mth ago	2 mth ago	1		
Northeast Fl															
Assets		3,534,210	3,772,547	4,056,375	3,886,003	3,394,529	3,810,504	4,146,820	4,175,663	4,125,635	4,445,023	3,881,902	3,553,883	3,634,614	3,878,285
Liabilities		3,936,810	4,179,458	4,418,984	5,012,544	4,598,000	4,876,878	4,817,627	4,979,262	5,325,268	5,546,174	5,621,389	4,969,543	5,040,362	4,870,945
Working Cap Adj		(267,748)	(264,611)	(250,365)	(228,951)	(231,076)	(234,781)	(540,404)	(274,304)	(255,649)	(257,446)	(242,501)	(275,314)	(299,260)	(278,647)
Northeast Fl		(670,348)	(671,522)	(612,974)	(1,355,492)	(1,434,547)	(1,301,155)	(1,211,211)	(1,077,903)	(1,455,282)	(1,358,597)	(1,981,988)	(1,690,974)	(1,705,008)	(1,271,307)
South Fl															
Assets		22,751,935	22,563,283	22,988,574	21,746,109	21,245,502	21,023,589	19,950,810	19,826,361	19,669,735	20,802,628	20,808,635	22,102,690	24,990,397	21,574,636
Liabilities		16,259,794	16,008,386	16,298,613	16,593,825	16,674,419	16,402,595	15,780,612	16,237,849	16,145,042	17,226,546	17,819,322	17,234,747	18,087,125	16,674,529
Working Cap Adj		3,515,720	3,525,268	3,507,871	3,455,272	3,398,312	3,363,630	4,042,847	3,481,324	3,841,363	3,976,506	4,038,691	5,619,965	6,919,702	3,656,289
South Fl *		2,976,421	3,029,629	3,182,090	1,697,012	1,172,771	1,257,364	127,351	107,188	(316,670)	(400,424)	(1,049,378)	(752,022)	(16,430)	1,243,818
Central Fl															
Assets		5,738,551	5,728,603	5,977,043	5,510,685	5,112,410	5,078,172	4,863,968	4,794,032	5,638,476	5,891,893	5,710,721	7,059,933	8,261,559	5,797,388
Liabilities		3,555,963	3,461,604	3,548,560	3,832,795	3,677,832	3,420,262	3,209,364	3,444,161	3,928,508	4,215,154	4,424,040	3,636,891	4,059,581	3,724,207
Working Cap Adj		4,501,839	4,467,980	4,397,265	4,395,895	4,401,057	4,422,202	4,671,638	4,396,316	4,522,740	4,559,786	4,490,622	4,441,667	4,431,568	4,469,275
Central Fl		(2,319,251)	(2,200,981)	(1,968,782)	(2,718,005)	(2,966,479)	(2,764,292)	(3,017,034)	(3,046,445)	(2,812,772)	(2,883,047)	(3,203,941)	(1,018,625)	(229,590)	(2,396,094)
Non-Utility															
Assets		453,534	391,469	506,642	381,519	231,133	365,762	255,762	149,734	290,963	395,899	156,007	132,075	376,935	314,419
Liabilities		833,743	950,242	1,080,123	1,155,340	1,344,639	1,297,025	1,092,696	1,154,197	1,250,847	1,338,402	1,316,420	1,269,102	1,114,163	1,169,000
Working Cap Adj		995	994	995	994	1,094	1,162	290,002	1,049	1,013	1,136	1,220	1,220	1,219	23,314
Non-Utility		(381,204)	(559,767)	(574,476)	(774,815)	(1,114,600)	(932,425)	(1,126,936)	(1,005,512)	(960,897)	(943,639)	(1,161,633)	(1,138,247)	(738,447)	(877,895)
Corporate															
Assets		11,754,527	11,781,500	11,658,765	11,720,742	11,601,752	11,593,685	11,785,261	11,734,604	12,063,772	12,293,378	12,664,818	13,181,672	13,373,356	12,092,911
Liabilities		5,694,370	5,102,663	5,104,007	5,699,585	5,107,312	5,109,259	5,749,494	5,137,259	5,143,494	5,765,681	5,152,724	5,169,435	5,809,360	5,364,973
Working Cap Adj		6,060,157	6,678,837	6,554,758	6,021,157	6,494,440	6,484,426	6,035,767	6,597,345	6,920,278	6,527,697	7,512,094	8,012,237	7,563,996	6,727,938
Corporate		0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET WORKING CAPITAL		(2,136,656)	(2,081,271)	(1,118,125)	(4,941,781)	(6,068,086)	(5,574,238)	(7,118,872)	(6,509,462)	(7,253,058)	(6,856,796)	(8,639,258)	(5,676,035)	(3,469,690)	(4,791,431)
*Con Gas Net Und/Over	recovery	is in WPB	Working Cap												
*Con Electric Net Und	/Over re	overy is in	NW Working	ap											
Balance Sheet Check															
Total FPUC Assets		61,687,801	62,062,313	63,154,253	61,249,598	60,034,013	61,002,652	160,717,370	160,673,816	162,092,994	165,562,404	165,270,177	168,083,046	174,078,201	163,512,975
Total Liabilities		61,687,802	62,062,309	63,154,254	61,249,597	60,034,010	61,002,652	160,717,367	160,673,815	162,092,997	165,562,405	165,270,176	168,083,041	174,078,200	163,512,974
Balance Sheet Check		(1)	4	(1)	1	3	0	3	1	(3)	(1)	1	5	1	1
Working Cap. Check		0	0	1	0	0	(1)	0	0	0	0	0	0	0	1

2005	REGULATED GAS	REGULATED ELECTRIC	REGULATED COMMON	NON-REGULATED FLO-GAS	CONSOLIDATED	Check Figures
IDENTIFIABLE ASSETS						
UTILITY PLANT	89,835,239	70,084,258	3,859,023	15,500,385	179,278,905	179,278,905
ACCUM DEPR	(29,727,103)	(29,480,315)	(903,829)	(4,362,552)	(64,473,799)	(56,217,445)
Cost of Removal	3,564,262	4,692,093	0	0	8,256,355	8,256,355
NET PLANT	63,672,398	45,296,036	2,955,194	11,137,833	123,061,461	131,317,815
1420 A/R	9,361,629	3,715,832	0	1,919,689	14,997,150	14,997,150
1140.2 GOODWILL	552,803	0	0	1,852,435	2,405,238	2,405,238
1010.3031 INTANGIBLES	2,110,538	482,178	791,617	1,006,430	4,390,763	4,390,764
1440 UNCOLLECT PROV	(187,412)	(29,336)	0	(55,250)	(271,998)	(271,998)
1540 MATERIALS	620,483	821,965	0	0	1,442,448	3,781,138
1550 MERCHANDISE	421,892	0	0	225,786	647,678	-
1540 PROPANE	0	0	0	1,691,013	1,691,013	
1730 UNBILLED	1,094,554	415,764	0	407,676	1,917,994	1,917,994
	13,974,487	5,406,403 0	791,617 #	7,047,779 0	27,220,286	27,220,286
CORPORATE ASSETS						
CASH	30,600	8,000	3,911,059	3,270	3,952,929	3,952,929
PREPAYMENTS	0	0	822,959	1,287,074	2,110,033	2,110,033
DEFERRED DEBITS	8,693,228	480,237	915,701	28,466	10,117,632	10,117,632
OTHER PROPERTY	8,436	0	0	0	8,436	8,436
REGULATORY ASSET ENVIRON	9,319,979	0	0	0	9,319,979	9,319,979
OTHER RECEIVABLES	0	0	6,044,591	47,650	6,092,241	6092241
TAXES RECEIVABLE					0	
TOTAL CORPORATE ASSETS	18,052,243	488,237	11,694,310	1,366,460	31,601,250	31,601,250
TOTAL IDENTIFIABLE ASSETS	95,699,128	51,190,676	15,441,121	19,552,072	181,882,997	190,139,351
COST EXPENDITURES						
TOTAL FLO-GAS						
TOTAL IMPROVEMENT REQUISITIONS	(5,392,812)	(3,589,472)	(359,698)	(2,138,615)	(11,480,597)	(11,480,597.00)
COST OF REMOVAL & SALVAGE	(429,299)	(208,407)	177,703	1,255	(458,748)	(458,747.25)
CIAC					0	
BARE STEEL AMORTIZATION	(566,308)				(566,308)	-566308
TRANSFER PORTION OF PLANT TO AEP	41,517	0			41,517	41517
MISC. CONSTRUCTION	(10,401)	22,962	5,425	4,726	22,712	
TOTAL CONSTRUCTION EXPENDITURE	(6,357,303)	(3,774,917)	(176,570)	(2,132,634)	(12,441,424)	(12,441,424)
DEPRECIATION & AMORTIZATION	3,927,899	2,403,943	313,827	620,866	7,266,535	7,266,535

Florida Public Utilities Company
Natural Gas Consolidated Balance Sheet (DIRECT ACCOUNTS ONLY)

For years ended December 31,

	2000	2001	2002	2003	2004		2005	
Assets								
Utility Plant (1010)	$ 55,652,254	$ 63,272,108			$ 83,375,383		$ 88,116,515	
Structures & Improvements (1070)	508,518	4,986,368			2,362,225		2,084,882	
Plant (1080)	(20,522,084)	(24,169,395)			(27,957,409)		(29,219,219)	
Plant Acq Adj (1140)	303,399	3,396,194			1,816,579		1,816,579	
Plant Acq Adj Amortiz (1150)	(312,570)	(311,614)	53,033,801	53,452,371	(312,570)		(343,626)	
Non-Utility Property-Land (1210)	200	-			8,436	$ 59,292,645	8,436	$ 62,463,567
Goodwill 1140.2		-	1,513,179	1,513,179	552,803		552,803	
Intangible (1010.3031)				1,900,000	1,900,000	2,452,803	1,900,000	2,452,803
Working Funds (1350)	7,360	8,060	8,500	9,400	13,000	13,000		-
AR (1420 & 1430)	5,636,518	3,602,111	4,974,631	5,348,557	6,805,886	6,805,886	9,361,629	9,361,629
AR Allowance (1440)	(33,767)	(37,380)	(236,392)	(78,068)	(105,832)	(105,832)	(187,412)	(187,412)
Material (1540)	498,362	653,286			410,750		563,514	
Merch & Supplies (1550)	297,699	703,595	1,080,798	646,263	292,980	703,730	421,892	985,406
Mat & Supp (1630)	-	-					0	0
Rent Receivable	1,819	1,819						0
Unbilled (1730)	798,912	800,666	801,389	869,447	1,328,413	1,328,413	1,094,554	1,094,554
Clearing (1840)	-	-						
Misc Def Dr (1860)	4,588,804	4,716,318	5,123,789	5,383,959	5,786,067	5,786,067	5,860,260	5,860,260
Acc Def Tax (1900)	2,189,067	2,263,327	2,954,430	2,819,820	2,274,806	2,274,806	2,877,014	2,877,014
Reg Assets (1901)	-	-						
Other Reg Assets (1820)	-	-	-	9,127,000	9,713,454	9,713,454	9,319,979	9,319,979
Total Assets	**$ 49,614,491**	**$ 59,885,463**	**$ 69,254,125**	**$ 80,991,928**	**$ 88,264,972**	**$ 88,264,972**	**$ 94,227,800**	**$ 94,227,800**
Liabilities								
Cust Dep (2350)	$ 2,380,591	$ 2,559,448	$ 3,443,939	$ 3,902,037	$ 4,375,199	$ 4,375,199	$ 5,374,978	$ 5,374,978
Int Accrued (2370)	153,590	116,914	136,548	171,207	194,020	194,020	225,894	225,894
State sales & use tax (2410)	93,013	(6,904)	80,896	71,059	109,701	109,701	103,547	103,547
Vending Mach Fund (2420)	5,656	2,822	3,714	2,883	3,982	3,982	7,131	7,131
Cust Adv for Const (2520)	628,987	644,829	876,656	950,093	837,655	837,655	1,142,336	1,142,336
Unbundling and Conservation (2530)	4,594,241	6,750,419	5,995,563	14,537,320	15,378,851	15,378,851	14,161,818	14,161,818
Storm Damage Reserve (2280.11)		-	59,070	59,070	-	-	-	-
Acc Def Invest Tax Cr (2550)	463,943	421,350	379,340	338,030	297,017		252,827	
Other Def Cr. (2530.1, .4)			522,290	401,913	281,493	578,510	161,073	413,900
LT Liberalized Depr (2820)	4,000,655	4,205,430	4,596,457	5,990,164	7,269,890	7,269,890	8,984,384	8,984,384
Reg Liab (2821)	1,143,976	1,113,166	1,054,940	951,616	878,233	878,233	823,188	823,188
Acc Def Tax (2830)	774,497	391,884	695,510	580,620	293,727	293,727	1,053,316	1,053,316
Total Liabilities	**$ 14,239,149**	**$ 16,199,358**	**$ 17,844,923**	**$ 27,956,012**	**$ 29,919,768**	**$ 29,919,768**	**$ 32,290,492**	**$ 32,290,492**
Income (Loss)	**$ 3,060,813**	**$ 2,748,127**	**$ 3,549,870**	**$ 4,333,872**	**$ 4,135,201**		**$ 4,765,947**	

FLORIDA PUBLIC UTILITIES
PROPANE BALANCE SHEET - DIRECT ACOUNTS ONLY
PERIOD ENDED 12/31/2004

ASSETS		2004	2005
UTILITY PLANT:		13,468,932	15,500,385
LESS ACCUM. DEPR. & AMORT		(3,765,732)	(4,362,552)
NET UTILITY PLANT		9,703,200	11,137,833
CURRENT ASSETS:			
WORKING FUNDS	1350	750	3,270
ACCOUNTS REC	1420-1430,1720	1,297,486	1,919,689
ALLOW FOR UNCOLL ACCTS	1440	(71,468)	(55,250)
OTHER INVESTMENTS	1240,1280	95,350	47,650
MAT & SUPPLY	151,154-156,163	1,571,614	1,916,798
UNBILLED REVENUES	1730	402,665	407,676
TOTAL		3,296,397	4,239,833
DEFERRED DEBITS			
GOODWILL	1140.2	1,852,435	1,852,435
INTANG ASSETS-NET	1010.3031	913,838	1,006,430
MISC. DEFERRED DEBITS	1860	53,248	28,466
ACCUM DEFERRED INC TAX	1900	186,111	88,090
TOTAL		3,005,632	2,975,421
TOTAL ASSETS		16,005,229	18,353,087

LIABILITIES			
CAPITALIZATION:			
COMMON STOCK	2010	10,000	10,000
RETAINED EARNINGS	2160	1,831,083	2,229,013
TOTAL CAPITALIZATION		1,841,083	2,239,013
CURRENT LIABILITIES:			
PAYABLES TO ASSOC CO		11,351,417	12,872,618
CUSTOMER DEPOSITS	2350	560,958	614,064
TAXES ACCRUED	2360	(1,258,149)	(1,287,074)
INTEREST ACCRUED	2370	2,345	2,264
TAX COLLECTIONS PAYABLE	2410	82,406	75,765
TOTAL		10,738,977	12,277,637
DEFERRED CREDITS:			
CUST ADVANCES-CONSTR	2520.1	552,485	515,562
UNAMORTIZED I.T.C.	2550.1	1,901	418
TOTAL		554,386	515,980
ACCUM DEF I/T	2820,2830	2,870,783	3,320,457
TOTAL LIABILITIES		16,005,229	18,353,087

YTD 2005 TAXES ACCRUED

	ELECTRIC	NAT. GAS	COMMON	TOTAL	GL	Difference
FPU FEDERAL						
2005 Refund	309,612	371,949	21,789	**703,350**		
2004 NOL	29,295	166,558	(126,414)	**69,439**		
2004 Refund not yet received	(637,615)	529,156	(32,160)	**(140,619)**		
Total	**(298,708)**	**1,067,663**	**(136,785)**	**632,170**	(89,947)	722,117
FPU STATE						
2005 Refund	52,991	63,659	3,731	**120,381**		
2004 NOL	5,015	28,512	(21,640)	**11,887**		
Total	**58,006**	**92,171**	**(17,909)**	**132,268**	(37,844)	170,112
Total FPU --->	**(240,702)**	**1,159,834**	**(154,694)**	**764,438**	(127,791)	892,229

	CONSOLIDATED	TOTAL	GL	Difference
FLO-GAS FEDERAL				
2005 Refund	42,950	**42,950**		
2004 NOL	52,901	**52,901**		
2004 Refund not yet received	282,619	**282,619**		
Total	**378,470**	**378,470**	1,100,587	(722,117)
FLO-GAS STATE				
2005 Refund	7,319	**7,319**		
2004 NOL	9,056	**9,056**		
Total	**16,375**	**16,375**	186,487	(170,112)
Total FLO-GAS --->	**394,845**	**394,845**	1,287,074	(892,229)
TOTAL FPU AND FLO-GAS --->		**1,159,283**	**1,159,283**	**0**

GENERAL LEDGER

100.2360.8-Federal	(89,947)
100.2360.9-State	(37,844)
	(127,791)
900.2360.8-Federal	1,100,587
900.2360.9-State	186,487
	1,287,074
	1,159,283

METHODOLOGY:

1) 2005 refund information comes from 2005 final payment file.
2) 2004 NOL information comes from the 2004 tax return true-up file.
3) 2004 refund not yet received comes from 2004 estimated payments and 3rd QTR 2005 estimated payment.

INTANGIBLES

		2002	2003	2004	2005
NATURAL GAS					
Intangible Assets	123.1010.3031	-	1,900,000	1,900,000	1,900,000
Misc Intangible Plant	123.1010.303	1,900,000			
		1,900,000	1,900,000	1,900,000	1,900,000
ELECTRIC					-
PROPANE					
Intangible Assets	9**.1010.3031	-	935,000	935,000	935,000
	9**.1010.303	935,000			
	9**.1080.3031				(28,158)
		935,000	935,000	935,000	906,842
TOTAL		2,835,000	2,835,000	2,835,000	2,806,842
SUMMARY BY SEGMENT					
NATURAL GAS		1,900,000	1,900,000	1,900,000	1,900,000
ELECTRIC		-	-	-	-
PROPANE		935,000	935,000	935,000	906,842
		2,835,000	2,835,000	2,835,000	2,806,842
CHECK		2,835	2,835	2,835	2,807
		2,828	2,821	2,814	4,391
		7	14	21	(1,584) **

Software Intangible	
1**.1010.391305	397,226.67
1**.1180.391305	1,865,961.44
9**.1010.391305	99,588.27
9**.1070.391305	-
1**.1070.391305	608,050.00
	2,970,826.38
1**.1190.391305	(1,074,343.97)
1**.1080.391305	(312,560.35)
	1,583,922.06 **

Intangible	
123.1010.3031	1,900,000
9**.1010.3031	935,000
9**.1080.3031	(28,158)
	2,806,842

4,390,763.72

GOODWILL

NATURAL GAS		2001	2002	2003	2004	2005		
Utility Plant Acquisition (Goodwill)	12*.1140.2	-	1,513,179	1,513,179	552,803	552,803		
	123.1140.1	3,092,795			960,377	-		
	114.1140.1	3,691	3,691	3,691	3,691	**3,691**	**	Classified as Plant on 10K
	121.1140.1	(29,523)	(29,523)	(29,523)	(29,523)	**(29,523)**	**	Classified as Plant on 10K
	123.1140.1	332,922	332,922	332,922	332,922	**1,293,298**	** Allowable Goodwill (Amortizable)	
		3,399,885	1,820,269	1,820,269	1,820,270	1,820,269		
	12*1150.1	(332,922)	(332,922)	(332,922)	(336,746)	(343,626)	**	Classified as Plant on 10K
		3,066,963	1,487,347	1,487,347	1,483,524	1,476,643		

PROPANE						
Goodwill	9**.1140.2	-	1,835,163	1,852,435	1,852,435	1,852,435
	9**.1140.1	2,538,061				
		2,538,061	1,835,163	1,852,435	1,852,435	1,852,435
	TOTAL	5,605,024	3,322,510	3,339,782	3,335,959	3,329,078

NATURAL GAS	3,066,963	1,487,347	1,487,347	1,483,524	1,476,643	
PROPANE	2,538,061	1,835,163	1,852,435	1,852,435	1,852,435	
	5,605,024	3,322,510	3,339,782	3,335,959	3,329,078	
CHECK	5,605	3,323	3,340	3,336	3,329	
	3,066	3,348	2,405	2,405	2,405	
	2,539	(25)	935	931	924	Classified on 10K as Plant

NON-AMORTIZABLE GOODWILL

NATURAL GAS		2001	2002	2003	2004	2005	
Utility Plant Acquisition (Goodwill)	12*.1140.2	-	1,513,179	1,513,179	552,803	552,803	
	123.1140.1						
	114.1140.1						
	121.1140.1						
	123.1140.1						** Allowable Goodwill (Amortizable)
		-	1,513,179	1,513,179	552,803	552,803	
	12*1150.1						**
		-	1,513,179	1,513,179	552,803	552,803	
PROPANE							
Goodwill	9**.1140.2	-	1,835,163	1,852,435	1,852,435	1,852,435	
	9**.1140.1	2,538,061					
		2,538,061	1,835,163	1,852,435	1,852,435	1,852,435	
	TOTAL	2,538,061	3,348,342	3,365,614	2,405,238	2,405,238	
NATURAL GAS		-	1,513,179	1,513,179	552,803	552,803	
PROPANE		2,538,061	1,835,163	1,852,435	1,852,435	1,852,435	
		2,538,061	3,348,342	3,365,614	2,405,238	2,405,238	
CHECK		2,538	3,348	3,366	2,405	2,405	
		3,066	3,348	2,405	2,405	2,405	
		(528)	-	961	-	-	Classified on 10K as Plant

Florida Public Utilities Company

COMPUTATION OF EMBEDDED COST OR REMOVAL
INCLUDED IN DEPRECIATION RATE
Based on Depreciation Studies In Effect at Month End
December 31, 2005

		(A)	(B) =(C)*(A)	(C)	(D)	(E) =(IF (C)<0, (D)*(C)/(100+(C)-0)
ACCT	DESCRIPTION	PLANT-IN-SERVICE	PROJECTED TOTAL COR	NET SAL %	RESERVE	REGULATED EMBEDDED CURRENT COR
CONSOLIDATED NATURAL GAS						
303	MISC. INTANGIBLE PLA	215,474	-		(88,922)	-
3031	INTANGIBLE NON-COMPETE	1,900,000	-		-	-
374	LAAND	101,108	-		-	-
3741	LAND RIGHTS	12,910	-		8,484	-
375	STRUCTURES AND IMPRO	522,708	-		(315,500)	-
3761	MAINS- PLASTIC	19,338,443	(2,900,766)	(15.00)	(3,454,914)	(450,641)
3762	MAINS- OTHER	26,691,093	(4,003,664)	(15.00)	(13,053,782)	(1,702,667)
378	MEASURE/REGULATOR EQ	315,138	-		(82,213)	-
379	MEASURE/REG.-EQP CIT	2,017,291	-		(374,908)	-
3801	SERVICES	18,294,451	(2,744,168)	(15.00)	(4,518,868)	(589,418)
3802	SERVICES-OTHER	2,215,172	(1,572,772)	(71.00)	(1,881,447)	(781,186)
381	METERS	4,968,374	-		(1,898,949)	-
382	METER INSTALLATIONS	2,187,436	(109,372)	(5.00)	(623,928)	(29,711)
383	HOUSE REGULATORS	1,551,031	-	-	(629,264)	-
384	HOUSE REGULATOR INST	782,006	(39,100)	(5.00)	(223,426)	(10,639)
385	INDUST MEASURE/REG S	85,533	-		(45,985)	-
387	OTHER EQUIPMENT	507,201	-		(96,601)	-
389	LAND	563,459	-		-	-
3892	AMORTIZE - RIGHTS -	40,510	-		(24,206)	-
390	STRUCTURES AND IMPRO	3,452,484	-		(708,196)	-
3911	OFFICE FURNITURE	121,618	-		(34,210)	-
3912	ACC.DEP/OFFICE MACHI	199,197	-		(67,338)	-
3913	E D P EQUIPMENT	3,283,262	-		(1,637,982)	-
3921	ACCUM DEP/TRANSPORT-	278,296	-	10.00	(111,295)	-
3922	ACCUM DEP/TRANSP-LT-	2,855,748	-	10.00	(923,596)	-
3924	ACC.DEP-TRANS-TRAILE	43,204	-		(26,387)	-
393	STORES EQUIPMENT	9,562	-		(8,471)	-
394	TOOLS SHOP & GARAGE	290,951	-		(160,630)	-
395	LABORATORY EQUIPMENT	-	-		(1)	-
396	POWER OPERATED EQUIP	353,056	-	5.00	(145,350)	-
397	COMMUNICATION EQUIPM	372,113	-		(59,367)	-
398	MISC. EQUIPMENT	42,542	-		(7,644)	-
399	MISC-TANGIBLE ASSETS	12,789	-		(2,497)	-
Natural Gas Divisions (incl. Common) Total		93,624,160	(11,369,842)		(31,197,393)	(3,564,262)

Florida Public Utilities Company

COMPUTATION OF EMBEDDED COST OR REMOVAL
INCLUDED IN DEPRECIATION RATE
Based on Depreciation Studies In Effect at Month End
December 31, 2005

		(A)	(B) =(C)*(A)	(C)	(D)	(E) =(IF (C)<0, (D)*(C)/(100+(C)-0)
ACCT	DESCRIPTION	PLANT-IN-SERVICE	PROJECTED TOTAL COR	NET SAL %	RESERVE	REGULATED EMBEDDED CURRENT COR
CONSOLIDATED ELECTRIC						
350	LAND	17,629	-		-	-
3501	LAND RIGHTS	56,519	-		(32,540)	-
352	STRUCTURES AND IMPRO	22,007	-		(9,814)	-
353	STATION EQUIPMENTS	2,414,632	-	10.00	(553,827)	-
354	TOWER AND FIXTURES	224,665	(44,933)	(20.00)	(162,501)	(27,084)
355	POLES AND FIXTURES	2,334,273	(700,282)	(30.00)	(739,611)	(170,679)
356	OVERHEAD CONDUCTORS	1,825,626	(365,125)	(20.00)	(515,509)	(85,918)
359	ROADS AND TRAILS	6,788	-		(3,653)	-
360	LAND	11,072	-		-	-
3601	LAND RIGHTS	21,388	-		(4,540)	-
361	STRUCTURES AND IMPRO	96,042	-		(28,507)	-
362	STATION EQUIPMENT	5,140,456	(514,046)	(10.00)	(1,103,729)	(100,339)
364	POLES TOWERS AND FIX	8,513,071	(3,405,228)	(40.00)	(3,765,535)	(1,075,867)
365	OVERHEAD CONDUCTORS	9,221,903	(2,766,571)	(30.00)	(4,649,108)	(1,072,871)
3662	UNDERGROUND CONDUIT-	2,372,921	-		(501,130)	-
3672	UNDGRND CONDUCT/DEVI	4,410,932	-		(1,456,096)	-
3681	LINE TRANSFORMERS -	6,860,176	(1,372,035)	(20.00)	(4,233,594)	(705,599)
3682	LINE TRANSFORMERS-DU	-	-	(20.00)	-	-
3683	LINE TRANSFORMERS-BU	5,816,073	(1,163,215)	(20.00)	(2,703,536)	(450,589)
3691	OVERHEAD SERVICES	3,996,876	(1,199,063)	(30.00)	(1,978,770)	(456,639)
3693	UNDERGROUND SERVICES	3,825,073	(1,147,522)	(30.00)	(1,502,917)	(346,827)
370	METERS	3,282,841	(328,284)	(10.00)	(1,783,297)	(162,118)
3711	INSTALL CUST PREMISE	1,231,854	-	15.00	(411,088)	-
3713	INSTALL CUST PREMISE	600,479	-	15.00	(180,597)	-
3731	ST LIGHTING & SIGNAL	619,431	(61,943)	(10.00)	(267,265)	(24,297)
3733	ST LIGHTING & SIGNAL	533,222	(53,322)	(10.00)	(145,922)	(13,266)
389	LAND AND LAND RIGHTS	72,462	-		(6,704)	-
390	STRUCTURES AND IMPRO	1,416,136	-		(435,208)	-
3911	OFFICE FURNITURE AND	7,369	-		(6,707)	-
3912	OFFICE MACHINES	28,053	-		(24,844)	-
3913	E D P EQUIPMENT	519,060	-		(444,536)	-
3921	ACC.DEP-TRANS-CARS	96,020	-	15.00	(71,541)	-
3922	ACC.DEP-TRANS-LGHT T	515,968	-	10.00	(314,076)	-
3923	ACC.DEP-TRANS-HEAVY	1,912,788	-	10.00	(1,212,288)	-
3924	ACC.DEP-TRANS-TRAILE	102,903	-	5.00	(21,382)	-
3931	STORES EQUIPMENT HAN	106,918	-		(93,183)	-
3932	STORES EQUIPMENT POR	761	-		(762)	-
3941	TOOLS SHOP & GARG FI	35,928	-		(30,624)	-
3942	TOOLS,SHOP &GARG POR	97,180	-		(67,101)	-
3951	LABORATORY FIXED EQU	63,666	-		(45,101)	-
3952	LABORATORY PORTABLE	32,089	-		(25,451)	-
396	POWER OPERATED EQUIP	111,618	-	5.00	(87,053)	-
397	COMMUNICATION EQUIPM	96,470	-		(96,470)	-
3973	COMMUNICATIONS EQUIP	58,881	-		(29,606)	-
398	MISC. EQUIPMENT	16,987	-		(12,166)	-
399	MISC-TANGIBLE ASSETS	10,000	-		(4,000)	-
	Electric Divisions Total	68,757,206	(13,121,569)		(29,761,889)	(4,692,093)
	Grand Total All Divisions	162,381,366	(24,491,411)		(60,959,282)	(8,256,355)

Clara Leider

From:	Cox Doreen
Sent:	Friday, March 02, 2007 3:44 PM
To:	'dbuschmann@bdo.com'
Cc:	Khojasteh Mehrdad
Subject:	Impairment Testing 2005 - Balance Sheet Allocations
Attachments:	Balance Sheet Allocation 2005.xls; ALLOCATION BASIS.doc

Dale:
Please find attached 2005 Impairment Balance Sheet Allocations and basis.
Regards
Doreen
(561) 838-1797

FLORIDA PUBLIC UTILITIES
ESTIMATED ALLOCATION OF CONSOLIDATED BALANCE SHEET
December 31, 2005

PURPOSE:
To break-out the Consolidated Balance Sheet by segment as a basis for estimating the Carrying Value of each segment of FPU's business.

METHODOLOGY:
Based on FPU's 10K Balance Sheet - each line item was allocated based on one of the following methods:

PLANT - The Report Writer report "PLANT" used as the basis for allocation of plant, depreciation, amortization and common plant. Re-classification of Cost of Removal and Advances made for Construction and Intangibles done as per 10K.

WORK-CAP - The Report Writer report "WORK-CAP" which is used for allocating between segments for our quarterly ROR Surveillance report for the FPSC used as the basis for allocating working capital items.

CAPITAL ITEMS:
Common Equity, Preferred Stock, LT Debt (net of Unamortized Debt Expense and Unamortized loss on Re-acquired Debt) and Notes Payable.

ITB - Interactive Trial Balance.

ACCOUNTS PAYABLE – Allocated based on Revenues.

NOTES RECEIVABLE – Allocated based on Net Plant

OTHER INVESTMENTS - Allocated based on Net Plant

DEFERRED INCOME TAX – Common portion allocated based on Net Plant.

DIVIDENDS DECLARED – Allocated based on Cash balance.

\Exhibit 2.8\KHOJASTEH

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Files Currently on the CD

Name	Size	Type	Date Modified	Location
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
RE OE_files		File Folder	2/25/2008 7:36 AM	Files Currently on the...
Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
10K (3).msg	1,047 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K.msg	1,034 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICAL 12 31 06 xls.msg	89 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Analytical Comments.msg	107 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
ARP-04 Common Size BS 12-06...	146 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
AUDIT_10k xls.msg	1,559 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Auditquestionaire07 xls.msg	83 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BDO Analytics.msg	137 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
BOA & AMBAC Covenant Mar 20...	136 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
expense.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW 10 k.msg	165 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW 10K.msg	1,592 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Analytical Comments.msg	139 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Balance Sheet (12).msg	43 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Balance Sheet.msg	46 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE999.msg	158 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
JE999.msg	1,067 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
Propane Projections - Impairme...	32 KB	HTML Document	10/16/2007 9:25 AM	Files Currently on the...
RE 10q redline and clean versio...	408 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K (2).msg	1,593 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE Audit Requests.msg	126 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

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Friday, Apr 11, 2008 11:58 AM

Clara Leider

From: Jennifer Starr [mstarr@bellsouth.net]
Sent: Tuesday, January 30, 2007 9:59 AM
To: Martin Cheryl; Khojasteh Mehrdad
Cc: Lundgren April
Subject: JE999
Attachments: JE999 Qtr406.XLS

Attached is JE 999. The reclass entry for def. tax current of 698,000 that is on the download but not on the JE, I will set this up once the statements are completed. This reclass has been a manual adjustment for awhile that should be book on JE 999. Also, the reclass for checks out standing is 2,213,875. I included the query from Melanie on the file for backup. This amount seems high to me and on the query it has checks dating back to 2005 which would not be considered current. We may want to double check this amount.

Thanks,
Jennifer

JOURNAL ENTRY HEADER

BATCH TYPE (M/S)	M	ACCT YEAR	2006
PERIOD	12		
JOURNAL NUMBER			
COMPANY	099	BATCH NUMBER	
REFERENCE	999	SOURCE	JE
DESCRIPTION:	10Q	AUTO ACCRUAL?	1

JE DESCRIPTION:	JE# 999
	YR/PD 06/12
RECLASSIFICATION AND	
ELIMINATION ENTRIES FOR 10Q	

ACCOUNT NUMBER	AMOUNT DEBIT	AMOUNT CREDIT	DESCRIPTION	SUBLDG. NUMBER
099.0.0.1860.6		0.00	UNDERRECOVERIES CONSERV	
099.0.0.2530.6	0.00		OVERRECOVERIES CONSERV	
099.0.0.1310.1	2,250,845.00		CASH	
099.0.0.1350.1		36,970.00	WORKING FUNDS	
099.0.0.1860.2		2,026,209.00	UNDERRECOVERIES FUEL	
099.0.0.2530.2	2,026,209.00		OVERRECOVERIES FUEL	
099.0.0.2820.1	4,316,434.00	0.00	ACCUMULATED DEFERRED IT	
099.0.0.1900.1	0.00	4,316,434.00	ACCUMULATED DEFERRED IT	
099.1.0.1010.1	3,690.00		ELEC. PLANT IN SERVICE	
099.2.0.1010.1	1,263,777.00		GAS PLANT IN SERVICE	
099.0.0.1140.1		1,267,467.00	PLANT ACQUISITON ADJ	
099.0.0.1410.1	297,940.00		Current amt of water receivable & jack's lake	
099.0.0.1240.1		297,940.00	Current amt of water receivable & jack's lake	
099.1.0.1080.1	5,032,755.00		Remove COR from Acc Depreciation	
099.2.0.1080.1	3,767,075.00		Remove COR from Acc Depreciation	
099.0.0.2530.4		8,799,830.00	Reclass COR to Liability	
099.0.0.2010.1	10,000.00		COMMON STOCK	
099.0.0.2170.1	0.00		TREASURY STOCK	
099.0.0.1230.1		10,000.00	INVESTMENT IN ASSOC. COMP.	
099.0.0.2340.1	13,301,932.00		INTERCOMPANY PAYABLE	
099.0.0.1460.1		13,301,932.00	INTERCOMPANY RECEIVABLE	
099.0.0.2320.1		2,213,875.00	ACCOUNTS PAYABLE	

PAGE		DEBIT	CREDIT
1 OF 2	PAGE TOTALS	32,270,657.00	32,270,657.00
	J.E. TOTALS		

	INITIALS	DATE
PREPARED BY	JS	04/11/08
APPROVED BY		
ENTERED BY		
CHECKED BY		
POSTED BY		

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JOURNAL ENTRY HEADER

JE DESCRIPTION:	JE# 999
	YR/PD 06/12
RECLASSIFICATION AND	
ELIMINATION ENTRIES FOR 10Q	

BATCH TYPE (M/S) **M** ACCT YEAR **2006** PERIOD **12**

JOURNAL NUMBER

COMPANY **099** BATCH NUMBER

REFERENCE **999** SOURCE **JE**

DESCRIPTION: **10Q** AUTO ACCRUAL? **1**

ACCOUNT NUMBER	AMOUNT DEBIT	AMOUNT CREDIT	DESCRIPTION	SUBLDG. NUMBER
099.0.0.1650.1	110,761.00		Prepaid taxes	
099.0.0.2360.1		110,761.00	Taxes Accrued	
099.0.0.2210.1	1,797,719.00		Net unab=mtxd debt dis to LT debt	
099.0.0.1810.1		1,797,719.00	Net unab=mtxd debt dis to LT debt	
099.1420.1	864,902.00		Reclassify credit bal AR to cust deposits	
099.2350.1		864,902.00	Reclassify credit bal AR to cust deposits	
099.2320.1	0.00		Reclassify debit bal AP to AR	
099.1420.1		0.00	Reclassify debit bal AP to AR	

PAGE		DEBIT	CREDIT
2 OF 2	PAGE TOTALS	2,773,382.00	2,773,382.00
	J.E. TOTALS	35,044,039.00	35,044,039.00

	INITIALS	DATE
PREPARED BY	JS	04/11/08
APPROVED BY		
ENTERED BY		
CHECKED BY		
POSTED BY		

FORM 02-012 12/91

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FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2006

REPORT NAME: 10QCONSBS
DATE: 1/29/2007
USER: STARRJ

10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	NOTE	CONSOLIDATED	NOTES
ASSETS							
UTILITY PLANT:							
ELECTRIC		72772608	0	3,690	A	72,776,298	
NATURAL & BOTTLED GAS		94151175	17142695	1,263,777	A + K	112,557,647	
WATER		0	0	-	K	-	
PLANT ACQUISITION ADJS.	1140	1267467	0	(1,267,467)	A	-	
COMMON PLANT		3646424	0	-		3,646,424	
TOTAL		171837674	17142695	-		188,980,369	
LESS ACCUM. DEPR. & AMORT		-63606893	-4960846	8,799,830	M	(59,767,909)	
NET UTILITY PLANT		108230781	12181849	8,799,830		129,212,460	AA
NET OTHER PLANT	1210,1220	8436	0	-		8,436	HH
INVEST IN ASSOC. CO.	1230	10000	0	(10,000)	C	-	
CURRENT ASSETS:							
CASH	1310	46668	0	2,250,845	D	2,297,513	BB
WORKING FUNDS	1350	33700	3270	(36,970)	D	-	
SPEC DEP-OTHER	1320-1340	3364143	0			3,364,143	GG
ACCOUNTS REC	1420-1430,1720	9608544	1725882	864,902	D	12,199,328	CC
NOTES REC	1410	0	0	297,940	L	297,940	
ALLOW FOR UNCOLL ACCTS	1440	-364980	-64399	-		(429,379)	DD
RECEIVABLES ASSOC. COS.	1460	13301932	0	(13,301,932)	E	-	
OTHER INVESTMENTS	1240,1280	6013238	24208	(297,940)	L	5,739,506	FF
MAT & SUPPLY	151,154-156,163	1954014	2166364	-		4,120,378	EE
PREPAYMENTS-INS & PEN	1650	961438	0	-		961,438	FF
PREPAYMENTS - OTHER - I/T		0	692	110,761	G	111,453	FF
UNBILLED REVENUES	1730	1585322	339173	-		1,924,495	CC
TOTAL		36504019	4195190	(10,112,394)		30,586,815	
DEFERRED DEBITS							
GOODWILL	1140.2	552803	1852435	-		2,405,238	HH
SPECIAL LT DEPOSITS	1340.1	0	0			-	
INTANG ASSETS-NET	1010.3031	3360930	986865	-	K	4,347,795	
UNAMORTIZED DEBT EXP	1810	1797719	0	(1,797,719)	O	-	
PREPAY PENSIONS-RETIRE	1650.3	0	0			-	HH
CLEARING ACCOUNTS	184*	0	0	-		-	HH
TEMPORARY FACILITIES	1850	12836	0	-		12,836	HH
OTHER WORK IN PROGRESS	1860.1	475117	0			475,117	HH
MISC. DEFERRED DEBITS	1860	5472737	0		I	5,472,737	HH
OTHER REG ASSETS-STORM	1820.32	270039	0			270,039	
OTHER REG ASSET-ENVIRON	1820.3	8283991	0			8,283,991	
UNDERREC FUEL	1860.21	2026209	0	(2,026,209)	F	-	II
UNDERREC CON & UNBUND	1860.6&7	0	0	-	J	-	
UNAMORT LOSS/REACQD DEBT	189C	208741	0			208,741	HH
REGULATORY ASSETS	1901	0	0	-		-	
ACCUM DEFERRED INC TAX	1900	4220811	95623	(4,316,434)	H	-	
TOTAL		26681933	2934923	(8,140,362)		21,476,494	
TOTAL ASSETS		171435169	19311962	(9,462,926)		181,284,205	

FLORIDA PUBLIC UTILITIES
CONSOLIDATED BALANCE SHEET
PERIOD ENDED 12/31/2006

REPORT NAME: 10QCONSBS
DATE: 1/29/2007
USER: STARRJ
10Q CONSOLIDATED BALANCE SHEET

DESCRIPTION	ACCT	FPU	Propane	RE/EL	NOTE	CONSOLIDATEC	NOTES
LIABILITIES							
CAPITALIZATION:							
COMMON STOCK	2010	9250472	10000	(10,000)	C	9,250,472	
PREMIUM ON COMMON	2070	5542986	0	-		5,542,986	
MISC PAID IN CAPITAL	2110	938906	0	-		938,906	
RETAINED EARNINGS	2160	32835433	2422403	-		35,257,836	
CAP STOCK EXP & DIS	2130-2150	-428441	0	-		(428,441)	
TREASURY STOCK	2170	-2841531	0	-	C	(2,841,531)	
COMMON SHARE EQUITY		45297825	2432403	(10,000)		47,720,228	
PREFERRED STOCK - A	2040	600000	0	-		600,000	
LONG TERM DEBT	2210,2240	52500000	0	(1,797,719)	O	50,702,281	
TOTAL CAPITALIZATION		98397825	2432403	(1,807,719)		99,022,509	
							JJ
CURRENT LIABILITIES:							
L-T DEBT - CURRENT		0	0	-		-	
NOTES PAYABLE	2310	3466000	0	-		3,466,000	
ACCOUNTS PAYABLE	2320	10270502	0	2,213,875	D	12,484,377	KK
PAYABLES TO ASSOC CO		0	13301932	(13,301,932)	E	-	LL
CUSTOMER DEPOSITS	2350	8024474	718150	864,902		9,607,526	
TAXES ACCRUED	2360	1833401	-1487555	110,761	G	456,607	QQ
INTEREST ACCRUED	2370	787294	1769	-		789,063	OO
DIVIDENDS DECLARED	2380	652802	0	-		652,802	NN
TAX COLLECTIONS PAYABLE	2410	640490	60547	-		701,037	OO
VACATION PAY ACCRUED	2420	1198162	0	-		1,198,162	OO
INSURANCE ACCRUED	2280	181443	0	-		181,443	OO
RATE REFUND	2420,2290	879500	0	-		879,500	MM
MISC. CURRENT LIABS.	2420	142604	0	-		142,604	OO
INACT DIVIDEND CHECKS	2420.2	0	0	-		-	OO
TOTAL		28076672	12594843	(10,112,394)		30,559,121	
DEFERRED CREDITS:							
OVERREC. FUEL	2530.21	4501485	0	(2,026,209)	F	2,475,276	
OVERREC CON & UNBUND	2530.6&7	355325	0	-	J	355,325	PP
MIS DEF -ENV INS PRO	2530.3	13753006	0		I	13,753,006	
STORM DAMAGE RESERVE	2280.11	1636118	0			1,636,118	TT
COST OF REMOVAL		0	0	8,799,830	M	8,799,830	
MED & PENSION RESERVE	2280.3	3818616	0			3,818,616	
CUST ADVANCES-CONSTR	2520.1	2314703	392376	-		2,707,079	
UNAMORTIZED I.T.C.	2550.1	335146	0	-		335,146	WW
OTHER DEF CR	2530.1,4	40653	0	-		40,653	VV
Def. Tax - Current				698,000		698,000	
REGULATORY LIABILITIES	2821	876346	0	-		876,346	SS
CONTRIB IN AID	2710,2720	0	0	-		-	VV
							UU
TOTAL		27631398	392376	7,471,621		35,495,395	VV
ROUNDING		1	0	-		1	
ACCUM DEF I/T	2820,2830	17329274	3892340	(5,014,434)	H	16,207,180	
							RR
TOTAL LIABILITIES		171435169	19311962	(9,462,926)		181,284,205	

MEMO ITEMS - CASH FLO	CURRENT B	LAST YR DE	CHANGE	
AMORTIZATION OF GAIN	-40653	-161073	120420	
MISC. DEF. - AEP	3952093	4190130	-238037	
TAXES ACCRUED RECLASS	110761	0	0	110761

	Timing Differences Adj. To Cash
Checks O/S over $5,000 for 12/00	
City of Marianna	43,200.40
Gulf Power	863,151.77
City of Fernandina	84,732.11
City of Fernandina	62,679.75
Infinium Software	32,380.88
Sandspur Housing Partners	139,000.00
Sunbelt Rentals	38,905.90
Farrens Tree Surgeons	13,992.50
American Welding & Tank	10,529.88
Equipment Controls	18,591.56
David Stanley	17,118.92
Toll Brother	6,600.00
ORCOM	7,316.00
Daniel Downey	7,350.00
Smith and Gillepsie	9,395.63
City of Lake Worth	7,770.24
City of DeLand	7,411.27
Gillette Electric Construction	9,735.00
Chris George Sales	6,440.98
Amana	5,747.00
Tri State Utilities	5,361.89
GE Supply	9,156.41
Bond Plumbing	5,092.00
Taylor Woodrow Comunities	7,225.00
Void for payroll booked in 1/01 s/b in 12/00	698,607.79
Total	2,117,492.88

Checks Outstanding
Sep-00

Sun Trust	- Beginning Balance	Sep-00	361,415.19	
	Deposits		12,401,608.90	
	Less Ending Balance		205,735.08	
SunTrust - Net Withdrawals		Sep-00		12,557,289.01
Checks outstanding		Jun-98		(1,559,045.52)
AP Check Log - Check Register		Sep-00	4,457,195.68	
	Manual Memo / Wire		1,402,054.67	
	Manual Memo / Loan		3,100,000.00	
	Manual Memo / Trans		50,476.04	
	Manual Memo / 90		1,449,591.83	
	Void Register		(4,266.26)	
Checks Issued				(10,455,051.96)
Two months outstanding*				1,634,688.19
Checks Outstanding		Sep-00		2,177,879.72

* JEA was included in June's checks outstanding and did not clear through the bank until August.

Oustanding 12-06

FULLNAME	VENDOR#	PAYEE#	REF#	CHECK#	CHECKDATE	CHECKAMT	PHONE#	TYPE	ADDR1	ADDR2	ADDR3	CITY	STATE	ZIP	COUNTRY	YEAR	MONTH	CLEARED
9 1	9990000686	9990000686	219067	613903	20050103	10.58	0									2005	1	0
TESLA, ROBERT	9990041928	9990041928	219074	613910	20050103	14.14	0									2005	1	0
SOCCARSO, NANCY	9990095826	9990095826	219081	613917	20050103	46.27	0									2005	1	0
FORBES, YVONNE	9990178704	9990178704	219105	613941	20050103	45.32	0									2005	1	0
BAILEY, SAM	9990182728	9990182728	219107	613943	20050103	4.77	0									2005	1	0
MARTINEZ, LINDA	9990183404	9990183404	219108	613944	20050103	1.44	0									2005	1	0
EMMETT, MAREESA R	9990208399	9990208399	219133	613969	20050103	8.08	0									2005	1	0
SANTIAGO, LUIS E	9990211299	9990211299	219135	613971	20050103	34.71	0									2005	1	0
MOORE, SHEILA B	9990215487	9990215487	219140	613976	20050103	103.63	0									2005	1	0
OGRADY II, RAYMOND F	9990220144	9990220144	219151	613987	20050103	117	0									2005	1	0
DANIELS, IDA S	9990031818	9990031818	219549	616782	20050110	25.61	0									2005	1	0
WHITE, JAMES T	9990035072	9990035072	219551	616784	20050110	7.64	0									2005	1	0
DANIELS, DEBRA A	9990115275	9990115275	219569	616802	20050110	1.13	0									2005	1	0
BLANCO, ARMANDO C	9990145227	9990145227	219582	616815	20050110	8.7	0									2005	1	0
ENGEL, RICHARD	9990162041	9990162041	219590	616823	20050110	3.5	0									2005	1	0
WILLIAMS, HEIDI	9990172967	9990172967	219597	616830	20050110	98.8	0									2005	1	0
OH| FRENCH KISS INC	9990177783	9990177783	219606	616839	20050110	159.98	0									2005	1	0
LYNCH, TOM	9990179462	9990179462	219608	616841	20050110	8.19	0									2005	1	0
HANCOCK, SUSAN	9990181525	9990181525	219611	616844	20050110	38.32	0									2005	1	0
KINNEY, LAVERNE E	9990200139	9990200139	219644	616877	20050110	20.5	0									2005	1	0
ANTENUCCI, MICHELLE D	9990202923	9990202923	219653	616886	20050110	1.94	0									2005	1	0
DESMOND, BETH	9990205724	9990205724	219664	616897	20050110	2.05	0									2005	1	0
LOVETTE, ANTHONY	9990211230	9990211230	219675	616908	20050110	22.24	0									2005	1	0
BAKKO, BONNIE M	9990214022	9990214022	219685	616918	20050110	70.65	0									2005	1	0
SHERMAN, PHILLIP E	9990214414	9990214414	219686	616919	20050110	18.79	0									2005	1	0
ROGERS, MILTON	9990216065	9990216065	219691	616924	20050110	9.9	0									2005	1	0
ROULHAC, LINDA	9990014888	9990014888	219923	619441	20050117	122.37	0									2005	1	0
CLARK, MANUELLA	9990015441	9990015441	219924	619442	20050117	162.07	0									2005	1	0
MATTOX, ALBERT	9990019183	9990019183	219928	619446	20050117	96.35	0									2005	1	0
QUARANTO, THOMAS	9990020090	9990020090	219930	619448	20050117	8.66	0									2005	1	0
JENKINS, HENRY D	9990162160	9990162160	219959	619479	20050117	23.67	0									2005	1	0
PACHECO-PEREZ, FRANCISCO	9990168474	9990168474	219960	619480	20050117	143.17	0									2005	1	0
FORBES, YVONNE	9990178704	9990178704	219970	619490	20050117	32	0									2005	1	0
FORESTAL, GUYBS	9990202143	9990202143	220009	619529	20050117	9.02	0									2005	1	0
ANDERSON - HOMITZ, TRACY	9990205440	9990205440	220021	619541	20050117	8.3	0									2005	1	0
W G PITTS COMPANY	9990206742	9990206742	220025	619545	20050117	294.09	0									2005	1	0
GRITZMAN, TAMARA	9990210773	9990210773	220035	619555	20050117	38.98	0									2005	1	0
CIERVO, ROSINA	9990213529	9990213529	220047	619567	20050117	10.59	0									2005	1	0
SPANG, SANDRA L	9990215711	9990215711	220050	619570	20050117	7.93	0									2005	1	0
FLICKINGER, CAROL D	9990217434	9990217434	220058	619578	20050117	144.74	0									2005	1	0
O'NEAL, BRYAN	9990219070	9990219070	220062	619582	20050117	62.36	0									2005	1	0
RENGASAWMY, SEWSANKAR C	9990034720	9990034720	220266	620859	20050124	89.23	0									2005	1	0
HAFERKAMP, MARLIES	9990089785	9990089785	220275	620869	20050124	45	0									2005	1	0
TWEEDY, ROLAND R	9990094549	9990094549	220278	620872	20050124	50.08	0									2005	1	0
WILLIAMS, CHRYSTERIA	9990146194	9990146194	220289	620884	20050124	18.38	0									2005	1	0
FOURES, BILL	9990153592	9990153592	220293	620888	20050124	6	0									2005	1	0
ROY, BETTY B	9990199948	9990199948	220331	620926	20050124	22.78	0									2005	1	0
SAINCLAUDE, MICHELET	9990201617	9990201617	220335	620930	20050124	7.65	0									2005	1	0
BRANNON, DAVID	9990207673	9990207673	220348	620943	20050124	3.5	0									2005	1	0
HICKS, KATHLEEN N	9990209494	9990209494	220354	620949	20050124	1.67	0									2005	1	0
TOMLINSON, ERIK J	9990215045	9990215045	220370	620965	20050124	25.84	0									2005	1	0
ROGERS, LINDA L	9990185715	9990185715	220564	622113	20050131	65	0									2005	1	0
EVANS, CAMERON M	9990199006	9990199006	220566	622115	20050131	101.27	0									2005	1	0
LOPEZ, CARMELINA	9990007943	9990007943	220570	623030	20050131	8.79	0									2005	1	0

JOHNSON, ALONZO L	9990139621	9990139621	220584	623044	20050131	5.82	0	2005	1 0
COPELAND, ROGER M	9990198468	9990198468	220619	623080	20050131	25.04	0	2005	1 0
HYNES, KERRIE A	9990199086	9990199086	220620	623081	20050131	9.18	0	2005	1 0
DIXON, WAUTEKEE	9990199907	9990199907	220622	623083	20050131	10.87	0	2005	1 0
CLARK, RAYMOND	9990200970	9990200970	220624	623085	20050131	8.57	0	2005	1 0
LUNA, MELISSA M	9990204257	9990204257	220632	623093	20050131	6.87	0	2005	1 0
KIEJKO, AMANDA E	9990209973	9990209973	220641	623102	20050131	14.3	0	2005	1 0
REPUBLICAN PARTY OF	9990211284	9990211284	220644	623105	20050131	72.09	0	2005	1 0
O'NEAL, DAYMOND E	9990212927	9990212927	220646	623107	20050131	8.32	0	2005	1 0
DORRIS, LLOYD E	9990213036	9990213036	220647	623108	20050131	11.91	0	2005	1 0
LEONARD, RANDY W	9990217536	9990217536	220657	623118	20050131	6.9	0	2005	1 0
CHURCH, CARLA N	9990218387	9990218387	220661	623122	20050131	248.68	0	2005	1 0
CARLIN, MAY P	9990013920	9990013920	220842	624558	20050207	28.44	0	2005	2 0
HAUGER, PAUL W	9990027064	9990027064	220848	624564	20050207	33.09	0	2005	2 0
BISHOP, SABRINA	9990154450	9990154450	220883	624599	20050207	30.98	0	2005	2 0
MILLER, ED W	9990160451	9990160451	220886	624602	20050207	12.79	0	2005	2 0
BOLES, ORA LEE	9990160958	9990160958	220887	624603	20050207	31.05	0	2005	2 0
DITTO, CARLO V	9990176727	9990176727	220894	624610	20050207	30.13	0	2005	2 0
RAYMOND, TERESA M	9990177712	9990177712	220896	624612	20050207	17.42	0	2005	2 0
MUNOZ, CRISTINA	9990178622	9990178622	220897	624613	20050207	1.44	0	2005	2 0
CAMP, KEVIN	9990182863	9990182863	220899	624615	20050207	1.75	0	2005	2 0
MELCHIORI, SUSAN	9990186210	9990186210	220904	624621	20050207	8.8	0	2005	2 0
MURRAY, OMARI A	9990203996	9990203996	220927	624644	20050207	44.26	0	2005	2 0
LINTON, JAMARR R	9990205939	9990205939	220935	624652	20050207	43.73	0	2005	2 0
KERR, TORRIE L	9990205996	9990205996	220936	624653	20050207	85.5	0	2005	2 0
HANSEN, KRISTY D	9990207629	9990207629	220941	624658	20050207	17.91	0	2005	2 0
CHARLES, SHASHA D	9990220884	9990220884	220964	624681	20050207	16.82	0	2005	2 0
PURKINS, JOHN H	9990034116	9990034116	221410	627975	20050214	9.21	0	2005	2 0
SANCHEZ, JOSE L	9990058858	9990058858	221418	627983	20050214	3.5	0	2005	2 0
GAGNE, MARCEL R	9990091438	9990091438	221424	627989	20050214	5.57	0	2005	2 0
MILLER, LILLIAN	9990105285	9990105285	221428	627993	20050214	9.68	0	2005	2 0
BISHOP, SABRINA	9990154450	9990154450	221448	628015	20050214	14.89	0	2005	2 0
JENNINGS, JANICE M	9990165746	9990165746	221449	628016	20050214	10.5	0	2005	2 0
CHRISTMAN, DAWN	9990182905	9990182905	221460	628027	20050214	12.96	0	2005	2 0
GARRETT, LESLIE	9990188235	9990188235	221469	628036	20050214	10.13	0	2005	2 0
RICO-MUNOZ, SONIA	9990189846	9990189846	221471	628038	20050214	27.43	0	2005	2 0
TAYLOR-GRANT, CUYANN V	9990205793	9990205793	221495	628062	20050214	20.77	0	2005	2 0
PETERSON, GAVIN L	9990206833	9990206833	221498	628065	20050214	2.51	0	2005	2 0
HEBERT, CATHERINE M	9990207164	9990207164	221499	628066	20050214	17.38	0	2005	2 0
SIMPSON, THOMAS C	9990209640	9990209640	221504	628071	20050214	7.75	0	2005	2 0
KAY, WANDA	9990214618	9990214618	221515	628082	20050214	8.83	0	2005	2 0
LAMAR / CRYSTAL, DILL H	9990216481	9990216481	221524	628091	20050214	35.16	0	2005	2 0
RENFROE, MATTHEW S	9990217509	9990217509	221530	628097	20050214	10.21	0	2005	2 0
MCLEMORE, JASON	9990218814	9990218814	221536	628103	20050214	71.24	0	2005	2 0
AHMED, SK-JALAL U	9990221011	9990221011	221538	628105	20050214	21.1	0	2005	2 0
RODRIGUEZ, IRMA	9990055428	9990055428	221808	629790	20050221	3.5	0	2005	2 0
LOPEZ-BASA, JOEL	9990096311	9990096311	221815	629797	20050221	14.95	0	2005	2 0
HOLOWELL, IRA	9990149455	9990149455	221831	629813	20050221	8.78	0	2005	2 0
LARISCEY, TARA L	9990174803	9990174803	221848	629830	20050221	71	0	2005	2 0
MIAH, RAZA	9990184508	9990184508	221858	629840	20050221	14.84	0	2005	2 0
REEVES, ANNIE	9990190662	9990190662	221865	629847	20050221	36.47	0	2005	2 0
CASTILLO, CRISTOBAL V	9990201684	9990201684	221877	629859	20050221	9.84	0	2005	2 0
PITTMAN, SADIE A	9990203195	9990203195	221884	629866	20050221	3.76	0	2005	2 0
HILLSMAN, BROOKE T	9990203345	9990203345	221885	629867	20050221	34.01	0	2005	2 0
STILSON, NICOLE C	9990204570	9990204570	221887	629869	20050221	86.63	0	2005	2 0

STRICKLAND, JUANITA	9990205855	9990205855	221896	629878	20050221	23.4	0	2005	2	0
KNUTE, TINA M	9990213554	9990213554	221914	629896	20050221	110	0	2005	2	0
WATTS, DONALD L	9990215054	9990215054	221919	629901	20050221	8.1	0	2005	2	0
MINTON, DANIEL D	9990220157	9990220157	221933	629915	20050221	2.84	0	2005	2	0
LAWRENCE, CHRIS	9990017710	9990017710	222075	631071	20050228	7.2	0	2005	2	0
JANNACK, JEFFREY A	9990018428	9990018428	222076	631072	20050228	6.27	0	2005	2	0
BOOMER, TORREY L	9990142091	9990142091	222101	631097	20050228	244.17	0	2005	2	0
FINLEY, HOKE	9990160431	9990160431	222104	631100	20050228	63.51	0	2005	2	0
BRUMER, GARY	9990182833	9990182833	222120	631116	20050228	15	0	2005	2	0
DAVIS, MARK	9990188240	9990188240	222128	631124	20050228	36.55	0	2005	2	0
VEAL, WILLIAM L	9990192653	9990192653	222133	631129	20050228	52.54	0	2005	2	0
HARTSOCK, YVONNE J	9990193768	9990193768	222136	631132	20050228	1.03	0	2005	2	0
SMITH, LISA F	9990194810	9990194810	222138	631134	20050228	32	0	2005	2	0
MCADAMS, JOSEPH P	9990200094	9990200094	222149	631145	20050228	3.5	0	2005	2	0
HERNANDEZ, JOSE F	9990202130	9990202130	222150	631146	20050228	2.79	0	2005	2	0
REEVES, LINDSEY A	9990202771	9990202771	222151	631147	20050228	12.25	0	2005	2	0
CLARE, AMANDA E	9990204980	9990204980	222157	631153	20050228	95.23	0	2005	2	0
COOK, CHRISTOPHER J	9990204994	9990204994	222158	631154	20050228	50.24	0	2005	2	0
DESTEPHAN, JOSEPH A	9990209543	9990209543	222169	631165	20050228	36.04	0	2005	2	0
GUILLEN, JERARDO G	9990209623	9990209623	222170	631166	20050228	22.52	0	2005	2	0
SLATER, CATHY	9990210325	9990210325	222172	631168	20050228	58.78	0	2005	2	0
WEEKS, FRANCIS M	9990212355	9990212355	222178	631174	20050228	1.59	0	2005	2	0
BURBAGE, JENNIFER E	9990212917	9990212917	222180	631176	20050228	45.31	0	2005	2	0
ENGLISH, JACQUELINE D	9990216870	9990216870	222192	631188	20050228	235.65	0	2005	2	0
SOODEN, CHATOOR P	9990217220	9990217220	222194	631190	20050228	23.74	0	2005	2	0
JORDAN, RICHARD D	9990217854	9990217854	222197	631193	20050228	1.07	0	2005	2	0
ATHAVALE, PARAG	9990218281	9990218281	222201	631197	20050228	4.2	0	2005	2	0
KEGLEY, JEAN E	9990220375	9990220375	222208	631204	20050228	86.81	0	2005	2	0
ARCAND, ROBERT J	9990222469	9990222469	222216	631212	20050228	16.39	0	2005	2	0
BOJNOWICZ, ALFRED	9990041698	9990041698	222765	635603	20050314	31.72	0	2005	3	0
COCCHI, ANTOHNY	9990075938	9990075938	222769	635607	20050314	193.69	0	2005	3	0
WALDROP, PAUL	9990113660	9990113660	222784	635622	20050314	28.91	0	2005	3	0
ARNOLD, LOUISE	9990126003	9990126003	222790	635628	20050314	763.65	0	2005	3	0
ELLER, KENNETH LEO	9990136484	9990136484	222800	635638	20050314	27.68	0	2005	3	0
FLORES, ABADESA R	9990137440	9990137440	222801	635639	20050314	19.3	0	2005	3	0
RYDBERG, MARK W	9990138949	9990138949	222803	635641	20050314	40.34	0	2005	3	0
HERRERA, WILFRIDO	9990155290	9990155290	222824	635662	20050314	6	0	2005	3	0
MCMONAGLE, DONAVAN	9990193458	9990193458	222887	635726	20050314	35.96	0	2005	3	0
FRANCISCO, MARIO M	9990201323	9990201323	222907	635746	20050314	13.44	0	2005	3	0
ADKINS, MATTHEW F	9990205398	9990205398	222926	635765	20050314	26.31	0	2005	3	0
RUFFOLO, PHILIP J	9990207260	9990207260	222940	635779	20050314	19.61	0	2005	3	0
MCLAURIN, MARRIO V	9990208125	9990208125	222945	635784	20050314	25.73	0	2005	3	0
STAMBAUGH, JENNIFER	9990214297	9990214297	222963	635802	20050314	60.14	0	2005	3	0
MOYA, CHRISTIAN G	9990214429	9990214429	222964	635803	20050314	16.59	0	2005	3	0
VANDERSCHAAF, HOLLY J	9990214839	9990214839	222967	635806	20050314	49.33	0	2005	3	0
HARRIS, JAMES	9990215105	9990215105	222970	635809	20050314	6.84	0	2005	3	0
RIDER, JONATHAN P	9990216526	9990216526	222983	635822	20050314	23.8	0	2005	3	0
BRUCE, JEAN	9990216932	9990216932	222987	635826	20050314	3.7	0	2005	3	0
TODD, JOSIE M	9990217208	9990217208	222989	635828	20050314	4.38	0	2005	3	0
HORNSBY, WILLIAM D	9990217277	9990217277	222990	635829	20050314	11.86	0	2005	3	0
ESPINA, ELEONORA C	9990220065	9990220065	223005	635844	20050314	7.89	0	2005	3	0
ARCAND, ROBERT J	9990222469	9990222469	223017	635856	20050314	11.26	0	2005	3	0
PAYNE, AMY R	9990065984	9990065984	223276	638042	20050321	5.71	0	2005	3	0
NU-TREND DESIGN INC	9990121690	9990121690	223282	638048	20050321	331.81	0	2005	3	0
CORDOVA, RIGOBERTO	9990180145	9990180145	223306	638072	20050321	12.91	0	2005	3	0

SPANLEY, JERRY	9990183756 9990183756	223314	638080	20050321	4	0	2005	3 0
MERCADO, CHRISTINA M	9990188618 9990188618	223318	638084	20050321	4.18	0	2005	3 0
ESTEVEZ, ANDRES	9990193621 9990193621	223321	638087	20050321	40.92	0	2005	3 0
ROBINSON, SHANTEL	9990216695 9990216695	223356	638122	20050321	7.58	0	2005	3 0
ESTEBAN, MARIO D	9990217786 9990217786	223361	638127	20050321	4.97	0	2005	3 0
DJEDI, ELEKO	9990219670 9990219670	223365	638131	20050321	2.31	0	2005	3 0
KALLAS, MICHAEL	9990221069 9990221069	223368	638134	20050321	83.2	0	2005	3 0
SCHAAB, DONALD W	9990223705 9990223705	223378	638144	20050321	39.47	0	2005	3 0
BHATT, PARIMAL M	9990018635 9990018635	223549	639281	20050328	1334.39	0	2005	3 0
MCCLENDON, SHERRINE	9990027834 9990027834	223552	639284	20050328	14.7	0	2005	3 0
JADO, JOHN	9990127059 9990127059	223564	639296	20050328	59.79	0	2005	3 0
VEREEN, LETICIA S	9990188567 9990188567	223595	639327	20050328	112.68	0	2005	3 0
LOGUE, PATRICK J	9990190609 9990190609	223598	639330	20050328	52.01	0	2005	3 0
PICKREN, BRENNAN E	9990197607 9990197607	223609	639341	20050328	17.3	0	2005	3 0
SMITH, SHATELL J	9990199607 9990199607	223613	639345	20050328	18.25	0	2005	3 0
DAWKINS, PATRICIA E	9990204293 9990204293	223623	639355	20050328	52.63	0	2005	3 0
AHRENS, KENNETH	9990204381 9990204381	223624	639356	20050328	11.94	0	2005	3 0
MORRIS, DEMETRIUS	9990205396 9990205396	223631	639363	20050328	11.76	0	2005	3 0
GLEITMANN, ALEX	9990205733 9990205733	223632	639364	20050328	22.38	0	2005	3 0
DEJESUS, TAMMY M	9990209575 9990209575	223643	639375	20050328	63.05	0	2005	3 0
SHAW, KYLE A	9990211377 9990211377	223647	639379	20050328	23.57	0	2005	3 0
LINTON, MELISSA D	9990213813 9990213813	223653	639385	20050328	86.18	0	2005	3 0
EDMUNDS, JONATHAN C	9990214667 9990214667	223655	639387	20050328	12.72	0	2005	3 0
MARTIN, OCTAVIO D	9990217815 9990217815	223665	639397	20050328	70.93	0	2005	3 0
ARMSTRONG, DEANDRE J	9990218204 9990218204	223666	639398	20050328	58.1	0	2005	3 0
ABBOTT, JESSICA	9990223174 9990223174	223682	639414	20050328	1.65	0	2005	3 0
MEGRICHIAN, GEORGE G	9990223667 9990223667	223685	639417	20050328	41.83	0	2005	3 0
JOHNSON, BRUCE	9990208701 9990208701	223771	639757	20050331	182.31	0	2005	3 0
GOLDEN, DOYLE	9990011850 9990011850	223820	640536	20050404	40.87	0	2005	4 0
DAVIS, DEBORAH M	9990029096 9990029096	223825	640541	20050404	1.51	0	2005	4 0
EIDELBERG, JAY S	9990159131 9990159131	223855	640571	20050404	24.76	0	2005	4 0
KEMMERLING, CHARLES R	9990198654 9990198654	223892	640608	20050404	1.61	0	2005	4 0
RIXQUIACCHE, IGNACIO	9990199365 9990199365	223896	640612	20050404	7.68	0	2005	4 0
SAVAGE, DANIELLE N	9990204525 9990204525	223903	640619	20050404	55.28	0	2005	4 0
GLEITMANN, ALEX	9990205733 9990205733	223907	640623	20050404	13.12	0	2005	4 0
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WHITBY, BERLE R	9990209347 9990209347	223918	640634	20050404	34.79	0	2005	4 0
CARPENTER, CONSTANCE	9990215220 9990215220	223930	640646	20050404	3.82	0	2005	4 0
JANES, WILLIAM H	9990215431 9990215431	223932	640648	20050404	2.57	0	2005	4 0
LEATHERMAN, TERESA L	9990219352 9990219352	223944	640660	20050404	42.04	0	2005	4 0
BREESE, ROB	9990223419 9990223419	223957	640673	20050404	15.9	0	2005	4 0
MITCHELL, WARREN E	9990223471 9990223471	223958	640674	20050404	24.49	0	2005	4 0
JACOME, MARIANO	9990136672 9990136672	224418	643797	20050411	44.13	0	2005	4 0
ALIAA ENTERPRISES INC.	9990143268 9990143268	224420	643799	20050411	444.47	0	2005	4 0
THOMPSON, RENE C	9990174117 9990174117	224433	643814	20050411	1.06	0	2005	4 0
SPILLMAN, COLEEN	9990183759 9990183759	224442	643823	20050411	4	0	2005	4 0
FISHER, ALISON A	9990196048 9990196048	224452	643833	20050411	4.39	0	2005	4 0
BUTLER-MCKINNEY, APRIL J	9990203719 9990203719	224461	643842	20050411	10.46	0	2005	4 0
HERNANDEZ, ISMAEL	9990205363 9990205363	224466	643847	20050411	131.92	0	2005	4 0
FULLEN, TONYA T	9990206499 9990206499	224471	643852	20050411	16.29	0	2005	4 0
POWELL, THOMAS G	9990211145 9990211145	224480	643861	20050411	65.56	0	2005	4 0
GRANCHAMPS, EDGAR	9990211450 9990211450	224481	643862	20050411	91	0	2005	4 0
BEARD, WAYNE & ANNALE	9990213129 9990213129	224484	643865	20050411	125	0	2005	4 0
MC CAFFREY, PATRICIA A	9990214182 9990214182	224485	643866	20050411	66.91	0	2005	4 0
MULLINS, AMANDA M	9990214428 9990214428	224486	643867	20050411	5.41	0	2005	4 0

GIEBEIG, CASANDRA J	9990215558 9990215558	224490	643871	20050411	94.19	0	2005	4 0
THOMPSON, ADRIAN	9990217134 9990217134	224494	643875	20050411	22.38	0	2005	4 0
FERRARI, LISA M	9990217231 9990217231	224495	643876	20050411	8	0	2005	4 0
MITCHELL, WARREN E	9990223471 9990223471	224510	643892	20050411	13.59	0	2005	4 0
BOYD-PINNOCK, ODETTE A	9990019140 9990019140	224736	645988	20050418	1.46	0	2005	4 0
RIVIERA BCH FOODS LLC	9990130804 9990130804	224764	646016	20050418	650.91	0	2005	4 0
WEST, GLORIA L	9990138785 9990138785	224765	646017	20050418	37.92	0	2005	4 0
CASTO, DAVE W	9990179534 9990179534	224785	646037	20050418	96.33	0	2005	4 0
WILSON, FLETCHER	9990183944 9990183944	224788	646040	20050418	12	0	2005	4 0
RIVERA-JIMENEZ, NANCY	9990197383 9990197383	224806	646058	20050418	11.61	0	2005	4 0
ERDEM, ILKAY	9990202545 9990202545	224816	646068	20050418	38.41	0	2005	4 0
HINKLE JR, RONALD F	9990203559 9990203559	224818	646070	20050418	70.64	0	2005	4 0
GRIBENAS, PAUL	9990210135 9990210135	224832	646084	20050418	8.89	0	2005	4 0
MOLINA, VIVIAN	9990216218 9990216218	224842	646094	20050418	2.72	0	2005	4 0
POLIZZE, JOHN	9990221059 9990221059	224857	646109	20050418	25.73	0	2005	4 0
RIVIERA BCH FOODS LLC	9990130804 9990130804	225094	647989	20050425	2890.57	0	2005	4 0
BROOKS, ETHEL	9990071906 9990071906	225117	647975	20050425	4.29	0	2005	4 0
TOLBERT, JOHN R	9990110753 9990110753	225123	647981	20050425	65.58	0	2005	4 0
FREDERICK'S WORROLL, INC	9990127547 9990127547	225129	647987	20050425	6.96	0	2005	4 0
HOUSER, STEVE	9990139481 9990139481	225132	647991	20050425	24.84	0	2005	4 0
DAY, MICHELLE K	9990170775 9990170775	225149	648009	20050425	81.32	0	2005	4 0
DAGHITA, DECOVEN L	9990186254 9990186254	225163	648023	20050425	49.2	0	2005	4 0
AFRICARIBBEAN AUTHENTIC CUISIN	9990187862 9990187862	225165	648025	20050425	182.41	0	2005	4 0
DRAWDY, ROSANNE	9990191736 9990191736	225177	648037	20050425	19.85	0	2005	4 0
RINCON, JONATHAN	9990200939 9990200939	225195	648055	20050425	76.09	0	2005	4 0
SCHWARTZ, LORENA F	9990204787 9990204787	225203	648063	20050425	1.36	0	2005	4 0
ROBINSON, REGINA J	9990207028 9990207028	225210	648070	20050425	24.51	0	2005	4 0
ERICKSON, CAROL A	9990210402 9990210402	225230	648090	20050425	2.02	0	2005	4 0
REYNOLDS, DAMON E	9990211561 9990211561	225236	648096	20050425	41.36	0	2005	4 0
MEJIA, ALEIDA	9990214768 9990214768	225246	648106	20050425	23.4	0	2005	4 0
SLOANE, SUZANNE H	9990224809 9990224809	225273	648133	20050425	25.31	0	2005	4 0
BALAS, LAURA	9990225924 9990225924	225275	648135	20050425	41.46	0	2005	4 0
WALLING, NANCY	9990041393 9990041393	225411	649054	20050502	38.8	0	2005	5 0
SCOTT, STEPHEN R	9990071373 9990071373	225418	649061	20050502	25.23	0	2005	5 0
MORRIS, TONYA	9990178087 9990178087	225442	649085	20050502	8.3	0	2005	5 0
TEMAJ, FREDY Y	9990185389 9990185389	225448	649091	20050502	3.5	0	2005	5 0
PAVLINOV, VADIM	9990188468 9990188468	225453	649096	20050502	64.4	0	2005	5 0
GARCIA, JOSE ANGEL	9990193337 9990193337	225470	649113	20050502	28.54	0	2005	5 0
RADEL, KELLY A	9990204692 9990204692	225482	649125	20050502	7.24	0	2005	5 0
BRINKMAN, RACHEL J	9990209882 9990209882	225496	649139	20050502	40.72	0	2005	5 0
EIDSON, TRAVIS J	9990211336 9990211336	225499	649142	20050502	18.58	0	2005	5 0
VARIANCE, SHARONE D	9990211642 9990211642	225500	649143	20050502	12.17	0	2005	5 0
WEISS, MARY K	9990212354 9990212354	225501	649144	20050502	25.01	0	2005	5 0
DORINO, AISHAH Y	9990224060 9990224060	225526	649169	20050502	5.24	0	2005	5 0
MENDOZA-RICO, ARTEMIO	9990018942 9990018942	225918	651593	20050510	11.38	0	2005	5 0
LITTLETON, SHAELAINE	9990038811 9990038811	225922	651597	20050510	88.03	0	2005	5 0
MCCAULEY SMITH, ELLEN	9990080676 9990080676	225930	651605	20050510	93.75	0	2005	5 0
IRVIN, EMILY	9990134406 9990134406	225938	651613	20050510	76.19	0	2005	5 0
ANTISTA, MARK E	9990148344 9990148344	225945	651620	20050510	2.38	0	2005	5 0
JESTER'S	9990165074 9990165074	225956	651631	20050510	59.38	0	2005	5 0
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BURTON, DIANA	9990209473 9990209473	225985	651660	20050510	2.3	0	2005	5 0
BONNER, BRANDON G	9990209972 9990209972	225986	651661	20050510	8.65	0	2005	5 0
BARNES, TERRY L	9990213630 9990213630	225992	651667	20050510	108.44	0	2005	5 0

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CICERCHIA, RAFFFAELLE	9990220830 9990220830	226008	651683	20050510	1.93	0	2005	5	0
JOHNSON JR, RONNAL R	9990224755 9990224755	226015	651690	20050510	49.24	0	2005	5	0
BRENDA'S KITCHEN	9990034970 9990034970	226254	653646	20050516	12.33	0	2005	5	0
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ELECTRONIC ADVANCEMENT INC	9990148140 9990148140	226278	653672	20050516	66.23	0	2005	5	0
CRAWFORD, CHRISTY K	9990188761 9990188761	226304	653698	20050516	23.16	0	2005	5	0
MAXEY, GEORGIA A	9990191699 9990191699	226312	653706	20050516	2.68	0	2005	5	0
BILLINGSLEY, WILLIAM	9990198114 9990198114	226327	653721	20050516	19.61	0	2005	5	0
HERNANDEZ, ALFREDO	9990201219 9990201219	226334	653728	20050516	24.26	0	2005	5	0
JOHNSON, TISHJAUNA R	9990206771 9990206771	226350	653744	20050516	3.57	0	2005	5	0
DIAZ, SANDRA	9990208789 9990208789	226360	653754	20050516	45.02	0	2005	5	0
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OHAIR, BENJAMAN T	9990211986 9990211986	226379	653774	20050516	74.25	0	2005	5	0
FLETCHER, JEFFREY D	9990214843 9990214843	226387	653782	20050516	4.57	0	2005	5	0
HUGHES, JODI K	9990218950 9990218950	226402	653797	20050516	3.16	0	2005	5	0
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RISCO, GIOVANNY F	9990226850 9990226850	226435	653830	20050516	71.91	0	2005	5	0
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LEE, BERTHA W	9990117502 9990117502	226689	655448	20050523	10.34	0	2005	5	0
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STILLS, CAMELLA D	9990170070 9990170070	226711	655470	20050523	8.33	0	2005	5	0
DAMIAN, GREGORIO	9990171308 9990171308	226712	655471	20050523	2.83	0	2005	5	0
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FISHER, ALISON A	9990196048 9990196048	226745	655504	20050523	95.44	0	2005	5	0
DEARTH, KENDRA	9990203981 9990203981	226761	655520	20050523	24.39	0	2005	5	0
BONEKEMPER, JEFFERY A	9990208113 9990208113	226770	655529	20050523	65.88	0	2005	5	0
PETERSON, ROD L	9990213060 9990213060	226789	655548	20050523	6.93	0	2005	5	0
OROZCO, FRANCISCO J	9990213139 9990213139	226790	655549	20050523	32.86	0	2005	5	0
BROOKER, MAUREEN R	9990213766 9990213766	226793	655552	20050523	1.8	0	2005	5	0
WINDSOR PARK	9990219266 9990219266	226809	655568	20050523	22.26	0	2005	5	0
KNIGHT, BRIAN A	9990219520 9990219520	226811	655570	20050523	18.86	0	2005	5	0
MARTINO, REBECCA J	9990225953 9990225953	226843	655602	20050523	21.99	0	2005	5	0
THOMAS, SCOTT	9990226939 9990226939	226845	655604	20050523	11.35	0	2005	5	0
ZAYAS, HECTOR L	9990085384 9990085384	227017	657277	20050531	3.5	0	2005	5	0
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BELKE, INGEBORG	9990168799 9990168799	227050	657311	20050531	31.35	0	2005	5	0
STAGGS, BRADLEY A	9990182212 9990182212	227057	657318	20050531	9.82	0	2005	5	0
TRANSEASTERN HOMES	9990185539 9990185539	227058	657319	20050531	1.71	0	2005	5	0
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MCCLOUGH, C. PETER	9990191662 9990191662	227070	657332	20050531	55.21	0	2005	5	0
ACOVEDO-AVILES, VIDAL A	9990201123 9990201123	227082	657345	20050531	15.63	0	2005	5	0
BLUMENTHAL, KATHLEEN	9990204953 9990204953	227096	657359	20050531	67.78	0	2005	5	0
EARL, CHRISTOPHER	9990219593 9990219593	227134	657397	20050531	6.2	0	2005	5	0
BRANAN, ROB	9990223132 9990223132	227145	657408	20050531	124.6	0	2005	5	0
BROOKS, ETHEL	9990071906 9990071906	227285	658511	20050606	56.47	0	2005	6	0
RAUDENBUSH, ADAM	9990134884 9990134884	227304	658531	20050606	1.91	0	2005	6	0
RIVERA, JUAN M	9990147582 9990147582	227308	658535	20050606	2.45	0	2005	6	0
TRANSEASTERN HOMES	9990185539 9990185539	227330	658557	20050606	20.59	0	2005	6	0
MULLINS, STEPHANIE S	9990198341 9990198341	227346	658573	20050606	9.63	0	2005	6	0
FORTENBERRY, HARRIETT H	9990203645 9990203645	227362	658589	20050606	132.92	0	2005	6	0
VALENCIA, RACHAEL	9990204546 9990204546	227364	658591	20050606	54.19	0	2005	6	0
PENA, ALBERTO L	9990208601 9990208601	227371	658598	20050606	49	0	2005	6	0

BERRYHILL, DOUGLAS C	9990209702	9990209702	227374	658601	20050606	42	0	2005	6	0
KIMMEL, SHARON J	9990210393	9990210393	227380	658607	20050606	23.95	0	2005	6	0
HATTON, CATHERINE D	9990211064	9990211064	227387	658614	20050606	59.48	0	2005	6	0
CRANE, DANTWANN S	9990211293	9990211293	227388	658615	20050606	2.96	0	2005	6	0
MEIER, NICHOLAS C	9990212287	9990212287	227391	658618	20050606	87.15	0	2005	6	0
ANTHONY, JERRY W	9990217040	9990217040	227405	658632	20050606	41.54	0	2005	6	0
CORREA, DANIELA N	9990219688	9990219688	227414	658641	20050606	7.8	0	2005	6	0
SPENCER, ALEXANDER	9990222943	9990222943	227428	658655	20050606	1.12	0	2005	6	0
STEIN, STUART	9990227559	9990227559	227445	658672	20050606	30.9	0	2005	6	0
BANKER, PAMELA M	9990029909	9990029909	227904	661588	20050613	49.59	0	2005	6	0
STIVERS, JACQUELINE L	9990055178	9990055178	227912	661596	20050613	34.55	0	2005	6	0
ROY, NICOLE	9990155876	9990155876	227934	661620	20050613	6.3	0	2005	6	0
WILSON, JEFFERY C	9990189309	9990189309	227951	661637	20050613	33.22	0	2005	6	0
ROSARIO, IRMA I	9990194414	9990194414	227955	661641	20050613	31.91	0	2005	6	0
CRUZ, PABLO DIAZ	9990194547	9990194547	227956	661642	20050613	108.58	0	2005	6	0
ANTUNA JR, RAYMOND G	9990197535	9990197535	227960	661646	20050613	108.91	0	2005	6	0
GANDY, EDWARD S	9990206493	9990206493	227972	661658	20050613	141.28	0	2005	6	0
WARD, ROSE MARY	9990210790	9990210790	227983	661669	20050613	1.98	0	2005	6	0
AYOUB, CHRISTINE M	9990216961	9990216961	227998	661684	20050613	13.87	0	2005	6	0
GAMA, JOSE	9990219164	9990219164	228001	661687	20050613	18.3	0	2005	6	0
WRIGHT, JESSICA E	9990219312	9990219312	228002	661688	20050613	66.07	0	2005	6	0
DRISKELL, LAMAR JAMES MORGAN	9990224006	9990224006	228011	661697	20050613	2.43	0	2005	6	0
CASH, CANDANCE M	9990224915	9990224915	228014	661700	20050613	16.98	0	2005	6	0
LANT, NINA J	9990029958	9990029958	228276	663807	20050620	1.95	0	2005	6	0
GRAHAM JR, R A	9990079798	9990079798	228292	663823	20050620	59.18	0	2005	6	0
GILES, DEDRA D	9990149124	9990149124	228311	663842	20050620	2.61	0	2005	6	0
JERSEY MIKES NORTH PALM	9990154819	9990154819	228313	663844	20050620	308.04	0	2005	6	0
BUMP JR, RAY	9990164357	9990164357	228319	663850	20050620	6.28	0	2005	6	0
DOMINGO, ROMEO M	9990186160	9990186160	228343	663874	20050620	5.12	0	2005	6	0
PEREZ, SUZANNE E	9990188692	9990188692	228346	663877	20050620	11.58	0	2005	6	0
ODGEN, DENNIS	9990191365	9990191365	228350	663881	20050620	55.9	0	2005	6	0
STONE, BOBBY	9990194385	9990194385	228359	663890	20050620	11.96	0	2005	6	0
BOYER, SHERRY L	9990202397	9990202397	228383	663914	20050620	2.7	0	2005	6	0
WILGER, DAN	9990204204	9990204204	228389	663920	20050620	4.78	0	2005	6	0
BANAS, PAMELA R	9990217756	9990217756	228440	663971	20050620	48.85	0	2005	6	0
DATORRE, TOMAS	9990221024	9990221024	228463	663994	20050620	17.83	0	2005	6	0
EVANS, LAUREN N	9990223568	9990223568	228471	664002	20050620	11.78	0	2005	6	0
OTERO, RAUL	9990223778	9990223778	228472	664003	20050620	16.15	0	2005	6	0
SHIVER, ASHLEY N	9990224503	9990224503	228474	664005	20050620	92.66	0	2005	6	0
SANCHEZ, GABRIEL	9990225573	9990225573	228479	664010	20050620	44.61	0	2005	6	0
LASMANIS, LISA	9990226405	9990226405	228480	664011	20050620	75.39	0	2005	6	0
OKUN, THEDA	9990227000	9990227000	228486	664017	20050620	60.16	0	2005	6	0
MEMAR, BIJON	9990228242	9990228242	228494	664025	20050620	42.35	0	2005	6	0
PETTY, JERRY	9990026745	9990026745	228673	665781	20050627	97.16	0	2005	6	0
MCCRAY, CAROLYN F	9990065237	9990065237	228680	665788	20050627	2.8	0	2005	6	0
YUSKAITIS, NOREEN T	9990079949	9990079949	228682	665790	20050627	50.1	0	2005	6	0
SMITH, ANTHONY M	9990099334	9990099334	228693	665801	20050627	22.01	0	2005	6	0
HODGE, ANDRELL G	9990154693	9990154693	228711	665819	20050627	42.66	0	2005	6	0
FIOTO, FREDERICK F	9990179863	9990179863	228732	665840	20050627	55.99	0	2005	6	0
MORALES, JORGE A	9990203804	9990203804	228774	665882	20050627	70.63	0	2005	6	0
CGC CUSTOM HOMES, INC	9990209828	9990209828	228781	665889	20050627	3.63	0	2005	6	0
MCDUFFIE, BRIAN	9990210134	9990210134	228783	665891	20050627	26.85	0	2005	6	0
MONTES-VIVES, MICHELLE	9990211246	9990211246	228789	665897	20050627	29.82	0	2005	6	0
THOMAS, AMANDA N	9990218518	9990218518	228818	665926	20050627	78.92	0	2005	6	0
LANDEROS, JAIRO	9990220234	9990220234	228826	665934	20050627	78.92	0	2005	6	0

LEE, KIM L	9990220701 9990220701	228831	665940	20050627	7.32	0	2005	6	0
SCOTT, NORMAN	9990221266 9990221266	228833	665942	20050627	16.96	0	2005	6	0
FOSTER, CHRISTOPHER P	9990222540 9990222540	228836	665945	20050627	73.64	0	2005	6	0
JOHNSON, KYLE D	9990224437 9990224437	228842	665951	20050627	6.38	0	2005	6	0
PERKINS, CHASITY S	9990213911 9990213911	228950	666741	20050630	52.18	0	2005	6	0
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SPANKYS SPORTS BAR INC	9990045875 9990045875	229005	667432	20050705	1037.74	0	2005	7	0
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HOBERG, GLENN A	9990143174 9990143174	229026	667453	20050705	33.78	0	2005	7	0
AMERICAN LAND HOUSING CORP	9990175801 9990175801	229043	667470	20050705	2247.06	0	2005	7	0
DOMINGO, ROMEO M	9990186160 9990186160	229051	667478	20050705	36	0	2005	7	0
GARCIA, ROSE	9990188358 9990188358	229053	667480	20050705	79.61	0	2005	7	0
JDM VENTURES INC	9990202190 9990202190	229070	667497	20050705	1667.22	0	2005	7	0
CRAWFORD, SCOTT M	9990203129 9990203129	229072	667499	20050705	109.22	0	2005	7	0
SEGURA, SHIRLEY B	9990206339 9990206339	229076	667503	20050705	50.33	0	2005	7	0
DEMISSIE, TIGIST G	9990207369 9990207369	229078	667505	20050705	52.74	0	2005	7	0
RODRIGUEZ, CARLA D	9990210834 9990210834	229085	667512	20050705	10.85	0	2005	7	0
MENDEZ, VICENTE	9990212006 9990212006	229090	667517	20050705	47.39	0	2005	7	0
BOEHRINGER INGELHEIM INC	9990214422 9990214422	229097	667524	20050705	247.12	0	2005	7	0
MARTELL, YESSENIA C	9990217931 9990217931	229102	667529	20050705	7.27	0	2005	7	0
POLACHAK, JEROMY M	9990219428 9990219428	229109	667536	20050705	2.11	0	2005	7	0
MACK, JAMES B	9990222553 9990222553	229120	667547	20050705	63.5	0	2005	7	0
RYAN, SHELBY	9990223624 9990223624	229123	667550	20050705	18.69	0	2005	7	0
PHAM, DUONG M	9990036858 9990036858	229548	670923	20050712	25.2	0	2005	7	0
BOBROWSKI, STEVEN	9990108533 9990108533	229561	670936	20050712	11.74	0	2005	7	0
NESTER, MARY	9990166185 9990166185	229584	670959	20050712	22.15	0	2005	7	0
ROSENBLUM, ALAN	9990178387 9990178387	229594	670969	20050712	3.5	0	2005	7	0
MARTINEZ, HERBERT A	9990192507 9990192507	229605	670980	20050712	3.5	0	2005	7	0
BYUN, JAE W	9990205457 9990205457	229623	670998	20050712	1.63	0	2005	7	0
HART, JUANITA	9990205735 9990205735	229625	671000	20050712	26.89	0	2005	7	0
MCARTHUR, PAMELA D	9990209281 9990209281	229632	671007	20050712	28.4	0	2005	7	0
SAVONE, KREG N	9990215015 9990215015	229650	671025	20050712	24.21	0	2005	7	0
SHIELDS JR, JEFFREY C	9990217028 9990217028	229658	671033	20050712	3.42	0	2005	7	0
HENDRICKS, RYAN J	9990218785 9990218785	229664	671039	20050712	7.15	0	2005	7	0
CRAIG, STEPHANIE C	9990221832 9990221832	229672	671047	20050712	31.64	0	2005	7	0
AVIV, MOSHE	9990226356 9990226356	229682	671057	20050712	56.47	0	2005	7	0
LOPEZ, DANIEL	9990228117 9990228117	229687	671062	20050712	85.24	0	2005	7	0
CALDERARO, ANTHONY	9990228406 9990228406	229688	671063	20050712	58.59	0	2005	7	0
SUMMERSILL, MELISSA	9990230202 9990230202	229694	671069	20050712	47.28	0	2005	7	0
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POLONESA INC	9990124984 9990124984	229921	672951	20050718	15.29	0	2005	7	0
CASTELLANOS, ELIZABETH R	9990168089 9990168089	229941	672974	20050718	32.49	0	2005	7	0
CURTIS, MICHAEL V	9990185604 9990185604	229952	672985	20050718	5.45	0	2005	7	0
TOBIAS-RIVAS, BASILIO	9990190333 9990190333	229961	672994	20050718	9.45	0	2005	7	0
WILLIAMS, JOSHUA D	9990202010 9990202010	229978	673011	20050718	24.2	0	2005	7	0
SMITH, JUSTIN L	9990209739 9990209739	230003	673036	20050718	7.8	0	2005	7	0
RIVERA, CARMEN C	9990212773 9990212773	230019	673052	20050718	1.83	0	2005	7	0
DORT, MARC E	9990215037 9990215037	230032	673065	20050718	8.6	0	2005	7	0
SHIPPLER, LISA E	9990215177 9990215177	230033	673066	20050718	22.93	0	2005	7	0
DOWLING, KRISTI	9990215641 9990215641	230036	673069	20050718	19	0	2005	7	0
PETERSON, MARCUS N	9990218301 9990218301	230045	673078	20050718	44.83	0	2005	7	0
WPC TELECOM	9990221900 9990221900	230057	673090	20050718	254.31	0	2005	7	0
STEWART, JESSE	9990221983 9990221983	230059	673092	20050718	78.5	0	2005	7	0
STOUT, SARAH C	9990226004 9990226004	230080	673113	20050718	34.96	0	2005	7	0
HARRIS, MICHELLE G	9990226915 9990226915	230082	673115	20050718	9.36	0	2005	7	0

HILDERBRAND, MARSHALL W	9990228623	9990228623	230091	673124	20050718	66.89	0	2005	7	0
BOYD, TINA L	9990086212	9990086212	230348	675008	20050725	16.93	0	2005	7	0
HART, DENISE A	9990151606	9990151606	230363	675023	20050725	1.04	0	2005	7	0
KORBEL, LEONARD	9990165978	9990165978	230372	675032	20050725	7	0	2005	7	0
DENMAR, SHARON	9990199737	9990199737	230408	675068	20050725	9.23	0	2005	7	0
MATHIS, MARY K	9990202356	9990202356	230411	675071	20050725	9.03	0	2005	7	0
BAPTISTE, ELROY J	9990204019	9990204019	230415	675075	20050725	33.49	0	2005	7	0
HENDRY JR, JAMES E	9990207811	9990207811	230419	675079	20050725	135.32	0	2005	7	0
JUDKINS, THOMAS L	9990217107	9990217107	230465	675125	20050725	62.28	0	2005	7	0
FULLARD, JESSIE R	9990217170	9990217170	230466	675126	20050725	21.73	0	2005	7	0
TIDWELL, CONNIE M	9990218002	9990218002	230470	675130	20050725	42.76	0	2005	7	0
MORELAND, DAVID	9990222841	9990222841	230481	675141	20050725	14.17	0	2005	7	0
BAILEY, ANNE-MARIE	9990223178	9990223178	230482	675142	20050725	15.9	0	2005	7	0
HAND, JOEL E	9990224942	9990224942	230488	675148	20050725	36.86	0	2005	7	0
KERN, ROGER	9990013923	9990013923	230676	677117	20050801	6.94	0	2005	8	0
NOVELLIERE, VICTOR	9990122680	9990122680	230707	677148	20050801	16.04	0	2005	8	0
PREFFER, RICHARD	9990138455	9990138455	230714	677155	20050801	402.63	0	2005	8	0
RAYMOND, PAULETTE Z	9990195514	9990195514	230751	677192	20050801	37.34	0	2005	8	0
BONIESKI, VERA E	9990209774	9990209774	230769	677210	20050801	93.31	0	2005	8	0
JANES, WILLIAM H	9990215431	9990215431	230786	677227	20050801	18.21	0	2005	8	0
PETITO, THOMAS	9990221045	9990221045	230804	677245	20050801	93.63	0	2005	8	0
RICHMOND AMERICAN HOMES	9990222721	9990222721	230817	677258	20050801	25	0	2005	8	0
ELLIS, AMANDA J	9990222967	9990222967	230818	677259	20050801	38.56	0	2005	8	0
CABAN, ADREE	9990232321	9990232321	230845	677286	20050801	152	0	2005	8	0
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GRAY II, STEVEN W	9990191292	9990191292	231337	680623	20050810	22.94	0	2005	8	0
HARVEY, PATRICIA	9990193730	9990193730	231340	680626	20050810	47.83	0	2005	8	0
BAPTISTE, ERINEL J	9990193790	9990193790	231341	680627	20050810	36.85	0	2005	8	0
BRAMAN, JEREMY D	9990212872	9990212872	231372	680658	20050810	66.78	0	2005	8	0
CORETTE, MARCELLA C	9990216535	9990216535	231385	680671	20050810	3.5	0	2005	8	0
JONES, CHRISTINA	9990220346	9990220346	231396	680682	20050810	43.4	0	2005	8	0
HEATH, JENNIFER N	9990223721	9990223721	231402	680688	20050810	16.06	0	2005	8	0
PEQUEEN, CHRISTOPHER M	9990227350	9990227350	231411	680697	20050810	6.22	0	2005	8	0
JEAN LOUIS, KIEANAE	9990227366	9990227366	231412	680698	20050810	26.29	0	2005	8	0
PAYNE, JAMES	9990227414	9990227414	231413	680699	20050810	33.2	0	2005	8	0
PANDHARE, SANDEEP B	9990228585	9990228585	231420	680706	20050810	40.45	0	2005	8	0
GRAND VILLAGE	9990229714	9990229714	231426	680712	20050810	5.85	0	2005	8	0
WALLACE, CAROL	9990230759	9990230759	231435	680721	20050810	71.12	0	2005	8	0
GIESSEN, MICHELLE	9990231126	9990231126	231440	680726	20050810	92.32	0	2005	8	0
KERN, ROGER	9990013923	9990013923	231613	682529	20050815	15.13	0	2005	8	0
LAKESHORE PLAZA, LLC	9990136279	9990136279	231644	682560	20050815	95.82	0	2005	8	0
REID, LONNY J	9990140142	9990140142	231648	682564	20050815	14.1	0	2005	8	0
GREEN, DENISE S	9990169165	9990169165	231660	682578	20050815	3.17	0	2005	8	0
GILES, SONIA M	9990170025	9990170025	231661	682579	20050815	8.4	0	2005	8	0
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MAYOROVA, TATIANA	9990195759	9990195759	231685	682603	20050815	28.47	0	2005	8	0
ESTRADA, CRISTIAN O	9990200133	9990200133	231693	682611	20050815	47.9	0	2005	8	0
DE JESUS, MAYLEE	9990211570	9990211570	231720	682638	20050815	2.21	0	2005	8	0
HUFF, GLEN A	9990212696	9990212696	231723	682641	20050815	3.33	0	2005	8	0
PILOTO, CONCEPCION	9990214930	9990214930	231734	682652	20050815	23.45	0	2005	8	0
KIRK, BOBETTE D	9990217197	9990217197	231740	682658	20050815	4.17	0	2005	8	0
BARAJAS, FRANCISCO O	9990222519	9990222519	231753	682671	20050815	126.56	0	2005	8	0
MARROCCO, ANTHONY F	9990225254	9990225254	231760	682678	20050815	70.79	0	2005	8	0

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ODGEN, EDWIN J	9990069741 9990069741	232015	684698	20050822	9.48	0	2005	8	0
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SPEIGHTS, TALIA B	9990158221 9990158221	232040	684724	20050822	24.73	0	2005	8	0
JULIEN, ISLANDE	9990188849 9990188849	232059	684743	20050822	16.83	0	2005	8	0
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PORTER, LLOYD	9990190873 9990190873	232061	684745	20050822	19.72	0	2005	8	0
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KIELY, PATRICK T	9990222416 9990222416	232132	684816	20050822	34.48	0	2005	8	0
SULATCYKI, MARANDA K	9990223613 9990223613	232137	684821	20050822	2.81	0	2005	8	0
WOODS, DANIELLE R	9990229064 9990229064	232149	684833	20050822	54.58	0	2005	8	0
GUZMAN, JOSE	9990230121 9990230121	232153	684837	20050822	1.71	0	2005	8	0
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STAINE, MELANIE M	9990178099 9990178099	232352	686490	20050829	14.21	0	2005	8	0
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WALTON, MARK D	9990209899 9990209899	232389	686527	20050829	25.72	0	2005	8	0
ROSARIO, ELIZABETH N	9990211489 9990211489	232391	686529	20050829	36.52	0	2005	8	0
WATSON III, MILEY J	9990211957 9990211957	232393	686531	20050829	17.31	0	2005	8	0
DEWEERDT, CASEY A	9990214449 9990214449	232398	686536	20050829	47.99	0	2005	8	0
PHELPS, BENNETT	9990223643 9990223643	232421	686559	20050829	45.17	0	2005	8	0
SECOND MACEDONIA	9990225067 9990225067	232425	686563	20050829	107.12	0	2005	8	0
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STONE, DOWLING	9990228449 9990228449	232429	686567	20050829	116.58	0	2005	8	0
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COX, MATTHEW E	9990199788 9990199788	232639	688085	20050906	2.28	0	2005	9	0
GUEVARA, ROLANDO A	9990207687 9990207687	232649	688095	20050906	18.04	0	2005	9	0
YOUNG JR, BOBBY J	9990225865 9990225865	232684	688130	20050906	3.87	0	2005	9	0
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CHANG, TZU-LING	9990222661 9990222661	233208	692276	20050912	69.17	0	2005	9	0
DAVIS, DONYELL E	9990224027 9990224027	233214	692282	20050912	11.57	0	2005	9	0
HARTMAN, TERRI	9990227510 9990227510	233225	692293	20050912	30.54	0	2005	9	0
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SPIVEY, PATRICIA	9990107514 9990107514	233500	695704	20050919	13.43	0	2005	9	0
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LESCAILLE, MAYRA	9990136276 9990136276	233509	695714	20050919	20.22	0	2005	9	0
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HOLLEY, KATOYA V	9990172947 9990172947	233521	695726	20050919	8.24	0	2005	9	0
SIEG, ELIZABETH A	9990187511 9990187511	233527	695732	20050919	1.17	0	2005	9	0
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BEUTER, REBECCA L	9990207307 9990207307	233561	695766	20050919	2.15	0	2005	9	0
CASSESE, FRANCES W	9990208793 9990208793	233566	695771	20050919	4.46	0	2005	9	0
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WHYTE, MAESHIA N	9990217164 9990217164	233584	695789	20050919	2.83	0	2005	9	0
GERENA, FRANKIE J	9990218752 9990218752	233586	695791	20050919	64.78	0	2005	9	0
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GIANGRASSO'S PIZZERIA #21	9990223310 9990223310	233598	695803	20050919	42.76	0	2005	9	0
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THOMAS, MICHAEL R	9990201998 9990201998	233925	698078	20050926	1.99	0	2005	9	0
AKIN, ALFRED G	9990205914 9990205914	233930	698083	20050926	20.95	0	2005	9	0
CHIVERS, JESSE L	9990205975 9990205975	233931	698084	20050926	28.26	0	2005	9	0
COES JR, ERNEST	9990211497 9990211497	233944	698097	20050926	68.48	0	2005	9	0
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KNIGHT, EARNESTINE B	9990222056 9990222056	233977	698130	20050926	57.82	0	2005	9	0
WILKES, DAVID E	9990222426 9990222426	233979	698132	20050926	15.24	0	2005	9	0
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BRIGHT JR, CURTIS K	9990222629 9990222629	233981	698134	20050926	33.52	0	2005	9	0
JACKSON, CHRISTINA H	9990223049 9990223049	233984	698137	20050926	94.46	0	2005	9	0
FOLSOM JR, JOSEPH E	9990229169 9990229169	234005	698158	20050926	48.53	0	2005	9	0
JONES, JENNIFER	9990229202 9990229202	234006	698159	20050926	115.64	0	2005	9	0
DEVER, TRAVOUS	9990229353 9990229353	234007	698160	20050926	19.83	0	2005	9	0
HENDERSON, KENNETH S	9990230899 9990230899	234018	698171	20050926	1.51	0	2005	9	0
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KENNINGSTON, DON	9990189027 9990189027	234234	699469	20051003	41.33	0	2005	10	0
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KEOUGH, ANA M	9990215518 9990215518	234270	699506	20051003	51.92	0	2005	10	0
SANTIAGO, LAUREL	9990215836 9990215836	234272	699508	20051003	3.38	0	2005	10	0
NORFUS, MICHAEL	9990222156 9990222156	234292	699528	20051003	25.56	0	2005	10	0
BRIDDELL, WILHEMINA	9990222624 9990222624	234296	699532	20051003	42.31	0	2005	10	0
SITARSKI, VIRGINIA M	9990223103 9990223103	234298	699534	20051003	3.3	0	2005	10	0
LAMPANO, JEROME A	9990223231 9990223231	234299	699535	20051003	29.64	0	2005	10	0

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KATZENBERG, SAM	9990128560 9990128560	234734	702678	20051011	38.37	0	2005	10 0
JIMENEZ, JULIEANN M	9990171823 9990171823	234748	702692	20051011	75.75	0	2005	10 0
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MCMASTER, FATISHA F	9990220649 9990220649	234817	702761	20051011	50.54	0	2005	10 0
NIEVES, RUBEN	9990225591 9990225591	234827	702771	20051011	1.77	0	2005	10 0
BRONFELD, PAULA	9990231993 9990231993	234839	702783	20051011	10.3	0	2005	10 0
ELLS, TANYA L	9990233463 9990233463	234841	702785	20051011	39.65	0	2005	10 0
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CHERY, HANTZ	9990234147 9990234147	234844	702788	20051011	18.26	0	2005	10 0
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L V LEWIS	9990061112 9990061112	235077	704469	20051017	104.2	0	2005	10 0
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BRASHEARS, JASON	9990083285 9990083285	235081	704473	20051017	16.47	0	2005	10 0
BELL, JANET	9990131063 9990131063	235091	704483	20051017	35.32	0	2005	10 0
HALL, JAMES E	9990150914 9990150914	235097	704490	20051017	5.98	0	2005	10 0
VENCES, JULIA	9990151752 9990151752	235099	704492	20051017	36.76	0	2005	10 0
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ALFARO, MARTHA ELENA	9990181745 9990181745	235119	704512	20051017	7.25	0	2005	10 0
LECLAIR, CHARLES	9990185416 9990185416	235123	704516	20051017	27.55	0	2005	10 0
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ROMERO, ADELAIDA	9990190937 9990190937	235132	704525	20051017	119.3	0	2005	10 0
LOZADA, MARIA E	9990192810 9990192810	235133	704526	20051017	4.52	0	2005	10 0
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BOHN, CHRISTOPHER	9990206026 9990206026	235162	704555	20051017	11.44	0	2005	10 0
MARTINOCK, LEE R	9990208982 9990208982	235174	704567	20051017	32.97	0	2005	10 0
403 BRAZILIAN LLC	9990215383 9990215383	235196	704589	20051017	54	0	2005	10 0
DAVISON, PAUL S	9990221000 9990221000	235220	704613	20051017	1.11	0	2005	10 0
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DORELIEN, WILSON	9990224965 9990224965	235234	704627	20051017	76.69	0	2005	10 0
HOUSLEY, CARY D	9990229260 9990229260	235243	704636	20051017	24.4	0	2005	10 0
DRUMMOND, SANDRA P	9990230113 9990230113	235248	704641	20051017	4.94	0	2005	10 0
MAYNARD, DAVID	9990230971 9990230971	235253	704646	20051017	83.91	0	2005	10 0
RANSOM, KEYANTA L	9990233849 9990233849	235262	704655	20051017	4.35	0	2005	10 0
KOFF, MICHEL	9990012622 9990012622	235434	706149	20051021	5.05	0	2005	10 0
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WILK, MONICA	9990085108 9990085108	235450	706165	20051021	8.2	0	2005	10 0
JOYCE, FRANCIS	9990085943 9990085943	235452	706167	20051021	8.07	0	2005	10 0
MOONEYHAN, JEFF	9990106773 9990106773	235455	706170	20051021	1.19	0	2005	10 0
TROPICAL BISTRO INC	9990141646 9990141646	235461	706176	20051021	328.54	0	2005	10 0
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PEREZ, MARIA	9990159771 9990159771	235474	706189	20051021	47.51	0	2005	10 0
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MORRIS, LEANN	9990216973 9990216973	235533	706248	20051021	4.86	0	2005	10 0
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SATURN FOODS	9990230983 9990230983	235572	706287	20051021	215.34	0	2005	10	0
SPAIN, EDWARD A	9990233561 9990233561	235578	706293	20051021	132.65	0	2005	10	0
HUFF, LINDA	9990233815 9990233815	235579	706294	20051021	25.14	0	2005	10	0
HERNANDEZ, SANTOS	9990235149 9990235149	235583	706298	20051021	14.14	0	2005	10	0
ARMSTRONG, RAYMOND W	9990235790 9990235790	235584	706299	20051021	57.25	0	2005	10	0
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DUNCAN, EMILY MARIE	9990134586 9990134586	235817	707868	20051031	27.17	0	2005	10	0
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THOMAS, LORYNN	9990198736 9990198736	235855	707906	20051031	52.44	0	2005	10	0
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DEGEER, ANDREW N	9990217801 9990217801	235875	707926	20051031	2.77	0	2005	10	0
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HAPSHIE, ANDY	9990166341 9990166341	236143	710437	20051107	5.65	0	2005	11	0
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RIVERA, MARIVELEZ	9990220501 9990220501	236187	710481	20051107	82.43	0	2005	11	0
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HUGHES, DENNIS G	9990232084 9990232084	236205	710499	20051107	6.29	0	2005	11	0
CATES, LISA	9990234585 9990234585	236209	710503	20051107	25.86	0	2005	11	0
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GLOVER, JAMES W	9990172855 9990172855	236691	713561	20051114	9.35	0	2005	11	0
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CAPTAIN K'S SEAFOOD INC	9990188900 9990188900	236699	713569	20051114	117.69	0	2005	11	0
HENDERSON, CHRISTINE R	9990190300 9990190300	236700	713570	20051114	256.45	0	2005	11	0
KEAGY, MICHAEL A	9990201354 9990201354	236711	713581	20051114	1.81	0	2005	11	0
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SINGLETON, NEKIA S	9990219106 9990219106	236736	713606	20051114	19.07	0	2005	11	0
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KRAMER, LINDSEY A	9990220359 9990220359	236740	713610	20051114	8.36	0	2005	11	0
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HOLLIS, JOHN F	9990233570 9990233570	236766	713636	20051114	3.98	0	2005	11	0
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ALONSO, ANTONIO	9990216355 9990216355	237108	715969	20051121	63.35	0	2005	11	0

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FREY, JUDY	9990012008	9990012008	237259	716918	20051128	1.69	0	2005	11	0
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SINACORE, DIANA M	9990215415	9990215415	237331	716990	20051128	23.05	0	2005	11	0
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HALL, JAVON M	9990220534	9990220534	237337	716996	20051128	35	0	2005	11	0
GALPHIN RENTALS	9990235367	9990235367	237367	717027	20051128	30.91	0	2005	11	0
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GEORGE HALL	1038	1038	237421	718144	20051201	50	0	2005	12	0
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MORAL BAL INC	9990133445	9990133445	237653	718837	20051205	54.81	0	2005	12	0
DANNEMILLER, ELIZABETH T	9990195706	9990195706	237659	718843	20051205	11.33	0	2005	12	0
VEGA, JOHANNA	9990212016	9990212016	237670	718854	20051205	22.27	0	2005	12	0
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RAMOS, CARLOS	9990143691	9990143691	238046	721648	20051212	153.02	0	2005	12	0
PESCE ENTERPRISES INC	9990144200	9990144200	238047	721650	20051212	151.54	0	2005	12	0
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PETERSON, ANTHONY E	9990227650	9990227650	238117	721720	20051212	80.82	0	2005	12	0
SWANSON, JULIETH	9990231116	9990231116	238125	721728	20051212	26.77	0	2005	12	0
DANIELE, WARREN	9990238083	9990238083	238139	721742	20051212	55.94	0	2005	12	0
HALL, MADIE	9990060855	9990060855	238444	724163	20051219	14.14	0	2005	12	0
PLYBON, DEBORAH K	9990080589	9990080589	238448	724167	20051219	34.07	0	2005	12	0
MUFSON, JOHN	9990120346	9990120346	238455	724174	20051219	105.37	0	2005	12	0
GATHERS, HORACE	9990176150	9990176150	238462	724181	20051219	12.87	0	2005	12	0
WILLIAMS, ETHEL	9990186530	9990186530	238469	724188	20051219	148.22	0	2005	12	0
RAJBHANDARI, SHANKER	9990193786	9990193786	238473	724192	20051219	36.7	0	2005	12	0
MEUS, JOSNER	9990204113	9990204113	238484	724203	20051219	37.59	0	2005	12	0
COPPENBARGER HOMES INC	9990211850	9990211850	238494	724213	20051219	9.77	0	2005	12	0
CARDOSO, MARIA E	9990214072	9990214072	238499	724218	20051219	17.04	0	2005	12	0
WOUGHTER, CARRIE A	9990215707	9990215707	238503	724222	20051219	34.44	0	2005	12	0
BAPTISTE, MARKY	9990217880	9990217880	238512	724231	20051219	11.35	0	2005	12	0
GONZALEZ, IVAN	9990224772	9990224772	238533	724252	20051219	25.17	0	2005	12	0
RAGAN, AMANDA M	9990229336	9990229336	238546	724265	20051219	22.08	0	2005	12	0
FARRELL, PATRICK E	9990229984	9990229984	238552	724271	20051219	34.1	0	2005	12	0
OJEDA, DAVID	9990231633	9990231633	238561	724280	20051219	2.93	0	2005	12	0
PALMER, HUGH O	9990232359	9990232359	238569	724288	20051219	3.5	0	2005	12	0
PURSER, ANTOINETE	9990234781	9990234781	238572	724291	20051219	20.2	0	2005	12	0

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CAFE MEDITERRANEO CORP	9990198280 9990198280	238797	725981	20051228	535.34	0	2005	12	0
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CHAUNCEY, RYAN H	9990217098 9990217098	238826	726010	20051228	16.76	0	2005	12	0
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SAUNDERS, ALISHA A	9990220802 9990220802	238838	726022	20051228	14.97	0	2005	12	0
PHILLIPS, ELAINE T	9990223699 9990223699	238843	726027	20051228	52.49	0	2005	12	0
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HERISSE, CONSTAN	9990233071 9990233071	238865	726049	20051228	17.41	0	2005	12	0
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JONES, JANET	9990021806 9990021806	239463	732749	20060112	3.06	0	2006	1	0
CORDERO, ZIMMIA C	9990109229 9990109229	239485	732772	20060112	37.16	0	2006	1	0
ALTIDOR, MONIQUE NICOLAS	9990145249 9990145249	239496	732783	20060112	18.86	0	2006	1	0
FEUERBORN, LADINE	9990153916 9990153916	239498	732785	20060112	16.64	0	2006	1	0
MINISSALE, LAWRENCE L	9990154097 9990154097	239499	732786	20060112	19.95	0	2006	1	0
ARGENZIANO, MELISSA L	9990154229 9990154229	239500	732787	20060112	12.51	0	2006	1	0
BUKATA, PATRICIA C	9990178741 9990178741	239514	732801	20060112	17.44	0	2006	1	0
LAGUERRE, GINETTE	9990189415 9990189415	239524	732811	20060112	4.53	0	2006	1	0
SMITH, BRETT A	9990196174 9990196174	239532	732819	20060112	19.25	0	2006	1	0
MAXWELL, GREGORY F	9990205946 9990205946	239550	732837	20060112	139.76	0	2006	1	0
FURLONG, BARBARA	9990206936 9990206936	239552	732839	20060112	3.97	0	2006	1	0
SEALS, ROBERT H	9990211055 9990211055	239558	732845	20060112	53.63	0	2006	1	0
CARDOSO, MARIA E	9990214072 9990214072	239563	732850	20060112	20.13	0	2006	1	0
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PIERRE-LOUIS, VICTORIA	9990219529 9990219529	239579	732866	20060112	9.34	0	2006	1	0
SAUNDERS, ALISHA A	9990220802 9990220802	239587	732874	20060112	16.73	0	2006	1	0
NOURRITURE SAINE CORP	9990224607 9990224607	239604	732891	20060112	5	0	2006	1	0
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KING, EILEEN D	9990228740 9990228740	239625	732912	20060112	78.06	0	2006	1	0
MACMURDO, RACHEL L	9990229724 9990229724	239631	732918	20060112	8.77	0	2006	1	0
TORRES, ROBERT	9990230627 9990230627	239635	732922	20060112	95.45	0	2006	1	0
HADDOCK, JAMES R	9990232686 9990232686	239642	732929	20060112	39.1	0	2006	1	0
FICHMAN, RICHARD	9990237399 9990237399	239652	732939	20060112	11.9	0	2006	1	0
CREAMER, MURIEL	9990137066 9990137066	239838	733509	20060116	18.98	0	2006	1	0
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RODRIGUEZ, JOSE S	9990228098 9990228098	239864	733537	20060116	3.78	0	2006	1	0

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MINISSALE, LAWRENCE L	9990154097 9990154097	240261	736678	20060123	100.87	0	2006	1 0
THE TERRACE APTS	9990163913 9990163913	240264	736681	20060123	10.22	0	2006	1 0
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HERNANDEZ, ILEANA	9990207817 9990207817	240321	736738	20060123	44.32	0	2006	1 0
NORRIS, MICHELLE	9990216283 9990216283	240329	736746	20060123	19.43	0	2006	1 0
MORALES, GINELLYS	9990223639 9990223639	240355	736772	20060123	8.06	0	2006	1 0
BECTON, BERTHEL	9990225910 9990225910	240364	736781	20060123	26.32	0	2006	1 0
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BORUM, HEATHER	9990230488 9990230488	240373	736790	20060123	66.94	0	2006	1 0
DREAM, INC.	9990232066 9990232066	240379	736796	20060123	262.76	0	2006	1 0
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BOSWELL, SHAHAMA S	9990235756 9990235756	240389	736806	20060123	14.66	0	2006	1 0
GEORGE GARD/GULFSTREAM	9990020330 9990020330	240526	738092	20060130	1246.43	0	2006	1 0
CAIN/CHEEK, BETH	9990154261 9990154261	240542	738109	20060130	5.81	0	2006	1 0
MCCLOUGH, C. PETER	9990191662 9990191662	240555	738122	20060130	42	0	2006	1 0
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ONES, ASER	9990070333 9990070333	240783	740311	20060207	38.69	0	2006	2 0
WHITTLE, LORNA EMELIA	9990148076 9990148076	240798	740326	20060207	33.21	0	2006	2 0
SMITH, JENNIFER	9990156023 9990156023	240800	740328	20060207	1.33	0	2006	2 0
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GUERRIERO, PETER	9990221409 9990221409	240831	740360	20060207	25.75	0	2006	2 0
LAING, KEVIN P	9990222506 9990222506	240833	740362	20060207	11.84	0	2006	2 0
MARKS, GREG A	9990231457 9990231457	240843	740372	20060207	27	0	2006	2 0
SKY MOUNTAIN PROPERTIES INC	9990232343 9990232343	240846	740375	20060207	56.2	0	2006	2 0
DESOUVRE, YUSLENA T	9990239997 9990239997	240868	740397	20060207	13.3	0	2006	2 0
WALLER, LORRAINE H	9990207388 9990207388	241188	743009	20060209	8.65	0	2006	2 0
SALAZAR, PEDRO P	9990219037 9990219037	241189	743010	20060209	97.17	0	2006	2 0
RICHEMOND, EXANTUS	9990103070 9990103070	241296	743800	20060213	3.64	0	2006	2 0
SEAL, GREGORY	9990202365 9990202365	241315	743821	20060213	71.64	0	2006	2 0
FANEITTY, JOSE	9990211500 9990211500	241321	743827	20060213	4.72	0	2006	2 0
PIERSON, EILEEN	9990220745 9990220745	241330	743836	20060213	95.33	0	2006	2 0
STALLWORTH, DAYAN L	9990223180 9990223180	241333	743839	20060213	1.96	0	2006	2 0
PARENT, LILYEN W	9990227713 9990227713	241346	743853	20060213	53.42	0	2006	2 0
ARMSTRONG, FLEX	9990229325 9990229325	241349	743856	20060213	62.3	0	2006	2 0
MARKS, GREG A	9990231457 9990231457	241354	743861	20060213	103.31	0	2006	2 0
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GARCIA II, JOSE A	9990227508 9990227508	241689	745407	20060220	29.79	0	2006	2 0

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AMOS, CONNIE S	9990239253	9990239253	241714	745432	20060220	12.92	0	2006	2 0
BRIDGEFORD, BRIAN W	9990240430	9990240430	241717	745435	20060220	3.5	0	2006	2 0
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WEBB, JEFF A	9990022007	9990022007	241873	746828	20060228	54.66	0	2006	2 0
SUTHERLAND, LOU	9990085859	9990085859	241887	746842	20060228	42.44	0	2006	2 0
GULCELIK, AHMET	9990132320	9990132320	241893	746848	20060228	391.39	0	2006	2 0
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ELROD, CLARENCE	9990181894	9990181894	241907	746862	20060228	23.32	0	2006	2 0
POWERS, PATRICIA J	9990188737	9990188737	241910	746865	20060228	142	0	2006	2 0
DOUCETTE, ADRIENNE M	9990192845	9990192845	241917	746872	20060228	36.05	0	2006	2 0
GIBBS, MICHELLE L	9990196782	9990196782	241920	746875	20060228	8.44	0	2006	2 0
PETERS, JESSIE R	9990204699	9990204699	241927	746882	20060228	12.51	0	2006	2 0
RADER, BRYAN G	9990210708	9990210708	241933	746888	20060228	1.46	0	2006	2 0
MORGAN, RAYMOND A	9990215154	9990215154	241937	746892	20060228	3.5	0	2006	2 0
NORRIS, MICHELLE	9990216283	9990216283	241940	746895	20060228	56.18	0	2006	2 0
MCCAMY, RAYMOND	9990221279	9990221279	241953	746908	20060228	137.99	0	2006	2 0
PERIUT, CHARLES A	9990234125	9990234125	241989	746944	20060228	3.5	0	2006	2 0
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REYES, ABEL	9990209755	9990209755	242213	748341	20060307	82.68	0	2006	3 0
THOMAS, LARRY C	9990214348	9990214348	242217	748345	20060307	11.33	0	2006	3 0
BLOOM, MERLE	9990218478	9990218478	242220	748348	20060307	17.17	0	2006	3 0
DAVIS, WINETT	9990229482	9990229482	242228	748356	20060307	38.08	0	2006	3 0
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ZYLSTRA, DAVID J	9990194163	9990194163	242684	751944	20060313	41.31	0	2006	3 0
BURNEY-HARRIS, TYRONISE	9990213448	9990213448	242694	751954	20060313	58.92	0	2006	3 0
THOMAS, LARRY C	9990214348	9990214348	242695	751955	20060313	45.99	0	2006	3 0
DOWES, JAMES	9990224030	9990224030	242707	751967	20060313	248.16	0	2006	3 0
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SOMERVILLE, ROBIN K	9990134724	9990134724	243013	754542	20060320	28.92	0	2006	3 0
POWELL, TERRY A	9990152548	9990152548	243018	754547	20060320	80.29	0	2006	3 0
TOMLINSON, WALTER	9990153402	9990153402	243019	754548	20060320	4.4	0	2006	3 0
RAZZ, NATASHA S	9990179507	9990179507	243032	754561	20060320	18.23	0	2006	3 0
TEJADA, JENNIFER	9990206876	9990206876	243053	754582	20060320	19.01	0	2006	3 0
GAGNON, NICHOLAS D	9990215759	9990215759	243061	754590	20060320	5.91	0	2006	3 0
FONSECA, KELEIGH A	9990224743	9990224743	243074	754603	20060320	5.43	0	2006	3 0
IDE, PERRY M	9990226322	9990226322	243082	754611	20060320	93.58	0	2006	3 0
NAVARRO, EMILIO	9990228413	9990228413	243085	754614	20060320	8.78	0	2006	3 0
DREAM, INC.	9990232066	9990232066	243091	754620	20060320	30.37	0	2006	3 0
LAMAY, JULIE	9990238886	9990238886	243105	754634	20060320	2.3	0	2006	3 0
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MASON, BILL	9990068479	9990068479	243271	756080	20060327	87.21	0	2006	3 0
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MARTENS, PAUL E	9990197997	9990197997	243307	756117	20060327	6.79	0	2006	3 0
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DOUGLASS, JOHN W	9990223866	9990223866	243359	756169	20060327	15.66	0	2006	3 0

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JOHNSON, TARELL J	9990225936 9990225936	243376	756186	20060327	16.56	0	2006	3 0
MURPHY, LINDA	9990232466 9990232466	243399	756209	20060327	12.81	0	2006	3 0
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MILLER, RACHEL	9990223039 9990223039	243620	757420	20060404	85.28	0	2006	4 0
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CHEVEREZ, MARIA	9990224623 9990224623	243627	757427	20060404	28.76	0	2006	4 0
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BAYER, ALVIN	9990206706 9990206706	244100	760473	20060412	173.96	0	2006	4 0
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WESTERVELT, JUSTIN	9990234634 9990234634	244513	762543	20060418	8.47	0	2006	4 0
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CAREER SYS DEV CORP	9990061519 9990061519	244758	764264	20060424	1203.16	0	2006	4 0
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MISIAK, LAURA	9990211934 9990211934	244826	764332	20060424	34.6	0	2006	4 0
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CASTLEBERRY, MICHAEL F	9990220546 9990220546	244841	764347	20060424	36.08	0	2006	4 0
YARNELL, RIVERA	9990223785 9990223785	244845	764351	20060424	28.96	0	2006	4 0
WHITE, TRINA	9990225069 9990225069	244852	764358	20060424	57.08	0	2006	4 0
STEELE, KATHERINE	9990230534 9990230534	244869	764375	20060424	16.91	0	2006	4 0
HIGHTOWER, LATESHA M	9990232198 9990232198	244874	764380	20060424	70.6	0	2006	4 0
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RONEY, RENEE LYNN	9990239838 9990239838	244898	764404	20060424	50.87	0	2006	4 0
BROWN, ALICIA G	9990240618 9990240618	244902	764408	20060424	90.08	0	2006	4 0
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TORRENS, JANIS	9990226602 9990226602	245112	765811	20060502	15.42	0	2006	5 0
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ANDERSON, JACQUELYN	9990229306 9990229306	245121	765820	20060502	47.63	0	2006	5 0
BRADLEY, CARLO	9990230116 9990230116	245124	765823	20060502	117.78	0	2006	5 0
KERR, DEBRA S	9990230798 9990230798	245126	765825	20060502	50.27	0	2006	5 0

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GIVENS, ALVIN D	9990239015 9990239015	245153	765852	20060502	11.38	0	2006	5 0
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KARPINIA, WALTER	9990124955 9990124955	245607	768932	20060509	86.42	0	2006	5 0
TESSIER, JOSEPH	9990164010 9990164010	245613	768939	20060509	42.88	0	2006	5 0
MCGUIRE, THOMAS R	9990185142 9990185142	245624	768950	20060509	25.27	0	2006	5 0
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GORSEK, WAYNE F	9990199741 9990199741	245635	768961	20060509	56.2	0	2006	5 0
LOUIS-GENE, NERILES	9990220675 9990220675	245664	768990	20060509	1.65	0	2006	5 0
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VONWERNE, KRISTA L	9990242030 9990242030	245712	769038	20060509	13.06	0	2006	5 0
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THOMET, SUZANNE	9990205701 9990205701	245962	771106	20060515	135.43	0	2006	5 0
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PINEDO, RUTILIO	9990226326 9990226326	246010	771154	20060515	13.43	0	2006	5 0
JONES, BRYAN S	9990228272 9990228272	246015	771159	20060515	77.62	0	2006	5 0
TOMALA-VELASCO, MARCOS L	9990228897 9990228897	246019	771163	20060515	1.86	0	2006	5 0
CARTALES, PHILLIP	9990231262 9990231262	246029	771173	20060515	2.22	0	2006	5 0
PEREZ, ALBERTO	9990233695 9990233695	246036	771180	20060515	36.28	0	2006	5 0
LASSERRE, JON	9990236495 9990236495	246041	771185	20060515	31.39	0	2006	5 0
HERNANDEZ, MARY T	9990242399 9990242399	246055	771199	20060515	7.39	0	2006	5 0
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BETTY J PRINCE	9990005386 9990005386	246271	773013	20060522	141.79	0	2006	5 0
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BEAUREGARD, SUSAN	9990079322 9990079322	246288	773030	20060522	7.97	0	2006	5 0
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TABER, FRANCES	9990189240 9990189240	246324	773066	20060522	124.26	0	2006	5 0
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BUSIC, ERIC	9990210851 9990210851	246340	773082	20060522	34.88	0	2006	5 0
ACCARDI, JOSEPH	9990219524 9990219524	246355	773097	20060522	98.24	0	2006	5 0
BASIL, KRISTEN E	9990226348 9990226348	246369	773111	20060522	1.94	0	2006	5 0
CARROZ, MARCOS	9990227454 9990227454	246374	773116	20060522	28.83	0	2006	5 0
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FERRIS, DAVID F	9990239053 9990239053	246401	773143	20060522	9.02	0	2006	5 0
BROWN, GLENN	9990242957 9990242957	246411	773153	20060522	64.94	0	2006	5 0
NORTHWEST LANDING DEVELOPMENT	9990244443 9990244443	246414	773156	20060522	52.31	0	2006	5 0
KLEINRICHERT, KAREN	9990245713 9990245713	246416	773158	20060522	82.5	0	2006	5 0
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MONDAY, MARGARET P	9990190680 9990190680	246644	774495	20060530	12.16	0	2006	5 0
RICHARDS, LEONIE S	9990205512 9990205512	246656	774507	20060530	5.77	0	2006	5 0
ENGELBERG, MICHEL	9990213901 9990213901	246670	774521	20060530	15.08	0	2006	5 0
STRICKLAND, SANDRA E	9990218896 9990218896	246677	774528	20060530	13.92	0	2006	5 0
HOWARD, ANGELIQUE A	9990219243 9990219243	246678	774529	20060530	7.82	0	2006	5 0

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WENNER, SUMMER	9990224690 9990224690	246686	774537	20060530	14.66	0	2006	5 0
STEPHENSON, ALEXA	9990225365 9990225365	246687	774538	20060530	48.28	0	2006	5 0
GLIROLLE, GINA	9990231276 9990231276	246696	774547	20060530	36.55	0	2006	5 0
Y.S. BUSINESS ENTERPRISES INC	9990233528 9990233528	246702	774553	20060530	133.39	0	2006	5 0
FULLWOOD, JACQUELINE D	9990236648 9990236648	246713	774565	20060530	6.53	0	2006	5 0
WILLIAMS, CHRISTOPHER D	9990239185 9990239185	246717	774569	20060530	15.01	0	2006	5 0
FOSS, JACOB S	9990241182 9990241182	246726	774578	20060530	24.11	0	2006	5 0
PIPPIN, TRENTON L	9990241713 9990241713	246729	774581	20060530	8.59	0	2006	5 0
CATTELL, TONI	9990242407 9990242407	246732	774584	20060530	55.47	0	2006	5 0
STRICKLAND, TONY	9990242450 9990242450	246733	774585	20060530	6.51	0	2006	5 0
WILLIAMS, APRIL M	9990242548 9990242548	246734	774586	20060530	8.13	0	2006	5 0
NORTHWEST LANDING DEVELOPMENT	9990244443 9990244443	246737	774589	20060530	28.29	0	2006	5 0
GABRIEL, CESAR	9990244650 9990244650	246738	774590	20060530	32.1	0	2006	5 0
MCCOY, SEDENA M	9990244664 9990244664	246739	774591	20060530	127.38	0	2006	5 0
GONZALEZ, VICTOR RAUL	9990244700 9990244700	246740	774592	20060530	85.22	0	2006	5 0
THOMPSON, ANDREW	9990023669 9990023669	246842	775643	20060605	84.24	0	2006	6 0
RIVERA, PURIFICATION	9990048108 9990048108	246848	775649	20060605	28.41	0	2006	6 0
THARITIMANON, GALAYAWA	9990097034 9990097034	246857	775658	20060605	1.4	0	2006	6 0
ROWE, RICKI B	9990102114 9990102114	246858	775659	20060605	52.41	0	2006	6 0
STOIEFF, LIZ	9990108572 9990108572	246860	775661	20060605	36.33	0	2006	6 0
SPINNER, KIMBERLY T	9990119903 9990119903	246862	775663	20060605	11.2	0	2006	6 0
FORELE LTD INC.	9990133405 9990133405	246865	775666	20060605	5	0	2006	6 0
BRISTOL CONDO (APT OWNERS)	9990164998 9990164998	246885	775686	20060605	9.84	0	2006	6 0
HOOVER, CORTNE N	9990221930 9990221930	246922	775723	20060605	40.46	0	2006	6 0
WHITE, LOUISE M	9990239889 9990239889	246977	775778	20060605	71.94	0	2006	6 0
CANTINA DI FIORI INC	9990241033 9990241033	246984	775785	20060605	28.96	0	2006	6 0
FLETCHER, ABBI C	9990241890 9990241890	246985	775786	20060605	9.11	0	2006	6 0
LINHARES, CONSTANCE A	9990243055 9990243055	246988	775789	20060605	83.77	0	2006	6 0
DIAZ, GUILLERMINA	9990244769 9990244769	246995	775796	20060605	26.78	0	2006	6 0
HOPE, RANDOLPH B	9990244913 9990244913	246997	775798	20060605	49.04	0	2006	6 0
SMITH, WILLIE J	9990246595 9990246595	247001	775802	20060605	42	0	2006	6 0
HENDERSON, TERRI R	9990234110 9990234110	247426	780248	20060612	47.51	0	2006	6 0
GIANNONI, MICHELLE	9990008468 9990008468	247431	780657	20060613	19.97	0	2006	6 0
KUKES, SCOTT	9990078224 9990078224	247441	780667	20060613	73.86	0	2006	6 0
GANCARZ, ANDREA	9990184514 9990184514	247468	780697	20060613	70.65	0	2006	6 0
PENNEY, TARA	9990196731 9990196731	247475	780704	20060613	47.66	0	2006	6 0
DIAZ, OCTAVIO C	9990202980 9990202980	247484	780713	20060613	41.25	0	2006	6 0
CHRISTMAN, WENDY	9990207167 9990207167	247485	780714	20060613	20.84	0	2006	6 0
DAHL, NANCY C	9990209484 9990209484	247490	780719	20060613	198.45	0	2006	6 0
BENNETT, JEFFERY M	9990219318 9990219318	247504	780733	20060613	97.24	0	2006	6 0
DELVIN HOWARD, LLC	9990220768 9990220768	247506	780735	20060613	133.28	0	2006	6 0
HARTSUFF, THOMAS	9990229272 9990229272	247515	780744	20060613	63.54	0	2006	6 0
CHRISTOPHER, LINDA A	9990233138 9990233138	247525	780754	20060613	18.13	0	2006	6 0
RODRIGUEZ, KATILEYDI	9990235948 9990235948	247528	780757	20060613	22.94	0	2006	6 0
LINDO, ALICIA T	9990238822 9990238822	247534	780763	20060613	26.31	0	2006	6 0
SESSION, LATISHIA S	9990245615 9990245615	247552	780781	20060613	88.61	0	2006	6 0
SHEARER, DENNIS J	9990003661 9990003661	247818	783099	20060619	256.43	0	2006	6 0
MIENTKE, DENNIS	9990080338 9990080338	247840	783122	20060619	66.97	0	2006	6 0
COLONIAL DONUTS	9990110823 9990110823	247847	783129	20060619	202.22	0	2006	6 0
BRINKLEY, III, HENGRY G	9990147877 9990147877	247862	783144	20060619	14.95	0	2006	6 0
ROSA, MERCEDES	9990168067 9990168067	247871	783153	20060619	13.34	0	2006	6 0
HUTCHINSON, MICHAEL	9990177471 9990177471	247877	783159	20060619	125.28	0	2006	6 0
TOLLINCHI, JESSICA	9990193127 9990193127	247888	783170	20060619	4.03	0	2006	6 0
COOPER, JULIET E	9990211077 9990211077	247916	783198	20060619	63.5	0	2006	6 0

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RAYA, SHIMSHI	9990228533 9990228533	247968	783250	20060619	13.34	0	2006	6	0
OWENS, JARED C	9990229416 9990229416	247980	783262	20060619	80.91	0	2006	6	0
ELASIVICH, CLIFTON D	9990230430 9990230430	247990	783272	20060619	19.69	0	2006	6	0
MURPHY, AISHA A	9990230641 9990230641	247992	783274	20060619	27.5	0	2006	6	0
WILLIAMS, CHERYL	9990231284 9990231284	247998	783280	20060619	70.15	0	2006	6	0
ECCLESTON HOME SIGNATURES	9990238166 9990238166	248019	783301	20060619	19.68	0	2006	6	0
SALISBURY, CODY J	9990239941 9990239941	248024	783306	20060619	21.74	0	2006	6	0
ODOM, IVY	9990240464 9990240464	248026	783308	20060619	138.67	0	2006	6	0
GODINEZ DOMINGO, SAMUEL	9990244220 9990244220	248037	783319	20060619	13.79	0	2006	6	0
SEENEY, JOHN	9990244801 9990244801	248039	783321	20060619	3.01	0	2006	6	0
REED, DEMONTA R	9990060966 9990060966	248229	785262	20060626	45.54	0	2006	6	0
KUKES, SCOTT	9990078224 9990078224	248231	785264	20060626	9.15	0	2006	6	0
BAILEY, BRAD W	9990168637 9990168637	248253	785287	20060626	61.16	0	2006	6	0
ROBINS, CRAIG S	9990201189 9990201189	248269	785303	20060626	36.44	0	2006	6	0
SALAZAR, JORGE R	9990202920 9990202920	248272	785306	20060626	27.01	0	2006	6	0
BLOODSAW, ELOUISE	9990203073 9990203073	248273	785307	20060626	11.46	0	2006	6	0
COIRA, EVELYN	9990209108 9990209108	248279	785313	20060626	31.88	0	2006	6	0
JANIS, WILLIAM A	9990213741 9990213741	248289	785323	20060626	35.79	0	2006	6	0
DEMPSEY, EMILY	9990226202 9990226202	248309	785343	20060626	23.84	0	2006	6	0
CRAWFORD, HEATHER R	9990229542 9990229542	248315	785349	20060626	31.39	0	2006	6	0
A PLUS AUTO COLLISION INC	9990229954 9990229954	248316	785350	20060626	129.31	0	2006	6	0
AGUILAR, MYNOR F	9990231412 9990231412	248322	785356	20060626	21.16	0	2006	6	0
CRUZ, JEANESSA	9990235072 9990235072	248328	785362	20060626	30.2	0	2006	6	0
CASEY, JOHNNETHIA	9990237068 9990237068	248331	785365	20060626	92.66	0	2006	6	0
SANTIAGO, ELIZABETH	9990238314 9990238314	248335	785369	20060626	5.63	0	2006	6	0
HERNANDEZ, ISABEL CRISTINA	9990239005 9990239005	248336	785370	20060626	9.86	0	2006	6	0
ROYAL, WILLIAM	9990241636 9990241636	248343	785377	20060626	6.35	0	2006	6	0
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PARKER, PETER	9990040966 9990040966	248499	786624	20060703	4.2	0	2006	7	0
COPELAND, G CLEVELAND	9990045338 9990045338	248500	786625	20060703	17.87	0	2006	7	0
HERRERA, CLEMENCIA D	9990046986 9990046986	248501	786626	20060703	39.66	0	2006	7	0
ROBINSON, MAC	9990053806 9990053806	248502	786627	20060703	18.65	0	2006	7	0
LASANE, JACQUELINE D	9990060748 9990060748	248504	786629	20060703	2.96	0	2006	7	0
MORALES, JUAN	9990069845 9990069845	248505	786630	20060703	10.22	0	2006	7	0
BRANDON, JEAN	9990165383 9990165383	248527	786652	20060703	3.75	0	2006	7	0
ERVIL, YVES	9990175036 9990175036	248532	786657	20060703	55.45	0	2006	7	0
STEELE, GEORGE A	9990175664 9990175664	248533	786658	20060703	207.32	0	2006	7	0
WINTER SPRINGS GOLF CLUB	9990199893 9990199893	248545	786670	20060703	134.03	0	2006	7	0
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MCHUGH, VICTORIA L	9990220195 9990220195	248562	786687	20060703	1.08	0	2006	7	0
SKIPPER, WILLIAM O	9990226599 9990226599	248572	786697	20060703	160.58	0	2006	7	0
MARSHALL, ERNIE	9990228669 9990228669	248577	786702	20060703	183.01	0	2006	7	0
WELLS, WILLIE E	9990231646 9990231646	248587	786712	20060703	75.61	0	2006	7	0
BELTRAN, ERIK	9990232832 9990232832	248591	786716	20060703	20.06	0	2006	7	0
MOORE, TAVELL A	9990232833 9990232833	248592	786717	20060703	25.37	0	2006	7	2
KEITH, LAUREN E	9990239148 9990239148	248607	786732	20060703	4.72	0	2006	7	0
PULSIFER, SARAH	9990242154 9990242154	248616	786741	20060703	38.19	0	2006	7	0
BUZON, STEPHANIE	9990244158 9990244158	248619	786744	20060703	13.13	0	2006	7	0
CHRISTOPHER, TAYLOR A	9990244671 9990244671	248620	786745	20060703	45.86	0	2006	7	0
CAMPBELL, CHELANDA A	9990009051 9990009051	249008	791246	20060711	35.91	0	2006	7	0
MONTI, THOMAS J	9990039011 9990039011	249013	791251	20060711	262.83	0	2006	7	0
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RIVERA, HECTOR R	9990150334 9990150334	249030	791273	20060711	6.02	0	2006	7	0
MERCER, PATSY	9990154637 9990154637	249031	791274	20060711	1.97	0	2006	7	0

CASWELL, BAIRD	9990185860 9990185860	249041	791284	20060711	25.51	0	2006	7 0
CECIL, WILLIAM A	9990198785 9990198785	249047	791290	20060711	2.25	0	2006	7 0
ODOON, PATRICIA A	9990212219 9990212219	249063	791306	20060711	97.91	0	2006	7 0
MEYER, MICHAEL B	9990214155 9990214155	249067	791310	20060711	70.57	0	2006	7 0
RODRIGUEZ, FELIPE	9990215156 9990215156	249070	791313	20060711	8.89	0	2006	7 0
PICKETT, MITCHELL A	9990215261 9990215261	249071	791314	20060711	37.88	0	2006	7 0
HARRINGTON, REBECCA A	9990216475 9990216475	249074	791317	20060711	11.66	0	2006	7 0
BRYAN, KATHERINE	9990225072 9990225072	249085	791328	20060711	51.28	0	2006	7 0
MINOR, STEPHEN A	9990228285 9990228285	249093	791336	20060711	38.44	0	2006	7 0
CRUZ, JEANESSA	9990235072 9990235072	249110	791353	20060711	50.6	0	2006	7 0
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BRYANT, EVETTE A	9990240753 9990240753	249126	791369	20060711	48.85	0	2006	7 0
GREEN, SHERRY M	9990243229 9990243229	249138	791381	20060711	60.51	0	2006	7 0
POLLARD, DOROTHY Y	9990243276 9990243276	249139	791382	20060711	10.59	0	2006	7 0
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WONG, JAMIE	9990246308 9990246308	249153	791396	20060711	58.43	0	2006	7 0
SHELL, MARYANN J	9990082510 9990082510	249390	793393	20060718	46.28	0	2006	7 0
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STEELE, GEORGE A	9990175664 9990175664	249416	793419	20060718	457.52	0	2006	7 0
HENDERSON, CHRISTINE R	9990190300 9990190300	249422	793425	20060718	170.19	0	2006	7 0
TWO RIVERS MOTEL	9990202861 9990202861	249435	793438	20060718	8.25	0	2006	7 0
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ENGRAM, ARIE	9990213444 9990213444	249449	793452	20060718	105.63	0	2006	7 0
FORD, ALLEN E	9990217805 9990217805	249453	793456	20060718	10.47	0	2006	7 0
REINHARDT, DAVID B	9990222539 9990222539	249462	793465	20060718	34.54	0	2006	7 0
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THE NICASSIO GROUP	9990233399 9990233399	249506	793509	20060718	22.56	0	2006	7 0
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GRIFFEY, BOBBY G	9990237132 9990237132	249513	793516	20060718	121.05	0	2006	7 0
MOREL, NELSON	9990239820 9990239820	249524	793527	20060718	25.36	0	2006	7 0
POWELL, LINDA S	9990240626 9990240626	249525	793528	20060718	82.72	0	2006	7 0
CHAPMAN, CLAIRE E	9990241459 9990241459	249528	793531	20060718	21.33	0	2006	7 0
LANE, TERKESHA	9990244227 9990244227	249539	793542	20060718	35.16	0	2006	7 0
PADILLA, MARY LOU	9990247020 9990247020	249543	793546	20060718	36.05	0	2006	7 0
LOPEZ, YESENIA	9990169648 9990169648	249823	795653	20060724	58.11	0	2006	7 0
WINTER SPRINGS GOLF CLUB	9990199893 9990199893	249838	795668	20060724	389.74	0	2006	7 0
WEBB, DAVIDA J	9990218417 9990218417	249865	795695	20060724	5.74	0	2006	7 0
LEE, MATTHEW R	9990238801 9990238801	249911	795741	20060724	95.69	0	2006	7 0
BEVERLEY, NORMAN B	9990239360 9990239360	249914	795744	20060724	110.27	0	2006	7 0
CASSIDY, BEVERLY H	9990239803 9990239803	249917	795747	20060724	37.94	0	2006	7 0
WEST, CHARLES V	9990240422 9990240422	249920	795750	20060724	80.61	0	2006	7 0
MONTANEZ, FRANCISCO I	9990245197 9990245197	249934	795764	20060724	11.4	0	2006	7 0
RAMIREZ, BENIGNO	9990245489 9990245489	249936	795766	20060724	43.21	0	2006	7 0
FERNANDEZ, LILIAN TORRES V	9990246125 9990246125	249938	795768	20060724	12.61	0	2006	7 0
DAVIS, DANIELLE	9990246340 9990246340	249940	795770	20060724	63.62	0	2006	7 0
WRIGHT, ALVIN L	9990247808 9990247808	249948	795778	20060724	90.31	0	2006	7 0
BARRIOS, JAVIER	9990248747 9990248747	249952	795782	20060724	88.8	0	2006	7 0
HAROLD GOODING	62976 62976	250051	796826	20060727	181.95	0	2006	7 0
ETHERIDGE, DARRIN S	9990151053 9990151053	250156	797959	20060731	14.08	0	2006	7 0
HODGES JR, GEORGE	9990163250 9990163250	250161	797964	20060731	2.61	0	2006	7 0
HUDSON, JACKIE C	9990210801 9990210801	250180	797983	20060731	151.85	0	2006	7 0
HOTOP, LEANNE F	9990213520 9990213520	250188	797991	20060731	65.72	0	2006	7 0
SHEAR, CANDICE M	9990227098 9990227098	250217	798020	20060731	7.42	0	2006	7 0

TRICE, DAPHINE A	9990231209	9990231209	250230	798033	20060731	6.1	0	2006	7	0
GIBBONS, JESSIE J	9990232088	9990232088	250235	798038	20060731	37.88	0	2006	7	0
MCGUFFIN, JOYCE K	9990235555	9990235555	250243	798046	20060731	24.63	0	2006	7	0
WHATLEY, JOSHUA A	9990237996	9990237996	250251	798054	20060731	5.47	0	2006	7	0
GLIGORA, ANTHONY D	9990243349	9990243349	250267	798070	20060731	2.13	0	2006	7	0
LEMUS, KENIA	9990243959	9990243959	250268	798071	20060731	56.72	0	2006	7	0
DETURCK, COURTNEY J	9990245090	9990245090	250273	798076	20060731	1.47	0	2006	7	0
PADILLA, MARY LOU	9990247168	9990247168	250284	798087	20060731	56.09	0	2006	7	0
BOWERS, ROSEANNA	9990012582	9990012582	250471	799550	20060807	44.17	0	2006	8	0
LEAPER, GINGER L	9990025281	9990025281	250477	799556	20060807	52.17	0	2006	8	0
LOUCAKIS, BARBARA M	9990034487	9990034487	250480	799559	20060807	4.68	0	2006	8	0
JON JOE CORP	9990154213	9990154213	250501	799580	20060807	142.72	0	2006	8	0
BURKE, ROSEMARY	9990172402	9990172402	250510	799589	20060807	21.5	0	2006	8	0
GE MEDICAL SYSTEMS	9990176191	9990176191	250512	799591	20060807	609.95	0	2006	8	0
HACKNEY, PATRICIA A	9990179666	9990179666	250513	799592	20060807	24.12	0	2006	8	0
BELL, MISTY S	9990212392	9990212392	250530	799609	20060807	2.64	0	2006	8	0
CARTER, ABIGAIL	9990223724	9990223724	250547	799626	20060807	152.33	0	2006	8	0
COOK, LORI	9990230887	9990230887	250556	799635	20060807	23.98	0	2006	8	0
PADILLA, DAVID	9990234601	9990234601	250569	799648	20060807	41.08	0	2006	8	0
HORTON, DIANE	9990236754	9990236754	250572	799651	20060807	63	0	2006	8	0
WALKER, MELISSA C	9990241217	9990241217	250583	799662	20060807	2.36	0	2006	8	0
O'QUINN, JEANNIE L	9990242008	9990242008	250586	799665	20060807	22.4	0	2006	8	0
LARA, CHERICE M	9990245237	9990245237	250599	799678	20060807	6.72	0	2006	8	0
SCHLICHTHOLZ, FRED H	9990022659	9990022659	251052	803078	20060814	52.18	0	2006	8	0
PAJEVIC, MILO M	9990081827	9990081827	251068	803094	20060814	61.5	0	2006	8	0
MCCAMY REALTY	9990125868	9990125868	251074	803101	20060814	5.98	0	2006	8	0
DELLIGATTI, JENNIFER J	9990205378	9990205378	251103	803135	20060814	23.35	0	2006	8	0
PEARSON, MICHAEL S	9990214019	9990214019	251107	803139	20060814	10.66	0	2006	8	0
SUAREZ, ALBERT T	9990230004	9990230004	251127	803159	20060814	83.07	0	2006	8	0
CORIOLAN, ANDREA	9990237236	9990237236	251151	803183	20060814	8.6	0	2006	8	0
KIMBALL, TIFFANY A	9990240111	9990240111	251157	803189	20060814	61.72	0	2006	8	0
LLOYD, MICHAEL S	9990241745	9990241745	251162	803194	20060814	68.23	0	2006	8	0
NOWLIN, ERIC	9990243155	9990243155	251167	803199	20060814	53.67	0	2006	8	0
COPPOLA, JAMES	9990244821	9990244821	251175	803207	20060814	89.94	0	2006	8	0
CLARK, JUDY T	9990246372	9990246372	251178	803211	20060814	80.3	0	2006	8	2
RIDER, JONATHAN P	9990247482	9990247482	251184	803217	20060814	10.1	0	2006	8	0
SMITH, JUANITA D	9990020541	9990020541	251456	805231	20060821	95.71	0	2006	8	0
LASANE, JACQUELINE D	9990060748	9990060748	251460	805236	20060821	51	0	2006	8	0
GUZMAN, DULCE D	9990065523	9990065523	251462	805238	20060821	28.35	0	2006	8	0
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BEYER, MICHELE L	9990089462	9990089462	251468	805244	20060821	14.25	0	2006	8	0
KEITH, PATRICIA R	9990108677	9990108677	251473	805249	20060821	15.4	0	2006	8	0
PACHECO, JOSE	9990137343	9990137343	251479	805255	20060821	30.19	0	2006	8	0
JOHNSTONE, NANCY H	9990146477	9990146477	251481	805257	20060821	43.28	0	2006	8	0
DE PENA, FABRILLA M	9990155697	9990155697	251483	805259	20060821	36.82	0	2006	8	0
NORRIS, JR, JACK R	9990194257	9990194257	251495	805271	20060821	1.04	0	2006	8	0
G & C DENTAL LAB INC	9990199605	9990199605	251504	805280	20060821	62.96	0	2006	8	0
ZEIGLER, LISA B	9990199611	9990199611	251505	805281	20060821	31.56	0	2006	8	0
PHELPS, DEBORAH	9990200931	9990200931	251510	805286	20060821	4.97	0	2006	8	0
WHITE, STEVEN A	9990209286	9990209286	251520	805296	20060821	48	0	2006	8	0
WAHLESTEDT, LISA T	9990218474	9990218474	251533	805309	20060821	122.41	0	2006	8	0
DE LA ROSA, ALEJANDRO	9990232885	9990232885	251558	805334	20060821	53.41	0	2006	8	0
BRIMM, ALISHA M	9990234408	9990234408	251563	805339	20060821	22.22	0	2006	8	0
PEEPLES, CRAIG A	9990235233	9990235233	251565	805341	20060821	92.59	0	2006	8	0

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BRYAN, TIFFANY Z	9990242322	9990242322	251584	805360	20060821	17.28	0	2006	8	0
VANORDEN, REBECCA L	9990244060	9990244060	251592	805368	20060821	27.76	0	2006	8	0
DELVA, MARK	9990245847	9990245847	251596	805372	20060821	28.35	0	2006	8	0
LONG, CRYSTAL G	9990245912	9990245912	251597	805373	20060821	48.94	0	2006	8	0
BERMUDEZ, ABENAMAR	9990246216	9990246216	251598	805374	20060821	43.91	0	2006	8	0
ARTHUR J CHICK	502	502	251635	805770	20060824	50	0	2006	8	0
IBEW LOCAL 1924	66903	66903	251708	805860	20060824	750.75	0	2006	8	0
HERNANDEZ, MILAGROS	9990009145	9990009145	251780	806688	20060828	6.36	0	2006	8	0
WILLIAMS, JOHNNIE M	9990021621	9990021621	251783	806691	20060828	8.56	0	2006	8	0
SCHLICHTHOLZ, FRED H	9990022659	9990022659	251784	806692	20060828	35.72	0	2006	8	0
BRAGG, ANDY	9990042911	9990042911	251790	806698	20060828	50.65	0	2006	8	0
HUDSON, JENNIFER L	9990151767	9990151767	251808	806716	20060828	104.03	0	2006	8	0
FRANKS, BARRY	9990152467	9990152467	251809	806717	20060828	73.76	0	2006	8	0
WYMAN, JACOB L	9990173368	9990173368	251815	806723	20060828	7.04	0	2006	8	0
SILIVERIO, ROSE I	9990184334	9990184334	251821	806729	20060828	9.55	0	2006	8	0
CHANE, JONATHAN C	9990192339	9990192339	251823	806731	20060828	26.04	0	2006	8	0
LOWMAN, DONALD T	9990199761	9990199761	251833	806741	20060828	8.28	0	2006	8	0
SEWPAUL, HANSRAJ	9990214117	9990214117	251847	806755	20060828	37.75	0	2006	8	0
WILDING, MARTHA L	9990216419	9990216419	251848	806756	20060828	27.66	0	2006	8	0
HENDRICKS, LISA	9990217694	9990217694	251850	806758	20060828	15.06	0	2006	8	0
RENFROE, PENNIE L	9990221982	9990221982	251858	806766	20060828	42.5	0	2006	8	0
HALL, KENYA L	9990233243	9990233243	251889	806797	20060828	115.85	0	2006	8	0
NICELY, JOANN	9990242445	9990242445	251925	806833	20060828	10.88	0	2006	8	0
PAGE, JASON	9990247107	9990247107	251939	806847	20060828	51.75	0	2006	8	0
FARUQUE, MOHAMMAD O	9990249655	9990249655	251949	806857	20060828	72.47	0	2006	8	0
BAUER, KATHERINE	9990028701	9990028701	252095	807926	20060905	133.28	0	2006	9	0
M & M RESTAURANT INC	9990168122	9990168122	252117	807948	20060905	1300.55	0	2006	9	0
BALDWIN, DENNIS	9990179829	9990179829	252119	807950	20060905	40.08	0	2006	9	0
SCHLEMAN, MARTHA	9990183499	9990183499	252120	807951	20060905	13.17	0	2006	9	0
SHIERS, JAMIE B	9990201644	9990201644	252131	807962	20060905	32.39	0	2006	9	0
MANNING, JAMES	9990203417	9990203417	252134	807965	20060905	35.16	0	2006	9	0
BROWN, MATTHEW T	9990214544	9990214544	252148	807980	20060905	17.67	0	2006	9	0
MILLIEN, STEPHANIE	9990220920	9990220920	252154	807986	20060905	77.88	0	2006	9	0
JEANTY, JOHANNE	9990227687	9990227687	252158	807990	20060905	50	0	2006	9	0
KADRIU, DRITON	9990231359	9990231359	252162	807994	20060905	78.81	0	2006	9	0
1ST MISSIONARY BAP CH	9990234938	9990234938	252178	808010	20060905	5.55	0	2006	9	0
OCASIO, ANGEL G	9990236983	9990236983	252179	808011	20060905	202.22	0	2006	9	0
ESPINOZO, FLORENCIO	9990242790	9990242790	252187	808019	20060905	56.65	0	2006	9	0
BEAUREGARD, KEN	9990243434	9990243434	252189	808021	20060905	6.28	0	2006	9	0
FRANCIS, SHAWANA G	9990246026	9990246026	252193	808025	20060905	14.63	0	2006	9	0
HOLZMAN, NAOMI	9990119046	9990119046	252610	811754	20060911	110.13	0	2006	9	0
SHARPE, EVELYN L	9990143882	9990143882	252615	811761	20060911	45.76	0	2006	9	0
REINHARDT, AMANDA M	9990190592	9990190592	252629	811775	20060911	70.24	0	2006	9	0
DUNN, JANET M	9990207937	9990207937	252642	811789	20060911	37.32	0	2006	9	0
QUINTERO, JECSAN	9990220519	9990220519	252660	811808	20060911	3.49	0	2006	9	0
WILSON, CAROLYN S	9990228732	9990228732	252672	811820	20060911	98.14	0	2006	9	0
GARCIA, EXTREBERTO	9990235626	9990235626	252687	811835	20060911	21.08	0	2006	9	0
EZELL, MICHAEL	9990239124	9990239124	252692	811840	20060911	31	0	2006	9	0
OLIVEIRA, LEA , VITORIA	9990239494	9990239494	252695	811843	20060911	14.16	0	2006	9	0
FIGUEROA, STEVE	9990242112	9990242112	252702	811850	20060911	24.66	0	2006	9	0
HOFFENDER, JULEEN	9990243122	9990243122	252703	811851	20060911	3.5	0	2006	9	0
KLEIV, ANGIE M	9990246540	9990246540	252707	811855	20060911	5.79	0	2006	9	0
THOMAS, AMANDA	9990249083	9990249083	252716	811864	20060911	79.54	0	2006	9	0
COLE, BRIAN	9990077134	9990077134	252971	813975	20060918	65.41	0	2006	9	0

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MILLER, MURIEL W	9990097145 9990097145	252975	813979	20060918	28.07	0	2006	9 0
SWONK-BALDWIN, WILLANNE	9990178261 9990178261	252993	813997	20060918	9	0	2006	9 0
LANG, LASHAWN E	9990210523 9990210523	253006	814010	20060918	32.72	0	2006	9 0
RUGIN, FENYA	9990222573 9990222573	253021	814025	20060918	27.43	0	2006	9 0
BRACK, JOSEF T	9990222790 9990222790	253022	814026	20060918	10.27	0	2006	9 0
DAVIS, DEMARIS L	9990224119 9990224119	253027	814031	20060918	63.4	0	2006	9 0
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CLINE, FREDERICK	9990017551 9990017551	253306	815900	20060925	16.31	0	2006	9 0
MORGAN, ROSIE	9990153249 9990153249	253326	815923	20060925	3	0	2006	9 0
KOSTOGLOU, JOHN	9990161773 9990161773	253329	815926	20060925	15.33	0	2006	9 0
TOBIN-PAHLER, LAURA A	9990181287 9990181287	253335	815932	20060925	48.27	0	2006	9 0
JOHNSON, JAMES	9990183276 9990183276	253336	815933	20060925	4.4	0	2006	9 0
SOUTHWORTH, MARIA	9990195988 9990195988	253342	815939	20060925	19.95	0	2006	9 0
WALKER, JOANNE S	9990207357 9990207357	253357	815954	20060925	31.15	0	2006	9 0
VALDIVIA, NANCY M	9990210214 9990210214	253360	815957	20060925	4.53	0	2006	9 0
BOATRIGHT, AMANDA J	9990225125 9990225125	253389	815986	20060925	122.93	0	2006	9 0
GOODSTEIN, CORRINNE	9990230142 9990230142	253401	815998	20060925	23.33	0	2006	9 0
GILYARD, LORRAINE T	9990230163 9990230163	253402	815999	20060925	39.25	0	2006	9 0
LANGHORNE, FIDEL F	9990231474 9990231474	253406	816003	20060925	69.37	0	2006	9 0
CLARK-BROWN, JUDITH	9990232620 9990232620	253411	816008	20060925	16.71	0	2006	9 0
MEUS, EDME	9990235722 9990235722	253428	816025	20060925	19.82	0	2006	9 0
PARRISH II, ROB M	9990238925 9990238925	253441	816038	20060925	11.84	0	2006	9 0
STAGGA, DALTON	9990240141 9990240141	253447	816044	20060925	100	0	2006	9 0
DAVIS, WELLINGTON R	9990242597 9990242597	253464	816061	20060925	112.39	0	2006	9 0
SMART, JERMEY A	9990244398 9990244398	253469	816066	20060925	48.34	0	2006	9 0
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FAY, JESSICA J	9990249346 9990249346	253493	816090	20060925	95.78	0	2006	9 0
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ST-CLAUDE, JEAN R	9990141651 9990141651	253670	817351	20061002	24.47	0	2006	10 0
FONROSE, LISE	9990159375 9990159375	253673	817354	20061002	4.22	0	2006	10 0
THOMAS, DOMINIQUE K	9990186038 9990186038	253679	817360	20061002	21.69	0	2006	10 0
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WHITE, RICHARD W	9990233173 9990233173	253708	817390	20061002	104.62	0	2006	10 0
RICHARDSON, AUDREY R	9990238394 9990238394	253719	817401	20061002	63.86	0	2006	10 0
RAMIREZ, JULIO C	9990239037 9990239037	253722	817404	20061002	21.77	0	2006	10 0
MIENSMA, DAVID C	9990246144 9990246144	253734	817416	20061002	66.24	0	2006	10 0
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ALBERT GAEDE	633 633	253908	819711	20061009	40	0	2006	10 0
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CHEEBURGER OF BOCA INC	9990146356 9990146356	254182	820448	20061010	181	0	2006	10 0
ABREU, ELIEL	9990176608 9990176608	254192	820458	20061010	2.1	0	2006	10 0
BLUE MARTINI OF DELAND	9990177967 9990177967	254194	820460	20061010	833.39	0	2006	10 0
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SNEDDEN, ANTHONY M	9990226908	9990226908	254233	820499	20061010	29.17	0	2006	10	0
SWEARIGEN, JOHN J	9990227584	9990227584	254234	820500	20061010	6.67	0	2006	10	0
CARUSI, LINO	9990232158	9990232158	254239	820505	20061010	40	0	2006	10	0
JOHNSON, ASHLEY D	9990235827	9990235827	254249	820515	20061010	58.85	0	2006	10	0
VYMLATIL, KYLE	9990238778	9990238778	254256	820522	20061010	78.49	0	2006	10	0
ALMONOR, ATHELA N	9990240608	9990240608	254258	820524	20061010	4.21	0	2006	10	0
CARDETTI, ALEXANDER E	9990240641	9990240641	254259	820525	20061010	37.23	0	2006	10	0
VARGO, MILDRED E	9990241126	9990241126	254260	820526	20061010	82.26	0	2006	10	0
SOLARZ, SAM	9990248705	9990248705	254270	820537	20061010	41.87	0	2006	10	0
LAWSON, ALFREDA M	9990008577	9990008577	254487	822129	20061016	45.69	0	2006	10	0
CAJUSTE, VIOLETTE	9990041501	9990041501	254493	822135	20061016	1.96	0	2006	10	0
JUBILEE CORPORATION	9990047364	9990047364	254495	822137	20061016	743.67	0	2006	10	0
WALLACE, DIANE	9990163571	9990163571	254510	822152	20061016	59.48	0	2006	10	0
MARTINEZ, ALBERTO T	9990207295	9990207295	254532	822174	20061016	37	0	2006	10	0
BLACKWELL, CINDY L	9990217345	9990217345	254545	822187	20061016	5.91	0	2006	10	0
MARCH, VAUGHN	9990218904	9990218904	254547	822189	20061016	53.72	0	2006	10	0
VICKERS, HAROLD W	9990223167	9990223167	254556	822198	20061016	170.33	0	2006	10	0
PIERCE, WILLIAM M	9990232511	9990232511	254573	822215	20061016	158.69	0	2006	10	0
TAYLOR, ANDREA R	9990233381	9990233381	254577	822219	20061016	65.87	0	2006	10	0
BOLTON, VICKY Y	9990237282	9990237282	254594	822236	20061016	8.41	0	2006	10	0
STEPHENS, TONI	9990237982	9990237982	254596	822238	20061016	11.83	0	2006	10	0
VILLA, HERMINIA	9990240673	9990240673	254604	822246	20061016	632.99	0	2006	10	0
DONALD C. WENING	2767	2767	254721	823213	20061019	258.51	0	2006	10	0
COMCAST OF MARIANNA	10864	10864	254808	823771	20061023	9.5	0	2006	10	0
RL LANTANA BOATYARD	9990212521	9990212521	254854	824583	20061023	5755.4	0	2006	10	0
CROWLEY, EDWARD T	9990029600	9990029600	254862	824502	20061023	20.95	0	2006	10	0
WENONE INC	9990103851	9990103851	254879	824521	20061023	132.57	0	2006	10	0
MED AIDE SERVICES INC.	9990157282	9990157282	254896	824538	20061023	183.9	0	2006	10	0
JOHNSON, TYRONE	9990161033	9990161033	254898	824540	20061023	21.95	0	2006	10	0
ROHE, ROBERT P	9990182595	9990182595	254912	824554	20061023	138.7	0	2006	10	0
DORT, ERNASE A	9990199612	9990199612	254929	824572	20061023	7.42	0	2006	10	0
DRAKE, JESSICA L	9990204845	9990204845	254934	824577	20061023	21.16	0	2006	10	0
RL LANTANA BOATYARD	9990212525	9990212525	254940	824584	20061023	1184.23	0	2006	10	0
DREW, CYNTHIA C	9990214410	9990214410	254942	824586	20061023	46.73	0	2006	10	0
MCCOUI, TRACY & JAMES	9990223814	9990223814	254958	824602	20061023	122.6	0	2006	10	0
CUCHETTI, ANTHONY J	9990224233	9990224233	254960	824604	20061023	36.22	0	2006	10	0
NETTO, MELISSA S	9990226344	9990226344	254967	824611	20061023	34.27	0	2006	10	0
CHRISTIAN, ZONIA B	9990228523	9990228523	254973	824617	20061023	122.84	0	2006	10	0
GONZALEZ, DELIO	9990234706	9990234706	254988	824632	20061023	66.83	0	2006	10	0
MORALES, LIDIA	9990236750	9990236750	255002	824646	20061023	59.41	0	2006	10	0
RODRIGUEZ, NATASHA	9990237541	9990237541	255006	824650	20061023	40.53	0	2006	10	0
BELONY, FREDONNE	9990237902	9990237902	255009	824653	20061023	86.23	0	2006	10	0
WILLIAMS, REBEKAH	9990239216	9990239216	255018	824662	20061023	85.06	0	2006	10	0
POWELL, SANDRA L	9990244447	9990244447	255036	824680	20061023	111.57	0	2006	10	0
PASCUAL, FRANCISCO	9990246209	9990246209	255045	824689	20061023	6.78	0	2006	10	0
KIRKLAND, KIM	9990248293	9990248293	255048	824692	20061023	261.97	0	2006	10	0
DOMINGUEZ, CORY M	9990248494	9990248494	255051	824695	20061023	16.18	0	2006	10	0
LECLAIR, TARA L	9990249041	9990249041	255053	824697	20061023	11.49	0	2006	10	0
CHAPMAN, ALVIN	9990249355	9990249355	255057	824701	20061023	13.95	0	2006	10	0
TRENT JR, DAVID L	9990251786	9990251786	255067	824711	20061023	82.82	0	2006	10	0
MORAGUES, ARIEL	9990252122	9990252122	255068	824712	20061023	53.32	0	2006	10	0
BRADFHAW, PHYLLIS	9990252435	9990252435	255069	824713	20061023	105.5	0	2006	10	0
UNKNOWN-ABANDONED PROPERTY-CEN	67834	67834	255130	825102	20061026	75	0	2006	10	0

JENNIFER HITES LITTRELL	67841	67841	255131	825103	20061026	227.03	0	2006	10	0
LINDSEY SMITH	67848	67848	255132	825104	20061026	41.06	0	2006	10	0
CLOAD, CHAD M	9990221002	9990221002	255195	825646	20061030	39.91	0	2006	10	0
DUENAS, JAIME	9990007601	9990007601	255197	826202	20061031	8.48	0	2006	10	0
HOLLEY, JEAN	9990097490	9990097490	255209	826214	20061031	47.89	0	2006	10	0
SANTIAGO, LUIS	9990103034	9990103034	255210	826215	20061031	58.08	0	2006	10	0
BROWN, HUBERT	9990152860	9990152860	255217	826223	20061031	4.4	0	2006	10	0
LYONS, SANDRA	9990183387	9990183387	255231	826237	20061031	39.4	0	2006	10	0
SIMETON, JOSEPH	9990191910	9990191910	255234	826240	20061031	6.08	0	2006	10	0
SOTO, OLGA B	9990201560	9990201560	255238	826244	20061031	32.46	0	2006	10	0
GLAZER, JOEL	9990214153	9990214153	255245	826251	20061031	19.7	0	2006	10	0
JONES SR, JAMES A	9990217093	9990217093	255252	826258	20061031	67.79	0	2006	10	0
STAGG, EDWARD J	9990222088	9990222088	255263	826269	20061031	54.31	0	2006	10	0
MESIDORT, FREDICKSON	9990223458	9990223458	255265	826271	20061031	163.5	0	2006	10	0
HOOVER, LEAANN M	9990233205	9990233205	255282	826288	20061031	24.85	0	2006	10	0
DUNES CLUB VILLAS CO. LLC	9990233947	9990233947	255284	826290	20061031	20.21	0	2006	10	0
DE-ROSA, UMBERTO	9990246498	9990246498	255315	826321	20061031	56.01	0	2006	10	0
DIXON, EMMA	9990249433	9990249433	255319	826325	20061031	1.36	0	2006	10	0
MCKINNON, KENNETH	9990250027	9990250027	255320	826326	20061031	35.66	0	2006	10	0
MARTIN, FELIPE	9990250432	9990250432	255321	826327	20061031	22.34	0	2006	10	0
DAVID BOYLE	67869	67869	255375	826564	20061102	100	0	2006	11	0
CITY OF WEST PALM BEACH	9689	9689	255391	826948	20061106	51640.61	0	2006	11	0
GRILL & HEARTH INC	54317	54317	255444	826972	20061106	100	0	2006	11	0
HANLEY, SYLVESTER E	9990005677	9990005677	255456	827278	20061107	33.42	0	2006	11	0
HUTTIG, BROOKE M	9990100607	9990100607	255464	827287	20061107	3	0	2006	11	0
LANG, KAREN M	9990121099	9990121099	255467	827291	20061107	22.94	0	2006	11	0
FUNICELLO, CARMELLA	9990189763	9990189763	255481	827305	20061107	87.33	0	2006	11	0
BRUMMIT, BETSY M	9990234838	9990234838	255507	827331	20061107	24.05	0	2006	11	0
HOLLIGAN, MARLO	9990236420	9990236420	255512	827337	20061107	20.26	0	2006	11	0
CANTRELL, AMY N	9990236621	9990236621	255514	827339	20061107	335.97	0	2006	11	0
SWEARINGEN, HEATHER I	9990238628	9990238628	255518	827343	20061107	3.04	0	2006	11	0
KENNEDY, MELISSA A	9990239004	9990239004	255519	827344	20061107	71	0	2006	11	0
HEYWOOD, JAZLYN	9990242214	9990242214	255526	827351	20061107	26.4	0	2006	11	0
PHILIP, DENNESEN J	9990242625	9990242625	255528	827353	20061107	18.96	0	2006	11	0
NGUYEN, HUNG P	9990251200	9990251200	255535	827360	20061107	326.92	0	2006	11	0
SAINTINE, LUDNER	9990251357	9990251357	255537	827362	20061107	1.32	0	2006	11	0
LEPKO, MICHAEL A	9990253004	9990253004	255540	827365	20061107	146.1	0	2006	11	0
JOHN COSTLOW	3022	3022	255650	831472	20061109	20.23	0	2006	11	0
TERESA CASTEEL	67932	67932	255888	831772	20061109	100	0	2006	11	0
DEBRA MCCARTHY	68051	68051	255899	831784	20061109	40	0	2006	11	2
DAYTON, GEORGE	9990204288	9990204288	255903	831788	20061109	100	0	2006	11	0
SUNSHINE SERVICES UNLIMITED IN	38441	38441	255914	832316	20061113	5036.46	0	2006	11	0
C L STEIN	1142	1142	255921	832287	20061113	82.6	0	2006	11	0
LAKE WORTH GARDENS	9990052593	9990052593	255976	832873	20061115	2507.65	0	2006	11	0
ASHLEY, SHARON	9990008794	9990008794	255983	832864	20061115	31.97	0	2006	11	0
DANIELS, BUTLER	9990009286	9990009286	255985	832866	20061115	42.07	0	2006	11	0
SMITH, BOB R	9990027468	9990027468	255989	832870	20061115	57.51	0	2006	11	0
SHAVE, ROBERT	9990045044	9990045044	255991	832872	20061115	12.04	0	2006	11	0
MILLER, ROBERT T	9990085787	9990085787	255996	832878	20061115	60.76	0	2006	11	0
LORGREN, KENNETH J	9990142560	9990142560	256006	832889	20061115	10.55	0	2006	11	0
PRICE, ANTHONY S	9990190541	9990190541	256026	832911	20061115	53.98	0	2006	11	0
CADER, IDRIS	9990198988	9990198988	256033	832918	20061115	33.8	0	2006	11	0
ARMANTROUT, ASHLEY M	9990205921	9990205921	256041	832926	20061115	2.95	0	2006	11	0
ALVAREZ, JORGE L	9990208974	9990208974	256043	832928	20061115	23.73	0	2006	11	0
SPORN, ELIZABETH G	9990217377	9990217377	256052	832937	20061115	17.76	0	2006	11	0

DIAZ, EMELY Y	9990221145	9990221145	256061	832946	20061115	39.2	0	2006	11	0
LOPEZ, FLORENTIN	9990223035	9990223035	256066	832951	20061115	45.23	0	2006	11	0
ROURKE, KEITH R	9990223658	9990223658	256068	832953	20061115	57.5	0	2006	11	0
FROMOWITZ, ALAN	9990224499	9990224499	256069	832954	20061115	56.63	0	2006	11	0
SPARROW, CHRISTOPHER R	9990227753	9990227753	256076	832961	20061115	12.89	0	2006	11	0
HAGE, GHILSY	9990233940	9990233940	256084	832969	20061115	115.02	0	2006	11	0
WYNN, MELBA L	9990239013	9990239013	256094	832980	20061115	17.53	0	2006	11	0
HOLLAND, CHRISTINA L	9990239674	9990239674	256097	832983	20061115	106.05	0	2006	11	0
RUELAS, JOSE RAMIREZ	9990248069	9990248069	256116	833003	20061115	111.34	0	2006	11	0
MONTS, MONIQUE S	9990248171	9990248171	256117	833004	20061115	80.09	0	2006	11	0
LANGWORTHY, EDWARD T	9990249227	9990249227	256120	833007	20061115	71.29	0	2006	11	0
WINTER, MEGAN A	9990250527	9990250527	256128	833015	20061115	9.62	0	2006	11	0
MARTHA S. GARVIN	42998	42998	256150	833465	20061116	2920	0	2006	11	0
TOWN OF MANGONIA PARK	4183	4183	256257	833742	20061120	179.6	0	2006	11	0
LANDMARK CUSTOM HOMES	68100	68100	256310	834533	20061120	3565	0	2006	11	0
HENRY R. HIGGINBOTHAM	44468	44468	256344	834506	20061120	1000	0	2006	11	0
DENNIS S HUDSON III	61674	61674	256354	834519	20061120	1000	0	2006	11	0
MARGIE WILLIAMS	62297	62297	256357	834522	20061120	675	0	2006	11	0
RAYMOND, MICHELLE C	9990018876	9990018876	256376	835125	20061120	9.78	0	2006	11	0
LAKE WORTH GARDENS	9990052593	9990052593	256378	835127	20061120	783.18	0	2006	11	0
ALVAREZ & PETERS LLC	9990174856	9990174856	256402	835151	20061120	198.51	0	2006	11	0
FISHER, DAVID J	9990191064	9990191064	256413	835162	20061120	19.65	0	2006	11	0
SMITH, DAWN M	9990207300	9990207300	256423	835172	20061120	32.12	0	2006	11	0
MONSAAS, ERICK A	9990210209	9990210209	256425	835174	20061120	25.75	0	2006	11	0
FINGLETON, CHRISTOPHER	9990211598	9990211598	256427	835176	20061120	51.32	0	2006	11	0
NEWBERRY, KIP E	9990216322	9990216322	256431	835180	20061120	27.75	0	2006	11	0
DOYLE, AINSLEY	9990224180	9990224180	256445	835194	20061120	43.33	0	2006	11	0
WRIGHT, SCOTT	9990226896	9990226896	256447	835196	20061120	33.38	0	2006	11	0
FRITTS, ELAINE	9990228629	9990228629	256448	835197	20061120	13.66	0	2006	11	0
BIRD, MICHAEL A	9990230463	9990230463	256452	835201	20061120	6.14	0	2006	11	0
HAYES, LISA S	9990234017	9990234017	256456	835205	20061120	72.66	0	2006	11	0
PHELPS, ANNETTE	9990234084	9990234084	256457	835206	20061120	43.62	0	2006	11	0
MACEDO, ROSALBA	9990237455	9990237455	256466	835215	20061120	49.5	0	2006	11	0
AYTCHE, RICARDO	9990238564	9990238564	256476	835225	20061120	26.2	0	2006	11	0
THE AMELIA GROUP, LLC	9990243104	9990243104	256490	835239	20061120	197.25	0	2006	11	0
ALIAJ, ERGYS	9990244485	9990244485	256493	835242	20061120	25.85	0	2006	11	0
221 SEASPRAY LLC	9990248068	9990248068	256502	835251	20061120	28.34	0	2006	11	0
CHURCH, MARK A	9990248116	9990248116	256503	835252	20061120	19.88	0	2006	11	0
KENNETH C KESSLER	89	89	256523	835728	20061127	50	0	2006	11	0
WILLIAM J WELLS	414	414	256532	835737	20061127	50	0	2006	11	0
ALPHONSO FOREST	570	570	256537	835742	20061127	50	0	2006	11	0
ARTHUR VALENTI	723	723	256543	835748	20061127	50	0	2006	11	0
VIRGINIA UHLER	807	807	256544	835749	20061127	50	0	2006	11	0
ROY KINGREE	1000	1000	256549	835754	20061127	50	0	2006	11	0
PAUL LARSON	1151	1151	256557	835762	20061127	50	0	2006	11	0
ALVIN HICKOX	1409	1409	256562	835767	20061127	50	0	2006	11	0
ROBERT BROWN	1661	1661	256567	835772	20061127	50	0	2006	11	0
ROBERT CARMEN	1927	1927	256572	835777	20061127	50	0	2006	11	0
COLIN NETTLES	2049	2049	256575	835780	20061127	50	0	2006	11	0
JOHN GRAVES	2065	2065	256576	835781	20061127	50	0	2006	11	0
CAUSIER JAMES	2458	2458	256586	835791	20061127	50	0	2006	11	0
ROBERT GRIFFIN	3041	3041	256597	835802	20061127	50	0	2006	11	0
GEORGE SIMS	3480	3480	256604	835809	20061127	50	0	2006	11	0
ROBERT GRAHAM	3965	3965	256613	835818	20061127	50	0	2006	11	0
ALDIS BRUNSON	4424	4424	256616	835821	20061127	50	0	2006	11	0

COMCAST OF MARIANNA	10864	10864	256625	835830	20061127	9.5	0	2006	11	0
MJ ALTMAN COMPANIES, INC	46484	46484	256650	835858	20061127	46.68	0	2006	11	0
GULFSTREAM LIMITED PARTNERSHIP	9990013555	9990013555	256675	836242	20061128	202.33	0	2006	11	0
KELLEY, RALPH E	9990033233	9990033233	256678	836245	20061128	21.72	0	2006	11	0
JOHNSON, HERBERT	9990041349	9990041349	256680	836247	20061128	24.13	0	2006	11	0
JUBILEE CORPORATION	9990047364	9990047364	256681	836248	20061128	6.21	0	2006	11	0
HERNANDEZ, MARTHA L	9990065796	9990065796	256687	836254	20061128	19.14	0	2006	11	0
YOUNG, MAYOLA	9990092730	9990092730	256693	836260	20061128	21.49	0	2006	11	0
RODRIGUEZ, RUBEN Z	9990157929	9990157929	256705	836272	20061128	18.8	0	2006	11	0
EXPREZIT	9990189010	9990189010	256710	836277	20061128	1358.06	0	2006	11	0
MODHA, KISHORKUMAR M	9990195221	9990195221	256714	836281	20061128	47.34	0	2006	11	0
GERSDORF, STEVEN K	9990196990	9990196990	256715	836282	20061128	72.36	0	2006	11	0
TODD, BETTY	9990210658	9990210658	256722	836289	20061128	22.07	0	2006	11	0
WILLIAMS, SATYRA P	9990211996	9990211996	256723	836290	20061128	4.14	0	2006	11	0
SUTTON, MONTEL L	9990213163	9990213163	256725	836292	20061128	1.12	0	2006	11	0
GLAZER, JOEL	9990214153	9990214153	256727	836294	20061128	77.11	0	2006	11	0
MCKEONE, WILLIAM E	9990217414	9990217414	256728	836295	20061128	62.09	0	2006	11	0
BUEHL, RACHEL	9990224819	9990224819	256733	836300	20061128	40.61	0	2006	11	0
WATKE-BRATCHER, LYNN M	9990226425	9990226425	256734	836301	20061128	56	0	2006	11	0
JEANTY, JOHANNE	9990227687	9990227687	256737	836304	20061128	50	0	2006	11	0
PISANI, LINDSAY	9990229391	9990229391	256739	836306	20061128	94.72	0	2006	11	0
WALKER, COLLEEN C	9990236324	9990236324	256747	836314	20061128	58	0	2006	11	0
PEREZ-RODRIGUEZ, OSVALDO D	9990241899	9990241899	256757	836324	20061128	38.46	0	2006	11	0
MORTIMER III, STANLEY G	9990244656	9990244656	256762	836329	20061128	140.47	0	2006	11	0
TRIBUNELLA, JOSEPHINE	9990247487	9990247487	256768	836335	20061128	9.15	0	2006	11	0
WEST PALM BEACH HOUSING	68303	68303	256792	836913	20061130	3150	0	2006	11	0
TOWN OF BASCOM	4351	4351	256819	836835	20061130	219.3	0	2006	11	0
SUNSHINE SERVICES UNLIMITED IN	38441	38441	256842	836865	20061130	1408.75	0	2006	11	0
SHIRLEY CHAMBERS	68191	68191	256871	836899	20061130	100	0	2006	11	0
JACK TRAVIS	68226	68226	256876	836904	20061130	350	0	2006	11	0
AMANDA JAIKARAN	2885	2885	256911	837882	20061204	351.29	0	2006	12	0
SIGNAL 21, SECURITY SYS INC	6160	6160	256921	837895	20061204	54.32	0	2006	12	0
LAKE WORTH DRAINAGE DISTRICT	7755	7755	256922	837896	20061204	250	0	2006	12	0
ASSURANT EMPLOYEE BENEFITS	62304	62304	256945	837927	20061204	1873.79	0	2006	12	0
RONALD SKIPPER	68261	68261	256948	837930	20061204	590	0	2006	12	0
SMITH, CHARLES E	9990040742	9990040742	256955	838156	20061204	34.05	0	2006	12	0
GONZALES, ANDRES	9990041650	9990041650	256956	838157	20061204	26.54	0	2006	12	0
HAMPTON, OCEANNETTE S	9990048149	9990048149	256957	838158	20061204	36.36	0	2006	12	0
WEBB, TINA	9990110040	9990110040	256961	838162	20061204	41.63	0	2006	12	0
NOLTING, KIMBERLY A	9990143029	9990143029	256964	838165	20061204	87.08	0	2006	12	0
HENRY, SCOTT	9990178165	9990178165	256969	838170	20061204	39.69	0	2006	12	0
DANIELS, GARY N	9990201104	9990201104	256975	838176	20061204	81.84	0	2006	12	0
LEWIS, ROBERT	9990209094	9990209094	256978	838179	20061204	386.45	0	2006	12	0
BARDALES-SUAZO, ESMERALDA	9990212598	9990212598	256980	838181	20061204	4.68	0	2006	12	0
ANNUNZIATA, NINO	9990218763	9990218763	256984	838185	20061204	31.44	0	2006	12	0
MONTGOMERY, TOMOKO T	9990220458	9990220458	256985	838186	20061204	86.47	0	2006	12	0
TRIPLE D LLC	9990221659	9990221659	256986	838187	20061204	40.55	0	2006	12	0
HANKEN, JONATHAN	9990225714	9990225714	256988	838189	20061204	8.52	0	2006	12	0
SOLER, CARMEN	9990229835	9990229835	256991	838192	20061204	43.14	0	2006	12	0
WOODCOCK, RON	9990230182	9990230182	256993	838194	20061204	77.38	0	2006	12	0
GRANT, AUDREY M	9990234466	9990234466	256994	838195	20061204	17.34	0	2006	12	0
HAMMACHER JR, BERNARD L	9990240022	9990240022	257000	838201	20061204	63.64	0	2006	12	0
STOTT, JAMIE E	9990242707	9990242707	257006	838207	20061204	70.87	0	2006	12	0
SMITH, WILLIAM J	9990242985	9990242985	257007	838208	20061204	49.96	0	2006	12	0
THE AMELIA GROUP, LLC	9990243104	9990243104	257008	838209	20061204	10.17	0	2006	12	0

GORE, MARK	9990243748	9990243748	257009	838210	20061204	49.22	0	2006	12	0
PAGONA, ERIC	9990244243	9990244243	257010	838211	20061204	68.66	0	2006	12	0
SANTIZO, HUSAI	9990246791	9990246791	257014	838215	20061204	107.56	0	2006	12	0
THORSSON, DAKARR M	9990249050	9990249050	257017	838218	20061204	33.78	0	2006	12	0
HIGH TECH ENGINEERING, INC	41759	41759	257058	839612	20061207	45943	0	2006	12	0
MIDRANGE SUPPORT & SERVICE INC	47884	47884	257066	839640	20061207	15643.52	0	2006	12	0
EVOK ADVERTISING & DESIGN, INC	53169	53169	257070	839654	20061207	24488.92	0	2006	12	0
PIPER-MORGAN ASSOCIATES	66490	66490	257088	839714	20061207	10950	0	2006	12	0
ACE MARKING DEVICES	1178	1178	257101	839439	20061207	91	0	2006	12	0
OFFICE DEPOT CREDIT PLAN	9786	9786	257162	839514	20061207	178.55	0	2006	12	0
CHAMBER OF COMMERCE OF THE	15958	15958	257182	839539	20061207	1430	0	2006	12	0
THOMPSON TRACTOR CO INC	35788	35788	257218	839586	20061207	99.59	0	2006	12	0
THE MAILING EXPERTS INC	53484	53484	257272	839657	20061207	1285	0	2006	12	0
GRILL & HEARTH INC	54317	54317	257274	839659	20061207	100	0	2006	12	0
MCPHERSON PEST CONTROL	55556	55556	257281	839666	20061207	32.25	0	2006	12	0
CONGRESS AUTO PARTS STORE #5	60547	60547	257294	839688	20061207	1190.47	0	2006	12	0
PAT'S LP GAS	55612	55612	257400	840177	20061211	325	0	2006	12	0
DEBRA MCCARTHY	68051	68051	257411	840190	20061211	180	0	2006	12	2
POLYPLASTICS INC.	9990097250	9990097250	257412	840774	20061212	3396.68	0	2006	12	0
FPL Energy Services, Inc.	9990142527	9990142527	257413	840780	20061212	99565.55	0	2006	12	0
NATH MIAMI FRANCHISE GROUP	9990002461	9990002461	257416	840755	20061212	657.79	0	2006	12	0
MARVIN, ELIZABETH	9990008288	9990008288	257417	840756	20061212	27.16	0	2006	12	0
BROWN, VINCENT	9990018084	9990018084	257419	840758	20061212	331.7	0	2006	12	0
JERNIGAN, SARA S	9990027930	9990027930	257420	840759	20061212	6.64	0	2006	12	0
LIVINGSTON, ED	9990054522	9990054522	257425	840764	20061212	123.57	0	2006	12	0
POLLOCK, NICHOLAS D	9990059512	9990059512	257426	840765	20061212	22.05	0	2006	12	0
COURSON, EUGENE	9990062176	9990062176	257427	840766	20061212	18.55	0	2006	12	0
ROSENBERG, JAMES H	9990072061	9990072061	257428	840767	20061212	63.89	0	2006	12	0
CRAWFORD, JOHN	9990081852	9990081852	257430	840769	20061212	239.63	0	2006	12	0
STILLWELL, HAROLD	9990087771	9990087771	257431	840770	20061212	78.39	0	2006	12	0
CLOWER, DAN	9990099017	9990099017	257435	840775	20061212	165.08	0	2006	12	0
CZAIKOWSKI, HENRY	9990110346	9990110346	257436	840776	20061212	37.9	0	2006	12	0
TOOMBS, LENNORIS	9990114542	9990114542	257437	840777	20061212	111.93	0	2006	12	0
JONSSON, SAVAR	9990121438	9990121438	257439	840779	20061212	32.96	0	2006	12	0
SLONIN, JOSEPH	9990151247	9990151247	257440	840782	20061212	20.92	0	2006	12	0
PRICE, ROSALIE E	9990151813	9990151813	257441	840783	20061212	35.02	0	2006	12	0
DERY, RONALD	9990152500	9990152500	257442	840784	20061212	1.15	0	2006	12	0
KNITTEL, ED	9990153505	9990153505	257443	840785	20061212	4.4	0	2006	12	0
SHEFFIELD RENTAL	9990153691	9990153691	257444	840786	20061212	2.24	0	2006	12	0
THE PELICAN ASSOC	9990162527	9990162527	257446	840788	20061212	1041	0	2006	12	0
CHOPIN, FRANK	9990179189	9990179189	257449	840791	20061212	10.44	0	2006	12	0
TURNER, PATRICIA E	9990187017	9990187017	257450	840792	20061212	143.72	0	2006	12	0
DEYESSO, WILLIAM M	9990187243	9990187243	257451	840793	20061212	30.69	0	2006	12	0
WHEATLEY, CLAUDETTE P	9990192915	9990192915	257452	840794	20061212	14.24	0	2006	12	0
MULLIN, PATRICK A	9990199067	9990199067	257454	840796	20061212	51.1	0	2006	12	0
CANTON, DEBORAH J	9990213545	9990213545	257461	840803	20061212	14.99	0	2006	12	0
CUEVAS, FLOR D	9990218315	9990218315	257465	840807	20061212	10.8	0	2006	12	0
JOHNSON, JACQUELINE J	9990219160	9990219160	257466	840808	20061212	52.68	0	2006	12	0
DEJESUS, ELIAS	9990220267	9990220267	257467	840809	20061212	17.47	0	2006	12	0
CLARK, TRACI	9990220473	9990220473	257468	840810	20061212	14.71	0	2006	12	0
LYTLE, KELLY A	9990220582	9990220582	257469	840811	20061212	23.38	0	2006	12	0
PRELEC, MICHAEL	9990222909	9990222909	257471	840813	20061212	109.09	0	2006	12	0
CLAROS, ROMY	9990223685	9990223685	257473	840815	20061212	15.55	0	2006	12	0
WIESNER, FRANTISEK	9990224632	9990224632	257476	840818	20061212	154.56	0	2006	12	0
JANISKI, HARRY A	9990228256	9990228256	257479	840821	20061212	16.76	0	2006	12	0

BELLEAU, MICHAEL N	9990232606	9990232606	257483	840825	20061212	15.57	0	2006	12 0
GATLING, JOHN M	9990234330	9990234330	257485	840827	20061212	176.2	0	2006	12 0
KAMPF, CHARLES	9990234630	9990234630	257487	840829	20061212	54.48	0	2006	12 0
DOWELL, MARK	9990234678	9990234678	257488	840830	20061212	78.38	0	2006	12 0
DEPAUL III, DONALD J	9990238019	9990238019	257492	840834	20061212	24.2	0	2006	12 0
ELLIOTT, SPENCER J	9990238790	9990238790	257497	840839	20061212	89.69	0	2006	12 0
PAULINO, ARMANLDO	9990241468	9990241468	257504	840846	20061212	23.27	0	2006	12 0
TORRES, SALVADOR	9990242525	9990242525	257507	840849	20061212	63.49	0	2006	12 0
WYNN, JENNIFER	9990243481	9990243481	257508	840851	20061212	43.15	0	2006	12 0
GARRIDO, ROSA E	9990246067	9990246067	257517	840860	20061212	44.99	0	2006	12 0
FLOWERS III, WILLIAM E	9990246177	9990246177	257518	840861	20061212	88.78	0	2006	12 0
TAYLOR SR, MARVIN K	9990247043	9990247043	257520	840863	20061212	17.95	0	2006	12 0
ESPINOZA, CASTO A	9990247806	9990247806	257522	840865	20061212	52.23	0	2006	12 0
YEZEKYAN, ERICA S	9990251361	9990251361	257525	840868	20061212	8.64	0	2006	12 0
MASHECK, RANCE	9990253468	9990253468	257528	840871	20061212	4.93	0	2006	12 0
RADFORD, LORRAINE	9990253857	9990253857	257529	840872	20061212	24.04	0	2006	12 0
SPANO, CATHY	9990254415	9990254415	257530	840873	20061212	78.31	0	2006	12 0
AVILES, JESUS M	9990254895	9990254895	257531	840874	20061212	125.1	0	2006	12 0
CHARLES SHELTON	1450	1450	257532	841971	20061214	4290.88	0	2006	12 0
JACKSONVILLE ELECTRIC	2584	2584	257534	841976	20061214	1083557.94	0	2006	12 0
PALM BEACH COUNTY	29663	29663	257537	842005	20061214	18324.4	0	2006	12 0
BELLSOUTH LONG DISTANCE	53099	53099	257539	842030	20061214	2512.86	0	2006	12 0
JONATHAN FOWLER	2884	2884	257556	841981	20061214	57	0	2006	12 0
PALM BEACH COUNTY	29663	29663	257577	842004	20061214	295.35	0	2006	12 0
HENRY R. HIGGINBOTHAM	44468	44468	257590	842018	20061214	1000	0	2006	12 0
EMBARQ	65783	65783	257614	842046	20061214	48.98	0	2006	12 0
LYNNE ANDERSON	68345	68345	257619	842052	20061214	100	0	2006	12 0
CHARLES VANNOSTRAN	68352	68352	257620	842053	20061214	100	0	2006	12 0
RUTH DINKINS	68359	68359	257621	842054	20061214	100	0	2006	12 0
CARTER FLETCHER	68366	68366	257622	842055	20061214	100	0	2006	12 0
EUGENE DUNN	68415	68415	257626	842060	20061214	350	0	2006	12 0
GEORGE GOEHNER	68422	68422	257627	842061	20061214	450	0	2006	12 0
THOMAS CARPELLOTTI	68450	68450	257631	842065	20061214	350	0	2006	12 0
ROBERT MULAC	68478	68478	257635	842069	20061214	100	0	2006	12 0
CHRISTINE MINTZ	68485	68485	257636	842070	20061214	100	0	2006	12 0
KEITH GERMARTZ	68499	68499	257638	842072	20061214	100	0	2006	12 0
PALM BEACH TOYOTA	68625	68625	257643	842077	20061214	1000	0	2006	12 0
JEFFERSON SMURFIT CORPORATION	16800	16800	257645	842354	20061218	9063	0	2006	12 0
MARTHA S. GARVIN	42998	42998	257648	842370	20061218	2920	0	2006	12 0
EVOK ADVERTISING & DESIGN, INC	53169	53169	257649	842378	20061218	51935.61	0	2006	12 0
KIM LEISURE	2694	2694	257655	842338	20061218	492.62	0	2006	12 0
MARIANNA OFFICE SUPPLY	2808	2808	257656	842339	20061218	634.72	0	2006	12 0
LIBERTY JOURNAL INC	11179	11179	257667	842351	20061218	50	0	2006	12 0
SEA COAST GROUP	34346	34346	257677	842363	20061218	837.25	0	2006	12 0
ALAN ZELENAK	45420	45420	257685	842373	20061218	350	0	2006	12 0
TECO PARTNERS	48262	48262	257687	842375	20061218	1498.4	0	2006	12 0
VERIZON WIRELESS	60127	60127	257692	842383	20061218	1539.41	0	2006	12 0
DONALD JOHNSON	68555	68555	257695	842386	20061218	100	0	2006	12 0
MORGAN MORGANELLI	68562	68562	257696	842387	20061218	100	0	2006	12 0
THERESA ORYL	68569	68569	257697	842388	20061218	350	0	2006	12 0
CHERI GARCIA	68583	68583	257698	842389	20061218	350	0	2006	12 0
JAMES FLYNN	68597	68597	257700	842391	20061218	85	0	2006	12 0
BARBARA JOHNSON	68604	68604	257701	842392	20061218	770	0	2006	12 0
W.R. APPLEGATE	68618	68618	257703	842394	20061218	350	0	2006	12 0
NORTH FORK PARTNERS INC	9990247531	9990247531	257704	843161	20061218	4022.12	0	2006	12 0

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DUNHAM, GLEN	9990024067 9990024067	257710	843006	20061218	10.06	0	2006	12	0
HUBBARD, THERESA E	9990024696 9990024696	257711	843007	20061218	47.75	0	2006	12	0
SMITH, CHARLES E	9990040742 9990040742	257712	843008	20061218	42.49	0	2006	12	0
LESLYNN MOTEL & APTS	9990052623 9990052623	257713	843009	20061218	109.14	0	2006	12	0
NEW YORK BAR & GRILL	9990056512 9990056512	257714	843010	20061218	260.94	0	2006	12	0
JONAS, JOY K	9990072791 9990072791	257716	843012	20061218	82.04	0	2006	12	0
FUNDERBURK, JEFF	9990075758 9990075758	257717	843013	20061218	23.41	0	2006	12	0
LORIOL, ALBERT	9990084095 9990084095	257719	843015	20061218	32.38	0	2006	12	0
ATHLETIC DIE CO INC	9990088782 9990088782	257721	843017	20061218	145.36	0	2006	12	0
CHANTECLAIR VILLAS	9990103883 9990103883	257723	843019	20061218	67.09	0	2006	12	0
KASSAR, RAYMOND	9990107910 9990107910	257725	843021	20061218	158.4	0	2006	12	0
MOORE, CAROL A	9990111560 9990111560	257727	843023	20061218	84.05	0	2006	12	0
BARONE, SAM	9990117483 9990117483	257728	843024	20061218	191.23	0	2006	12	0
GENEVA INN INC	9990126916 9990126916	257729	843025	20061218	206.47	0	2006	12	0
REP JOYCE CUSACK	9990137224 9990137224	257731	843027	20061218	103.5	0	2006	12	0
GREENBERG, STEVEN R	9990145904 9990145904	257732	843028	20061218	102.02	0	2006	12	0
DAVIS, JACQUELINE K	9990147194 9990147194	257733	843029	20061218	22.29	0	2006	12	0
VARUGHESE, SHIBU	9990154821 9990154821	257735	843031	20061218	64.53	0	2006	12	0
RENEE CLEANERS	9990155369 9990155369	257736	843032	20061218	1138.8	0	2006	12	0
BRYANT, VERONICA J	9990159372 9990159372	257737	843033	20061218	13.79	0	2006	12	0
LAWS, EDITH	9990161090 9990161090	257738	843034	20061218	50.5	0	2006	12	0
KELLY, WILLIAM J	9990162228 9990162228	257739	843035	20061218	29.59	0	2006	12	0
THE PELICAN ASSOC	9990162527 9990162527	257740	843036	20061218	622.4	0	2006	12	0
DISANO JR, JOSEPH J	9990168047 9990168047	257741	843037	20061218	4.01	0	2006	12	0
ANDINO, CLAUDIA	9990178022 9990178022	257742	843038	20061218	30.49	0	2006	12	0
WOOSLEY, MICHAEL	9990189143 9990189143	257744	843040	20061218	45.62	0	2006	12	0
AUSTIN, WENDY A	9990189699 9990189699	257745	843041	20061218	75.75	0	2006	12	0
THE BAILEY BOYS INC	9990191116 9990191116	257746	843042	20061218	248.98	0	2006	12	0
SANDERS, IDA	9990192567 9990192567	257747	843043	20061218	143.92	0	2006	12	0
ALEXANDER, SARA M	9990193343 9990193343	257748	843044	20061218	19.45	0	2006	12	0
MILLER, STEPHANIE A	9990193778 9990193778	257749	843045	20061218	51.79	0	2006	12	0
KIELY, KIMBERY Z	9990200254 9990200254	257750	843046	20061218	14.08	0	2006	12	0
HUETT, RICKY D	9990204334 9990204334	257752	843048	20061218	48.02	0	2006	12	0
PERSICO, MAGDALENA	9990204985 9990204985	257753	843049	20061218	25.55	0	2006	12	0
BURKHARDT, JASON T	9990205277 9990205277	257754	843050	20061218	45.05	0	2006	12	0
HOPKINS, LARRA M	9990206072 9990206072	257756	843052	20061218	42.32	0	2006	12	0
RENBERG, JAMES	9990206530 9990206530	257757	843053	20061218	42.81	0	2006	12	0
DESAYE, ERNEST A	9990208197 9990208197	257758	843054	20061218	49.21	0	2006	12	0
FURNO, KEVIN M	9990208486 9990208486	257759	843055	20061218	24.47	0	2006	12	0
WOMBLE, JOHN C	9990210303 9990210303	257760	843056	20061218	18.45	0	2006	12	0
BROWDE, MARYLIN	9990212025 9990212025	257761	843057	20061218	16.01	0	2006	12	0
JONES, RAY	9990212039 9990212039	257762	843058	20061218	12.97	0	2006	12	0
TUZEO, MICHAEL	9990212345 9990212345	257763	843059	20061218	62.71	0	2006	12	0
SOSA, CHERI L	9990214163 9990214163	257764	843060	20061218	38.53	0	2006	12	0
MCGILL, EVELYN H	9990215066 9990215066	257765	843061	20061218	178.97	0	2006	12	0
WHITE, MILDRED L	9990217634 9990217634	257767	843063	20061218	20.95	0	2006	12	0
BRAVO, JOHANN A	9990217725 9990217725	257768	843064	20061218	40.86	0	2006	12	0
GAY VU, LISA	9990218330 9990218330	257769	843065	20061218	9.99	0	2006	12	0
SILVA, LUIS	9990219698 9990219698	257771	843067	20061218	1.82	0	2006	12	0
POLASTRI, PABLO E	9990219956 9990219956	257772	843068	20061218	97.4	0	2006	12	0
ARNETT, LATOYIA	9990220238 9990220238	257775	843071	20061218	24.13	0	2006	12	0
CLAXTON, EDDIE	9990225430 9990225430	257778	843074	20061218	134.38	0	2006	12	0
BONNEAU, WILLIAM L	9990226859 9990226859	257781	843077	20061218	28.1	0	2006	12	0
ARCE, EDUARDO A	9990226890 9990226890	257782	843078	20061218	6.58	0	2006	12	0

DEMESTRE JR., JAMES	9990227827 9990227827	257783	843079	20061218	49.63	0	2006	12	0
FRANTZ, EMILY	9990228801 9990228801	257785	843081	20061218	73.91	0	2006	12	0
REED, MARY ELLEN	9990229058 9990229058	257786	843082	20061218	74	0	2006	12	0
GUERRERO, MOISES P	9990229419 9990229419	257787	843083	20061218	61.23	0	2006	12	0
COAN, JAMES T	9990229547 9990229547	257788	843084	20061218	55.36	0	2006	12	0
WHORL, CHARLES T	9990231154 9990231154	257792	843088	20061218	48.8	0	2006	12	0
VELASQUEZ, RUBEN D	9990231343 9990231343	257793	843089	20061218	132.9	0	2006	12	0
GLOVER, SHANDRA F	9990231468 9990231468	257794	843090	20061218	77.15	0	2006	12	0
MILLICAN, LISA	9990232509 9990232509	257796	843092	20061218	32	0	2006	12	0
KIDD, TODD	9990233566 9990233566	257800	843096	20061218	19.29	0	2006	12	0
CHRISTINA, DOMENICIHELLO A	9990233745 9990233745	257801	843097	20061218	19.49	0	2006	12	0
YOUSSEF, NADER	9990234939 9990234939	257803	843099	20061218	29	0	2006	12	0
JOSEPH, CELIA C	9990235073 9990235073	257804	843100	20061218	4.08	0	2006	12	0
NASTA, BRENDAN	9990235693 9990235693	257807	843103	20061218	7.85	0	2006	12	0
CHOU, HUANG J	9990236001 9990236001	257809	843105	20061218	46.85	0	2006	12	0
LILLY, JESSIKA L	9990236877 9990236877	257811	843107	20061218	73.58	0	2006	12	0
THOMAS, SHARONICA C	9990237568 9990237568	257814	843110	20061218	157.81	0	2006	12	0
POWELL, JENNIFER C	9990238718 9990238718	257816	843112	20061218	49.6	0	2006	12	0
YOUNG, NATHAN A	9990239050 9990239050	257817	843113	20061218	66.74	0	2006	12	0
HARBIN, JAMES	9990239400 9990239400	257818	843114	20061218	120.41	0	2006	12	0
FROEMSDORF, JOANNA D	9990239439 9990239439	257819	843115	20061218	36.01	0	2006	12	0
WOODWARD, AILEEN	9990239549 9990239549	257821	843117	20061218	19.33	0	2006	12	0
LEWIS, TEISA	9990239569 9990239569	257822	843118	20061218	31.41	0	2006	12	0
GIBSON, KELLY	9990240622 9990240622	257828	843124	20061218	196.61	0	2006	12	0
ROGIC, TOMISLAV	9990240839 9990240839	257831	843127	20061218	94.27	0	2006	12	0
PRINCE, KELLEY	9990241736 9990241736	257832	843128	20061218	70.66	0	2006	12	0
RIVERA, JESSICA V	9990242549 9990242549	257837	843133	20061218	40.96	0	2006	12	0
ALCORN, MARGARET	9990242676 9990242676	257838	843134	20061218	55.69	0	2006	12	0
BURKE, BRIAN	9990243309 9990243309	257839	843135	20061218	77.38	0	2006	12	0
BURTON, KEVIN W	9990243317 9990243317	257840	843136	20061218	5.35	0	2006	12	0
RUIZ, FREDDY A	9990244204 9990244204	257841	843137	20061218	11.72	0	2006	12	0
MCCABE, MICHAEL J	9990244527 9990244527	257843	843139	20061218	42.38	0	2006	12	0
ISACKSON, SHERRY	9990245130 9990245130	257845	843141	20061218	20.62	0	2006	12	0
ES BONEY & ASSOC., INC.	9990245529 9990245529	257847	843143	20061218	12.53	0	2006	12	0
BABINEC, MARK	9990245587 9990245587	257848	843144	20061218	59.72	0	2006	12	0
HAGAN, RANDALL K	9990246203 9990246203	257853	843149	20061218	95.17	0	2006	12	0
BURNETT, WENDYLEE	9990246385 9990246385	257855	843151	20061218	27.47	0	2006	12	0
LOWINGER, LORI	9990246581 9990246581	257856	843152	20061218	26.71	0	2006	12	0
MCGIMSEY, ASHLEY	9990246709 9990246709	257857	843153	20061218	20.02	0	2006	12	0
SMITH, CANDICE F	9990247072 9990247072	257860	843156	20061218	96.82	0	2006	12	0
LUCHEY, ANDREW	9990247076 9990247076	257861	843157	20061218	54.01	0	2006	12	0
MONTEJO, ENRIQUE C	9990247198 9990247198	257862	843158	20061218	57.43	0	2006	12	0
HOLME, CARL	9990247331 9990247331	257863	843159	20061218	49.41	0	2006	12	0
STARLING, GINGER L	9990247579 9990247579	257865	843162	20061218	31.37	0	2006	12	0
MOSTER, MARK L	9990247826 9990247826	257867	843164	20061218	24.78	0	2006	12	0
WILSON, BRANDY C	9990248317 9990248317	257869	843166	20061218	7.5	0	2006	12	0
RUIZ, MIGUEL A	9990248323 9990248323	257870	843167	20061218	25.94	0	2006	12	0
REESE, LAURA	9990248769 9990248769	257871	843168	20061218	11.23	0	2006	12	0
SILVA, BEATRIZ H	9990249599 9990249599	257875	843172	20061218	18.81	0	2006	12	0
MARTIN, TIMOTHY J	9990249671 9990249671	257876	843173	20061218	129.97	0	2006	12	0
BENNETT, STEPHANIE P	9990249763 9990249763	257877	843174	20061218	39.16	0	2006	12	0
GILYARD, COURTNEY C	9990249962 9990249962	257878	843175	20061218	7.04	0	2006	12	0
DEMOURA, SYLVIA	9990251384 9990251384	257884	843181	20061218	87.96	0	2006	12	0
KHEMANI, LISA M	9990251558 9990251558	257885	843182	20061218	170.92	0	2006	12	0
ORTEGA, JAVIER	9990252322 9990252322	257886	843183	20061218	178.68	0	2006	12	0

PINDER, EDITH S	9990253758	9990253758	257891	843188	20061218	24.37	0	2006	12	0
PERKINS, RANDY E	9990253911	9990253911	257892	843189	20061218	84.17	0	2006	12	0
WOODRUFF, CAROLYN	9990253926	9990253926	257894	843191	20061218	189.89	0	2006	12	0
ANYA LLC	9990253942	9990253942	257895	843192	20061218	9.89	0	2006	12	0
ALBA, CESAR E	9990254219	9990254219	257896	843193	20061218	93.2	0	2006	12	0
REO FLORIDA ACCOUNTS INC	9990254458	9990254458	257897	843194	20061218	30.33	0	2006	12	0
CITY OF LAKE WORTH	4191	4191	257904	843424	20061219	10389.61	0	2006	12	0
TOWN OF LONGWOOD	4319	4319	257911	843434	20061219	3335.34	0	2006	12	0
CITY OF DELTONA	13713	13713	257919	843453	20061219	6559.82	0	2006	12	0
SEMINOLE COUNTY FINANCE DEPT	30058	30058	257922	843459	20061219	2990.2	0	2006	12	0
CITY OF LAUDERHILL	45938	45938	257923	843467	20061219	3071.78	0	2006	12	0
TOWN OF MANGONIA PARK	4183	4183	257926	843423	20061219	175.85	0	2006	12	0
CITY OF WINTER SPRINGS	4301	4301	257928	843432	20061219	27.4	0	2006	12	0
CITY OF WINTER SPRINGS	4301	4301	257929	843433	20061219	2483.05	0	2006	12	0
ALTHA	4343	4343	257931	843437	20061219	1840.96	0	2006	12	0
TOWN OF BASCOM	4351	4351	257932	843438	20061219	146.75	0	2006	12	0
TOWN OF MANALAPAN	8070	8070	257937	843446	20061219	568.37	0	2006	12	0
TOWN OF DAVIE	45952	45952	257952	843469	20061219	86.56	0	2006	12	0
CITY OF FT. LAUDERDALE	45980	45980	257955	843473	20061219	170.88	0	2006	12	0
CITY OF PEMBROKE PINES	47429	47429	257958	843476	20061219	21.22	0	2006	12	0
TOWN OF INGLIS	49942	49942	257960	843478	20061219	290.9	0	2006	12	0
CITY OF ORLANDO OFFICE OF	60575	60575	257967	843485	20061219	13.11	0	2006	12	0
TARA HILL	2695	2695	257970	844318	20061221	2908.78	0	2006	12	0
TOPLINE PRINTING & GRAPHICS	41551	41551	257976	844369	20061221	2675.83	0	2006	12	0
ATLANTIC UTILITIES ENTERPRISE,	42291	42291	257977	844371	20061221	9620.64	0	2006	12	0
ATLANTIC UTILITIES ENTERPRISE,	42291	42291	257978	844372	20061221	3027.46	0	2006	12	0
LEDGENT & LEDGENT SEARCH GROUP	58244	58244	257981	844392	20061221	2517.69	0	2006	12	0
COSTCO WHOLESALE CORP	68653	68653	257983	844410	20061221	11451.48	0	2006	12	0
ADDISON RESERVE COUNTRY CLUB	68660	68660	257984	844411	20061221	13095	0	2006	12	0
LAMP SALES UNLIMITED	68667	68667	257985	844412	20061221	3001.6	0	2006	12	0
LORIN MRACHECK	68695	68695	257986	844416	20061221	3954.56	0	2006	12	0
BROOKFIELD BUILDERS INC	68723	68723	257987	844420	20061221	3956	0	2006	12	0
PALM BEACH KENNEL CLUB	68737	68737	257988	844422	20061221	3430	0	2006	12	0
THE BURTON CONSULTING COMPANY	68793	68793	257989	844428	20061221	4567.5	0	2006	12	0
INTERSTATE PROPERTIES, LLC	9990173172	9990173172	257990	844435	20061221	2898.19	0	2006	12	0
I.B.E.W. LOCAL 1924	161	161	257992	844311	20061221	424.7	0	2006	12	0
CULLIGAN WATER CONDITIONING CO	1323	1323	257993	844312	20061221	34.85	0	2006	12	0
INTERNATIONAL CHEMICAL WORKERS	2516	2516	257997	844316	20061221	1100	0	2006	12	0
WAYNE C. BONN	2563	2563	257998	844317	20061221	465.18	0	2006	12	0
NICOLE KROL	2847	2847	258000	844320	20061221	492.23	0	2006	12	0
PITNEY BOWES	3199	3199	258002	844322	20061221	120.99	0	2006	12	0
STUART C IRBY CO	3675	3675	258004	844324	20061221	459.42	0	2006	12	0
JACK BROWN	3720	3720	258005	844326	20061221	1215	0	2006	12	0
FLORIDA TRANSFORMER INC	4081	4081	258006	844327	20061221	24	0	2006	12	0
CITY OF FERNANDINA BEACH	4378	4378	258007	844328	20061221	237.19	0	2006	12	0
GLOBAL EQUIPMENT CO	4515	4515	258008	844329	20061221	47.43	0	2006	12	0
ACCOUNTEMPS	4669	4669	258009	844330	20061221	517.98	0	2006	12	0
HOME DEPOT	6818	6818	258011	844333	20061221	29.63	0	2006	12	0
FLORIDA PUBLIC UTILITIES CO	6891	6891	258012	844334	20061221	1006.87	0	2006	12	0
SIR SPEEDY	11711	11711	258015	844338	20061221	500.49	0	2006	12	0
DIANE M. MATOUSEK	11795	11795	258016	844339	20061221	285.15	0	2006	12	0
RAHAL CHEVROLET-BUICK INC	12116	12116	258017	844340	20061221	651.4	0	2006	12	0
LEE & CATES GLASS, INC	12511	12511	258018	844341	20061221	691.69	0	2006	12	0
BELLSOUTH	12607	12607	258019	844342	20061221	837.76	0	2006	12	0
CITY OF RIVIERA BEACH	13160	13160	258021	844344	20061221	50	0	2006	12	0

NASSAU EQUIPMENT, INC.	15323	15323	258023	844346	20061221	23.48	0	2006	12	0
GE SUPPLY	19138	19138	258026	844349	20061221	1798.43	0	2006	12	0
THE ORLANDO SENTINEL	20230	20230	258027	844351	20061221	29	0	2006	12	0
DOTTIE "B" FLORIST	25443	25443	258029	844353	20061221	112.35	0	2006	12	0
M A B PAINTS	27617	27617	258030	844354	20061221	522.51	0	2006	12	0
ALLTEL	32162	32162	258032	844356	20061221	2260.12	0	2006	12	0
WASTE MANAGEMENT OF DOTHAN	32316	32316	258033	844357	20061221	211.65	0	2006	12	0
J.J. KELLER & ASSOCIATES, INC	33212	33212	258034	844358	20061221	135.56	0	2006	12	0
CITY OF LONGWOOD	39561	39561	258039	844363	20061221	190	0	2006	12	0
BELLSOUTH ADVERTISING AND	40058	40058	258040	844364	20061221	517	0	2006	12	0
SANFORD HISTORIC TRUST, INC.	40781	40781	258042	844367	20061221	570	0	2006	12	0
CINGULAR WIRELESS	41607	41607	258044	844370	20061221	308.45	0	2006	12	0
US DEPT OF EDUCATION	43271	43271	258045	844373	20061221	171	0	2006	12	0
MARIECO, INC	43649	43649	258046	844374	20061221	1697.91	0	2006	12	0
I.B.E.W. LOCAL UNION 2152	43964	43964	258047	844375	20061221	320	0	2006	12	0
NORTHEAST FLORIDA SAFETY	45399	45399	258050	844378	20061221	585	0	2006	12	0
SHEEHAN'S TOWING, INC.	47338	47338	258053	844381	20061221	211	0	2006	12	0
OMEGA RAIL MANAGEMENT	51265	51265	258055	844383	20061221	50	0	2006	12	0
EVOK ADVERTISING & DESIGN, INC	53169	53169	258056	844385	20061221	1137.12	0	2006	12	0
CLASSIC ZUKERMAN HOMES	54415	54415	258058	844387	20061221	1005.01	0	2006	12	0
PIONEER PEST SERVICES INC	56326	56326	258059	844389	20061221	29.82	0	2006	12	0
J&J SCHMIDT FAMILY LIMITED	60204	60204	258063	844394	20061221	1065	0	2006	12	0
CONGRESS AUTO PARTS STORE #5	60547	60547	258064	844395	20061221	320.02	0	2006	12	0
PARAMOUNT IBIS LLC	62402	62402	258065	844397	20061221	1040	0	2006	12	0
SANFIEL SEPTIC SPEEDY ROOTER	62899	62899	258066	844398	20061221	1350	0	2006	12	0
R.H. DONNELLEY	63095	63095	258067	844399	20061221	1425.8	0	2006	12	0
PUBLIX EMPLOYEE FEDERAL	66385	66385	258072	844404	20061221	76.24	0	2006	12	0
AMERICAN MESSAGING	66630	66630	258073	844405	20061221	164.9	0	2006	12	0
ROSALYNN AUSTIN	67029	67029	258074	844406	20061221	392.31	0	2006	12	0
DEBRA MCCARTHY	68051	68051	258076	844408	20061221	350	0	2006	12	0
HETTIE WILLIAMS	68632	68632	258077	844409	20061221	100	0	2006	12	0
RONALD BORICK	68674	68674	258078	844413	20061221	622.66	0	2006	12	0
JOHN LINKEY	68681	68681	258079	844414	20061221	350	0	2006	12	0
TED BROWNSTEIN	68688	68688	258080	844415	20061221	622	0	2006	12	0
JACK BYRD	68702	68702	258081	844417	20061221	350	0	2006	12	0
DELRAY OCEAN ESTATES	68709	68709	258082	844418	20061221	452	0	2006	12	0
150 DUNBAR ROAD INC	68716	68716	258083	844419	20061221	500	0	2006	12	0
SEPPALA CORPORATION	68730	68730	258084	844421	20061221	602.93	0	2006	12	0
ALLEN MILLER	68744	68744	258085	844423	20061221	1487.87	0	2006	12	0
ADDISON DEVELOPMENT CORP	68751	68751	258086	844424	20061221	290.8	0	2006	12	0
JILL KAUFMAN	68772	68772	258088	844426	20061221	350	0	2006	12	0
STEPHEN O'REILLY	68800	68800	258090	844429	20061221	138	0	2006	12	0
IVAN MULLENIX	68807	68807	258091	844430	20061221	800	0	2006	12	0
DALE DUCKWORTH	68814	68814	258092	844431	20061221	365	0	2006	12	0
J.F. BRENNAN	68821	68821	258093	844432	20061221	12.16	0	2006	12	0
STEAK AND SHAKE INC	9990133658	9990133658	258094	844433	20061221	91.37	0	2006	12	0
HITT, PAUL J	9990145208	9990145208	258095	844434	20061221	414.37	0	2006	12	0
DONHAN, JOHN	9990178938	9990178938	258096	844436	20061221	1115	0	2006	12	0
COOPER, TL	9990232416	9990232416	258097	844437	20061221	73.12	0	2006	12	0
GAHAN, DIANE E	9990238409	9990238409	258099	844439	20061221	77.21	0	2006	12	0
FERONY, WILLIAM P	9990241973	9990241973	258100	844440	20061221	51.97	0	2006	12	0
CAROL TOMLINSON DBA	9990003383	9990003383	258101	844924	20061226	27.4	0	2006	12	0
RILEY, AMIE	9990009086	9990009086	258102	844925	20061226	7.79	0	2006	12	0
BEASLEY, VERONICA D	9990009228	9990009228	258103	844926	20061226	23	0	2006	12	0
MCCRANIE AND ASSOC INC	9990010853	9990010853	258104	844927	20061226	5.84	0	2006	12	0

BREITENBECK, GREGORY A	9990014096	9990014096	258105	844928	20061226	368	0	2006	12	0
NEWSOME, LISA	9990038001	9990038001	258106	844929	20061226	16.83	0	2006	12	0
BECKOWITZ, JOHN S	9990040401	9990040401	258107	844930	20061226	32.39	0	2006	12	0
PALM BEACH INSTITUTE	9990045948	9990045948	258108	844931	20061226	337.67	0	2006	12	2
BLAIR, CARY	9990050348	9990050348	258109	844932	20061226	38.34	0	2006	12	0
40 AND 8 VOITURE 290	9990051927	9990051927	258110	844933	20061226	24.1	0	2006	12	0
MOORE, EILEEN	9990068821	9990068821	258111	844934	20061226	8.74	0	2006	12	0
FLOWERS, ROBERT A	9990078167	9990078167	258112	844935	20061226	32.26	0	2006	12	0
ESPOSITO, RAE C	9990080397	9990080397	258113	844936	20061226	14.34	0	2006	12	0
MANGIAPANE, DENISE	9990085880	9990085880	258114	844937	20061226	64.93	0	2006	12	0
THOMAS, WILLIAM S	9990104295	9990104295	258115	844938	20061226	211.28	0	2006	12	0
WARREN, JAMES A	9990107286	9990107286	258116	844939	20061226	15.49	0	2006	12	0
BURCH, SUSAN	9990113879	9990113879	258117	844940	20061226	1010.58	0	2006	12	0
BURCH, ROBERT	9990113880	9990113880	258118	844941	20061226	45.93	0	2006	12	0
MOSLEY, DELORES	9990116020	9990116020	258119	844942	20061226	150.33	0	2006	12	0
LAUGHLIN, JANE A	9990118784	9990118784	258120	844943	20061226	29.32	0	2006	12	0
KNAC LIMITED LIABILITY CO	9990119992	9990119992	258121	844944	20061226	210.81	0	2006	12	0
GLENNY, PATRICK	9990140119	9990140119	258122	844945	20061226	17.24	0	2006	12	0
STIMMLER, GENE C	9990140708	9990140708	258123	844946	20061226	254.12	0	2006	12	0
ALEXIS, FOUMANN	9990145300	9990145300	258124	844947	20061226	29.26	0	2006	12	0
BORST, LULA	9990152841	9990152841	258126	844949	20061226	7	0	2006	12	0
WATSON, MARY A	9990153428	9990153428	258127	844950	20061226	2.2	0	2006	12	0
YOUNG, ROBIN W	9990153707	9990153707	258128	844951	20061226	4.23	0	2006	12	0
MORSE, JENNIFER A	9990157091	9990157091	258129	844952	20061226	4.24	0	2006	12	0
ARLINE, TABITHA M	9990159573	9990159573	258130	844953	20061226	17.29	0	2006	12	0
BAKER, ROBERT C	9990161608	9990161608	258131	844954	20061226	100.79	0	2006	12	0
GIVENS, BLAIR M	9990172615	9990172615	258132	844955	20061226	36.62	0	2006	12	0
LAIRD, BRENDA A	9990180647	9990180647	258133	844956	20061226	17.9	0	2006	12	0
BAUST, MICHAEL	9990182695	9990182695	258134	844957	20061226	147.81	0	2006	12	0
BYRNE, LEONA J	9990185076	9990185076	258135	844958	20061226	14.41	0	2006	12	0
MILLER, MARGOT	9990191480	9990191480	258137	844960	20061226	44.55	0	2006	12	0
WILLIAMS, BYRON	9990194196	9990194196	258138	844961	20061226	15.98	0	2006	12	0
ATKINSON, DAVID	9990194991	9990194991	258139	844962	20061226	39.54	0	2006	12	0
LOWE, DONNA S	9990195442	9990195442	258140	844963	20061226	40.29	0	2006	12	0
MILL, ANDY	9990196063	9990196063	258141	844964	20061226	116.09	0	2006	12	0
MACCURRACH GOLF CONST CO	9990200335	9990200335	258142	844965	20061226	23.75	0	2006	12	0
HASTIE, DAVID L	9990201606	9990201606	258143	844966	20061226	395.39	0	2006	12	0
SNYDER, STELL	9990202167	9990202167	258144	844967	20061226	100	0	2006	12	0
PREMIER PALM BEACH LP	9990208995	9990208995	258145	844968	20061226	1879.12	0	2006	12	0
HILL, JAMES C	9990210437	9990210437	258146	844969	20061226	35.1	0	2006	12	0
OLMOS, EDGAR B	9990210742	9990210742	258147	844970	20061226	20.76	0	2006	12	0
ROBINSON, SIMONE C	9990212285	9990212285	258148	844971	20061226	15.43	0	2006	12	0
VANWINTER, WILLIAM	9990212907	9990212907	258149	844972	20061226	71.53	0	2006	12	0
ISLAND WALK ASSOC, LLC	9990214909	9990214909	258150	844973	20061226	59.39	0	2006	12	0
PIERRE-LOUIS, FRANTZ	9990214972	9990214972	258151	844974	20061226	44.45	0	2006	12	0
FICKER, DENISE	9990215225	9990215225	258152	844975	20061226	525.6	0	2006	12	0
ANDERSON QUALITY CONST.	9990216934	9990216934	258153	844976	20061226	3.55	0	2006	12	0
BLUEBERRY BAKERY	9990217965	9990217965	258155	844978	20061226	162.53	0	2006	12	0
SABOGAL, NHORA	9990218442	9990218442	258157	844980	20061226	57.15	0	2006	12	0
COPPENBARGER HOMES INC	9990219008	9990219008	258158	844981	20061226	10.76	0	2006	12	0
HELMS, JOSEPH P	9990219263	9990219263	258159	844982	20061226	175.44	0	2006	12	0
SILVA, LUIS	9990219698	9990219698	258160	844983	20061226	16.04	0	2006	12	0
MOHAMMED, RHONDA K	9990220408	9990220408	258161	844984	20061226	39.42	0	2006	12	0
MACARTHUR, JAMES A	9990221866	9990221866	258162	844985	20061226	21.7	0	2006	12	0
TALAMO, DONNA	9990222447	9990222447	258163	844986	20061226	34.62	0	2006	12	0

MAYER, JEFF	9990223534 9990223534	258164	844987	20061226	43.24	0	2006	12	0
VANN, BOBBY C	9990225928 9990225928	258165	844988	20061226	25.29	0	2006	12	0
ANDERSON, LISA M	9990227204 9990227204	258166	844989	20061226	39.28	0	2006	12	0
O BRIEN, LISA	9990227851 9990227851	258167	844990	20061226	82.11	0	2006	12	0
MITCHELL, GLEN	9990229654 9990229654	258168	844991	20061226	117.19	0	2006	12	0
DUNN, WILLIAM	9990229663 9990229663	258169	844992	20061226	99.88	0	2006	12	0
DICKEL, WILLIAM	9990230246 9990230246	258170	844993	20061226	23.06	0	2006	12	0
KINDLE, JUNE	9990230414 9990230414	258171	844994	20061226	173.96	0	2006	12	0
REYES, GLORIA L	9990231943 9990231943	258173	844996	20061226	8.01	0	2006	12	0
PROSPERITY 2000, LLC	9990232167 9990232167	258174	844997	20061226	153.24	0	2006	12	0
LANDSOUTH CONSTRUCTION, LLC	9990232712 9990232712	258175	844998	20061226	75.28	0	2006	12	0
SOUSA, ROSAMAR	9990233061 9990233061	258176	844999	20061226	176.48	0	2006	12	0
FERRELL, DEBORAH K	9990234468 9990234468	258177	845000	20061226	51.28	0	2006	12	0
VANCE, DAVID A	9990234815 9990234815	258178	845001	20061226	119.82	0	2006	12	0
ERNEST, FRANK	9990235061 9990235061	258179	845002	20061226	71	0	2006	12	0
SCHULZ, LEONARD F	9990235536 9990235536	258180	845003	20061226	43.43	0	2006	12	0
TOSCANO, NORMA	9990236490 9990236490	258181	845004	20061226	65.86	0	2006	12	0
THE KINGS TABLE ENTERPRISE	9990237443 9990237443	258183	845006	20061226	60.96	0	2006	12	0
SCHMITZ, ERIC F	9990237642 9990237642	258184	845007	20061226	60.56	0	2006	12	0
MURPHY, BARBARA	9990238280 9990238280	258186	845009	20061226	34.64	0	2006	12	0
MCDONNELL, MARTIN M	9990239181 9990239181	258187	845010	20061226	198.65	0	2006	12	0
TANNER, MARTHA R	9990239324 9990239324	258188	845011	20061226	6.74	0	2006	12	0
VASQUEZ, GIL X	9990239457 9990239457	258189	845012	20061226	24.8	0	2006	12	0
GREEN, JUDITH E	9990239650 9990239650	258190	845013	20061226	43.31	0	2006	12	0
ZAKER, AHMAD	9990241333 9990241333	258191	845014	20061226	12.7	0	2006	12	0
LITTLEFIELD, KATHY	9990241406 9990241406	258192	845015	20061226	55.33	0	2006	12	0
SLAY, ASHLEY M	9990241784 9990241784	258193	845016	20061226	22.56	0	2006	12	0
O'QUINN, JEANNIE L	9990242008 9990242008	258194	845017	20061226	49.45	0	2006	12	0
DAWSON, RICHARD	9990242358 9990242358	258195	845018	20061226	78.83	0	2006	12	0
INGELSBY, MICHAEL R	9990242437 9990242437	258196	845019	20061226	6.04	0	2006	12	0
PRATT, RORI	9990242456 9990242456	258197	845020	20061226	99.5	0	2006	12	0
WOJCIK, ANTHONY J	9990243050 9990243050	258198	845021	20061226	1.75	0	2006	12	0
COME 2 DAVE'S INC	9990243204 9990243204	258199	845022	20061226	168.18	0	2006	12	0
MATTHEWS, JAMIE H	9990243761 9990243761	258200	845023	20061226	23.54	0	2006	12	0
KANGIESER, CARL M	9990244215 9990244215	258202	845025	20061226	75.41	0	2006	12	0
HENDRIX, MELBA M	9990244451 9990244451	258203	845026	20061226	155.94	0	2006	12	0
WATSON CUSTOM HOME BLDRS	9990245077 9990245077	258204	845027	20061226	61	0	2006	12	0
BUTIKOFER, KEVIN D	9990245537 9990245537	258205	845028	20061226	37.22	0	2006	12	0
WILSON, SIDNEY C	9990246164 9990246164	258206	845029	20061226	132.92	0	2006	12	0
MCCUTCHAN, JOHN P	9990246192 9990246192	258207	845030	20061226	100.72	0	2006	12	0
GOMEZ, JUAN C	9990248438 9990248438	258210	845033	20061226	27.73	0	2006	12	0
BARRIOS, JAVIER	9990249540 9990249540	258211	845034	20061226	26.68	0	2006	12	0
MAHER, MAHMOUD	9990249591 9990249591	258212	845035	20061226	92.38	0	2006	12	0
MITCHELL, DESSIE	9990249813 9990249813	258213	845036	20061226	15.34	0	2006	12	0
MAJORS, TERI N	9990250118 9990250118	258214	845037	20061226	46.38	0	2006	12	0
WIGGINS, JIM V	9990250435 9990250435	258215	845038	20061226	269.65	0	2006	12	0
FERNANDINA BEACH REALTY	9990250979 9990250979	258216	845039	20061226	70.3	0	2006	12	0
KELCORP LLC	9990251219 9990251219	258217	845040	20061226	41.21	0	2006	12	0
NGUYEN, KIM LAN -THI	9990251605 9990251605	258218	845041	20061226	8	0	2006	12	0
BAILEY, BONNIT R	9990251749 9990251749	258219	845042	20061226	64.93	0	2006	12	0
FELICIANO, ANNA M	9990252360 9990252360	258220	845043	20061226	20.35	0	2006	12	0
HUGHES, ALVIS P	9990252402 9990252402	258221	845044	20061226	7.24	0	2006	12	0
GALPHIN RENTALS	9990252679 9990252679	258222	845045	20061226	44.2	0	2006	12	0
TITUS SOLUTIONS, LLC	9990253148 9990253148	258223	845046	20061226	18.72	0	2006	12	0
BERAUD, IRMA	9990253368 9990253368	258224	845047	20061226	55.03	0	2006	12	0

WOODRUFF, CAROLYN	9990253926	9990253926	258225	845048	20061226	10.74	0	2006	12	0
ANYA LLC	9990253942	9990253942	258226	845049	20061226	40.54	0	2006	12	0
STODGHILL, JOHN D	9990254038	9990254038	258227	845050	20061226	56.16	0	2006	12	0
ERA FNDA BCH REALTY	9990254341	9990254341	258229	845052	20061226	23.8	0	2006	12	0
GUNNING, JOHN	9990254867	9990254867	258230	845053	20061226	40	0	2006	12	0
CERA, LINDA	9990254914	9990254914	258231	845054	20061226	33.48	0	2006	12	0
SUMMERLIN, ELLIS M	9990254968	9990254968	258232	845055	20061226	140.98	0	2006	12	0
OGLESBY, MILTON L	9990255027	9990255027	258233	845056	20061226	29.46	0	2006	12	0
PIERSON, JOHN	9990255086	9990255086	258234	845057	20061226	47.87	0	2006	12	0
ALMOBOVAR, ALCABIA	9990255835	9990255835	258236	845059	20061226	98.88	0	2006	12	0
MCGUIRE, DOROTHY	9990256117	9990256117	258237	845060	20061226	85.5	0	2006	12	0
FLORIDA POWER & LIGHT	2146	2146	258238	845706	20061228	6196.78	0	2006	12	0
PALM BEACH COUNTY BOARD OF	4538	4538	258239	845723	20061228	2763.5	0	2006	12	0
CITY OF COTTONDALE	5581	5581	258240	845729	20061228	3186.75	0	2006	12	0
BELLSOUTH	12607	12607	258241	845733	20061228	3977.54	0	2006	12	0
AON CONSULTING, INC.	15722	15722	258242	845736	20061228	8442	0	2006	12	0
TRI STATE UTILITY PRODUCTS INC	17822	17822	258243	845739	20061228	22683.53	0	2006	12	0
BOND PLUMBING SUPPLY, INC.	19586	19586	258244	845742	20061228	4952.4	0	2006	12	0
CITY OF WEST PALM BEACH	27721	27721	258245	845747	20061228	3471.63	0	2006	12	0
SEA COAST GROUP	34346	34346	258246	845750	20061228	3212.33	0	2006	12	0
VOYAGER	40408	40408	258247	845754	20061228	12294	0	2006	12	0
CITY OF NEW SMYRNA BEACH	45959	45959	258248	845759	20061228	6150.81	0	2006	12	0
UNUM LIFE INS. CO. OF AMERICA	46428	46428	258249	845760	20061228	9369.57	0	2006	12	0
SPRINT	48143	48143	258250	845763	20061228	11311.62	0	2006	12	0
EVOK ADVERTISING & DESIGN, INC	53169	53169	258251	845767	20061228	11097.97	0	2006	12	0
LEDGENT & LEDGENT SEARCH GROUP	58244	58244	258252	845769	20061228	5265.88	0	2006	12	0
SUREGUARD SECURITY & PATROL	60750	60750	258253	845772	20061228	9103.89	0	2006	12	0
FLORIDA GAS WORKS INC	61450	61450	258254	845773	20061228	8699.13	0	2006	12	0
SEVERN TRENT ENVIRONMENTAL	68170	68170	258255	845781	20061228	64470.85	0	2006	12	0
ABC DEMOLITION INC	68324	68324	258256	845782	20061228	10200	0	2006	12	0
CLAIRE M VAZQUEZ	68401	68401	258257	845783	20061228	4500	0	2006	12	0
CIGNA HEALTHCARE OF SOUTH	68891	68891	258258	845788	20061228	205240.14	0	2006	12	0
DAVID MONTGOMERY	433	433	258259	845701	20061228	190.62	0	2006	12	0
FANNIE SUE KOKE	511	511	258260	845702	20061228	40	0	2006	12	0
DALE BUTCHER	1505	1505	258261	845703	20061228	240.3	0	2006	12	0
COLETTE MARTIN	2063	2063	258262	845704	20061228	588.61	0	2006	12	0
FLORIDA EAST COAST RAILWAY	2090	2090	258263	845705	20061228	750	0	2006	12	0
FLORIDA POWER & LIGHT	2153	2153	258264	845707	20061228	17.43	0	2006	12	0
ARNELL WILLIS	2370	2370	258265	845708	20061228	584.65	0	2006	12	0
PETTY JULIE	2472	2472	258266	845709	20061228	44	0	2006	12	0
JOEL E. RUDERMAN	2633	2633	258267	845710	20061228	40.05	0	2006	12	0
LAURA SCOTTEN	2708	2708	258268	845711	20061228	12.46	0	2006	12	0
TERRY KNOWLES	2790	2790	258269	845712	20061228	209.98	0	2006	12	0
JARRETT SMITH	2843	2843	258270	845713	20061228	432.55	0	2006	12	0
M NICOLE MOORE	2880	2880	258271	845714	20061228	176	0	2006	12	0
GERARD STUCKART	2915	2915	258273	845716	20061228	1847.25	0	2006	12	0
TOWN OF ALFORD	4335	4335	258275	845718	20061228	1098.28	0	2006	12	0
ALTHA	4343	4343	258276	845719	20061228	1745	0	2006	12	0
TOWN OF BASCOM	4351	4351	258277	845720	20061228	160.67	0	2006	12	0
CITY OF MALONE	4360	4360	258278	845721	20061228	2310.18	0	2006	12	0
GREENWOOD	4440	4440	258279	845722	20061228	1510.44	0	2006	12	0
DEPARTMENT OF REVENUE	4651	4651	258280	845724	20061228	484.31	0	2006	12	0
UNITED PARCEL SERVICE INC	4837	4837	258281	845725	20061228	71.9	0	2006	12	0
CITY OF LAKE WORTH UTILITES	4909	4909	258282	845726	20061228	20.19	0	2006	12	0
FEDERAL EXPRESS CORP	5389	5389	258283	845727	20061228	1150.62	0	2006	12	0

CITY OF WEST PALM BEACH	5426	5426	258284	845728	20061228	634.91	0	2006	12	0
FLORIDA PUBLIC UTILITIES CO	6891	6891	258285	845730	20061228	137.38	0	2006	12	0
TEMPACO INC	6980	6980	258286	845731	20061228	845	0	2006	12	0
TOWN OF PALM BEACH SHORES	8281	8281	258287	845732	20061228	2053.38	0	2006	12	0
TOWN OF BRISTOL	14138	14138	258289	845735	20061228	1931.39	0	2006	12	0
THE PENNYSAVER	16674	16674	258290	845737	20061228	45.2	0	2006	12	0
SOUTH CENTRAL POOL SUPPLY, CO.	16758	16758	258291	845738	20061228	68.34	0	2006	12	0
TOWN OF GULFSTREAM	17996	17996	258292	845740	20061228	844.47	0	2006	12	0
ALTERNATIVE TECHNOLOGIES,INC.	19852	19852	258294	845743	20061228	80	0	2006	12	0
ZEPHYRHILLS	20769	20769	258295	845744	20061228	62	0	2006	12	0
ZEPHYRHILLS	20769	20769	258296	845745	20061228	25.02	0	2006	12	0
A PLUS FIREPLACES & SUPPLIES	27254	27254	258297	845746	20061228	220.47	0	2006	12	0
HELEN STREETMAN	29364	29364	258298	845748	20061228	500	0	2006	12	0
FLORIDA CHAMBER OF COMMERCE	37615	37615	258300	845751	20061228	2500	0	2006	12	0
OFFICETEAM	38343	38343	258301	845752	20061228	1246.2	0	2006	12	0
IRON MOUNTAIN	39330	39330	258302	845753	20061228	18.09	0	2006	12	0
BO & MIKE'S DETAIL SHOP	40822	40822	258303	845755	20061228	23.54	0	2006	12	0
THYSSENKRUPP ELEVATOR	42333	42333	258304	845756	20061228	150.39	0	2006	12	0
UTILITIES COMMISSION CITY OF	45455	45455	258306	845758	20061228	12.15	0	2006	12	0
CONTROLS INC.	46953	46953	258307	845761	20061228	893.95	0	2006	12	0
FIESTA RENTALS	47555	47555	258308	845762	20061228	249	0	2006	12	0
AMERICAN SOLUTIONS FOR	50152	50152	258310	845765	20061228	360.52	0	2006	12	0
NATURE'S BOUQUET	51139	51139	258311	845766	20061228	63.9	0	2006	12	0
BROWN & PHILLIPS, INC	55185	55185	258312	845768	20061228	1222.5	0	2006	12	0
ESPERANZA MERCADO	58944	58944	258313	845770	20061228	2205	0	2006	12	0
HAMILTON GROUP	59973	59973	258314	845771	20061228	55.64	0	2006	12	0
CITY OF DEERFIELD BEACH	62220	62220	258315	845774	20061228	1303.94	0	2006	12	0
FLORIDA GREEN BUILDING	62542	62542	258316	845775	20061228	475	0	2006	12	0
SERRAES FAMILY PARTNERSHIP	65069	65069	258317	845776	20061228	1775	0	2006	12	0
EXTRA TOUCH FLOWERS	65594	65594	258318	845777	20061228	319.5	0	2006	12	0
EMBARQ	65783	65783	258319	845778	20061228	639.57	0	2006	12	0
EMBARQ	65783	65783	258320	845779	20061228	909.97	0	2006	12	0
JONATHAN WOLFF	68779	68779	258322	845784	20061228	717	0	2006	12	0
GUISEPPE GISMONDI	68863	68863	258323	845785	20061228	100	0	2006	12	0
ROBERT TOTARO	68870	68870	258324	845786	20061228	100	0	2006	12	0
JEANNETTE ALEXANDER	68884	68884	258325	845787	20061228	350	0	2006	12	0
MARCO'S CAFE AND RESTAURANT,IN	9990253389	9990253389	258326	845789	20061228	732.04	0	2006	12	2
JACKSONVILLE ELECTRIC	2584	2584	258328	845801	20061228	25000	0	2006	12	0
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FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
NOTES

RECLASSIFICATION AND ELIMINATION

A	Elimination of Plant Acquisition Adjs. and Reclassified to Natural & Bottled Gas and Electric Utility Plant.
B	Elimination of Contributions in Aid and Reclassified to Accum. Depr. & Amort and Water Utility Plant.
C	Elimination of Investment in Assoc. Co. and Reclassified to Common Stock and Treasury Stock.
D	Elimination of Working Funds and Reclassified to Cash.
E	Elimination of Receivable Assoc. Co. and Payable to Assoc. Co.
F	Elimination of Under/Over Recovery of Fuel and Reclassified to Under/Over Recovery.
G	Reclassified Debits to Taxes Accrued to Prepayments other - I/T. (.8 & .9 accounts)
H	Elimination of accum. def. income taxes asset and reclass. to accum. def. income taxes liab.
I	Elimination of OWIP - Environment cleanup to environmental reserve
J	Elimination of Under/Over Recovery of Conservation & Unbundling and Reclassified to Under/Over Recovery.
K	Reclassify plant acquisition adjustment from Intangible Assets to Plant.
M	Cost of Removal
N	Propane Asset Retirement Obligation
O	Eliminate Unamortized Debt to LT Debt

BALANCE SHEET CLASSIFICATION - See references on Balance Sheet

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Clara Leider

From: Martin Cheryl
Sent: Thursday, June 28, 2007 1:37 PM
To: Cox Doreen
Cc: Khojasteh Mehrdad
Subject: MFR

C-44 computed the interest last rate case, but there was no ST debt, and it looks like the ITC was wrong.

Cheryl Martin
Controller
Florida Public Utilities Company
(561) 838-1725

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Friday, Apr 11, 2008 12:11 PM

From: Cox Doreen
Sent: Monday, April 02, 2007 4:41 PM
To: Cutshaw Mark; Kennedy Barry; Kitner Don; Schneidermann Marc
Cc: Bachman George; Khojasteh Mehrdad; Martin Cheryl
Subject: Propane Projections - Impairment Testing

Importance: High

P:\FPUC\PRIVATE\Propane Impairment Review\Jan 2007

We are in the process of updating our projections for the period 2007 – 2011 for submission to our consultant for our annual goodwill impairment testing as required under SFAS 142.

Please review the assumptions on the linked worksheet for your respective Propane Division and update the sheets as follows:

1. Projected Construction Expenditure (SF, CF, NE, WF) – update in the light blue sections projected expenditures for 2008 – 2011. Please exclude Community Gas Systems, which are projected for separately.
2. A-Cost Savings – Update for your respective Divisions for the years 2008 – 2011 for capital expenditures that will result in cost savings eg. Tank Monitoring Systems.
3. C-Revenue Producing Capital expenditures – Update for projected capital expenditures that will generate projected revenues eg. Tank Monitoring System and Regulatory Compliance Fee (RCF) increases. Marc, if we do not anticipate annual increases of the RCF by $0.50 please advise me so that we can revise the projections accordingly.
4. D-Investments with No Return – Update for anticipated non-revenue producing capital expenditures for your Division. NE, the items listed in column N were included in the impairment forecast last year, but not in our Budget for 2007. We need to determine if those amounts are to be eliminated or included in some other year.
5. Please review the Summary Sheet for reasonability.

Please call if you have any questions or suggestions. I would like to have this information provided to the consultant by April 9th, and would appreciate your input by Friday of this week. Please advise me by e-mail when your section has been updated.
Thanks
Doreen
Financial Analyst
(561) 838-1797

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FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
JE999.msg	1,067 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
Propane Projections - Impairme...	32 KB	HTML Document	10/16/2007 9:25 AM	Files Currently on the...
RE 10q redline and clean versio...	408 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K (2).msg	1,593 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE Audit Requests.msg	126 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...

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Clara Leider

From: Dale Buschmann [dbuschmann@bdo.com]
Sent: Thursday, May 10, 2007 11:54 AM
To: Khojasteh Mehrdad
Cc: Martin Cheryl; Lundgren April; blanchardcpa@bellsouth.net
Subject: RE: 10q redline and clean versions

Attachments: 1st quarter 10q51007dmbmarked.doc

1st quarter
1007dmbmark

I would not say they are auditing it. I would just say that all years after 2002 are open or conversely all years before 2002 are closed. You already state in a separate section that you are being audited for 2003 & 2004. Maybe you could move that note right after the FIN 48 note and then you could eliminate the duplication See my changes on the attached. Thanks Dale PS I didn't fix the pension table

---

From: Khojasteh Mehrdad [mailto:mkhojasteh@fpuc.com]
Sent: Thu 5/10/2007 11:39 AM
To: Dale Buschmann
Cc: Martin Cheryl; Lundgren April; blanchardcpa@bellsouth.net
Subject: RE: 10q redline and clean versions

They have not specifically said that they are auditing 2005 but since it is open, Ana suggested that we add it to our note.

Thanks,

Mehrdad K.
(561) 838-1724

-----Original Message-----
From: Dale Buschmann [mailto:dbuschmann@bdo.com]
Sent: Thursday, May 10, 2007 11:21 AM
To: Lundgren April
Cc: Martin Cheryl; Khojasteh Mehrdad
Subject: RE: 10q redline and clean versions

Fin 48 note - Companies should be a small C. You added 2005 here but didn't add it to the Income tax audit note. Are they auditing 2005? Rather than add 2005 to the audit note if it's not being audited, I would just state something along these lines:

Under the tax statute of limitations applicable to the Internal Revenue Code, we are no longer subject to U.S. federal income tax examinations by the Internal Revenue Service for years before 2003. However, because we are carrying forward income tax attributes, such as net operating losses and tax credits from 2002 and earlier tax years, these attributes can still be audited when utilized on returns filed in the future.
State: Under the statutes of limitation applicable to most state income tax laws, we are no longer subject to state income tax examinations by tax authorities for years before 2003 in states in which we have filed income tax returns. Certain states may take the position that we are subject to income tax in such states even though we have not filed income tax returns in such states and, depending on the varying state income tax statutes and administrative practices, the statute of limitations in such states may extend to years before 2003.
You could combine it into one paragraph and not have a federal and a state separately.
On the pension note, the table doesn't look right. Postretirement expense recorded for

the 3 months of 2007 was $50K, wasn't it?

Can you please leave the tracking on for these changes?

thanks Dale

From: Lundgren April [mailto:alundgren@fpuc.com]
Sent: Thu 5/10/2007 10:58 AM
To: Dale Buschmann
Cc: Martin Cheryl; Khojasteh Mehrdad
Subject: 10q redline and clean versions

Hi Dale:

I have attached the most recent versions of the 10q for your review.

Thank you,
April Lundgren
Sr. SEC Accountant
Florida Public Utilities Company
561.838.1788

<font size=2>Please read the following disclaimer if the above communication includes tax advice. If it does not include tax advice, please disregard the following paragraph in bold.

To ensure compliance with Treasury Department regulations, we wish to inform you that any tax advice that may be contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or applicable state or local tax law provisions or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.
____<font>

NOTICE:

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **March 31, 2007**

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to ___________

Commission File Number: **001-10608**

FLORIDA PUBLIC UTILITIES COMPANY
(Exact name of registrant as specified in its charter)

Florida	**59-0539080**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

401 South Dixie Highway,
West Palm Beach, Fl. 33401
(561) 832-0872
(Address and telephone number of registrant's principal executive offices and principal place of business)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

On May 1, 2007, there were 6,028,828 shares of $1.50 par value common stock outstanding.

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PART I. FINANCIAL INFORMATION

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Item 1. Financial Statements

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(Dollars in thousands, except share data)

	Three Months Ended March 31, 2007	2006
Revenues		
Natural gas	$20,573	$26,954
Electric	13,358	11,696
Propane gas	4,681	4,698
Total revenues	38,612	43,348
Cost of Fuel and Other Pass Through Costs	24,769	29,213
Gross Profit	13,843	14,135
Operating Expenses		
Operation and maintenance	7,173	6,805
Depreciation and amortization	2,072	1,978
Taxes other than income taxes	860	824
Total operating expenses	10,105	9,607
Operating Income	3,738	4,528
Other Income and (Deductions)		
Merchandise and service revenue	915	1,226
Merchandise and service expenses	(810)	(1,185)
Other income	151	151
Interest expense	(1,167)	(1,213)
Total other deductions – net	(911)	(1,021)
Earnings Before Income Taxes	2,827	3,507
Income Taxes	(1,029)	(1,286)
Net Income	1,798	2,221
Preferred Stock Dividends	7	7
Earnings for Common Stock	$1,791	$2,214
(Basic and Diluted):		
Earnings Per Common Share	$0.30	$0.37
Dividends Declared Per Common Share	$0.1075	$0.1033
Average Shares Outstanding	6,024,739	5,980,037

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Dollars in thousands)

ASSETS	March 31, 2007	December 31, 2006
Utility Plant		
Utility Plant	$191,633	$188,968
Less Accumulated depreciation	61,114	59,757
Net utility plant	130,519	129,211
Current Assets		
Cash	2,073	84
Accounts receivable	12,947	12,199
Allowance for uncollectible accounts	(426)	(429)
Unbilled receivables	1,684	1,957
Notes receivable	312	298
Inventories (at average unit cost)	3,883	4,120
Prepaid expenses	692	963
Under-recovery of fuel costs	1,010	862
Deferred income taxes-current	676	418
Total current assets	22,851	20,472
Other Assets		
Investments held for environmental costs	3,375	3,364
Other regulatory assets-environmental	8,121	8,284
Other regulatory assets-storm reserve	207	270
Other regulatory assets-retirement plans	442	587
Long-term receivables and other investments	5,448	5,740
Deferred charges	6,380	6,496
Goodwill	2,405	2,405
Intangible assets (net)	4,366	4,405
Total other assets	30,744	31,551
Total Assets	$184,114	$181,234

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

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FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Dollars in thousands)

CAPITALIZATION AND LIABILITIES	March 31, 2007	December 31, 2006
Capitalization		
Common shareholders' equity	$48,959	$47,572
Preferred stock	600	600
Long-term debt	50,723	50,702
Total capitalization	100,282	98,874
Current Liabilities		
Line of credit	2,215	3,466
Accounts payable	9,483	10,279
Insurance accrued	110	181
Interest accrued	1,208	789
Other accruals and payables	3,082	2,798
Taxes accrued	3,389	1,180
Over-earnings liability	675	722
Over-recovery of fuel costs and other	4,210	4,011
Customer deposits	10,152	9,608
Total current liabilities	34,524	33,034
Other Liabilities		
Deferred income taxes	17,076	17,436
Environmental liability	12,930	13,140
Regulatory liability-storm reserve	1,667	1,636
Regulatory liabilities-other	9,830	9,676
Other liabilities	7,805	7,438
Total other liabilities	49,308	49,326
Total Capitalization and Liabilities	$184,114	$181,234

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

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FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(Dollars in thousands)

	Three Months Ended March 31,	
	2007	2006
Net cash provided by operating activities	$6,416	$11,174
Investing Activities		
Construction expenditures	(3,087)	(3,265)
Proceeds received on notes receivable	87	296
Other	346	148
Net cash used in investing activities	(2,654)	(2,821)
Financing Activities		
Net decrease in short-term borrowings	(1,251)	(6,115)
Dividends paid	(653)	(1,248)
Other increases	131	163
Net cash used in financing activities	(1,773)	(7,200)
Net increase in cash	1,989	1,153
Cash at beginning of period	84	695
Cash at end of period	$2,073	$1,848

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
March 31, 2007

1. **Basis of Presentation**
The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in the United States (GAAP) for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments necessary for fair presentation have been included. The operating results for the period are not necessarily indicative of the results that may be expected for the full year. For further information, refer to the audited consolidated financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2006.

2. **Use of Estimates**
The preparation of financial statements in conformity with GAAP requires the Company to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include allowances, accruals for pensions, environmental liabilities, liability reserves, regulatory deferred tax liabilities, unbilled revenue and over-earnings liability. Actual results may differ from these estimates.

3. **Regulation**
The financial statements are prepared in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 71 – "Accounting for the Effects of Certain Types of Regulation". SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. A regulated utility may defer recognition of a cost (a regulatory asset) or show recognition of an obligation (a regulatory liability) if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in revenues. The Company has recognized certain regulatory assets and liabilities in the condensed consolidated balance sheets.

As a result, Florida Public Service Commission (FPSC) regulation has a significant effect on the Company's results of operations. The FPSC approves rates that are intended to permit a specified rate of return on investment. Rate tariffs allow the flexibility of automatically passing through the cost of natural gas and electricity to customers. Increases in the operating expenses of the regulated segments may require a request for increases in the rates charged to customers.

4. **Pledged Assets**
Substantially all of the Company's utility plant and the shares of its wholly owned subsidiary, Flo-Gas Corporation, collateralize the Company's First Mortgage Bonds (long-term debt). Cash, accounts receivable and inventory are collateral for the line of

credit.

5. **Restriction on Dividends**
The Company's Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At March 31, 2007, approximately $10.1 million of retained earnings were free of such restriction and available for the payment of dividends. The Company's line of credit agreement contains covenants that, if violated, could restrict or prevent the payment of dividends. The Company is not in violation of these covenants.

6. **Allowance for Uncollectible Accounts**
The Company records an allowance for uncollectible accounts based on historical information and trended current economic conditions. The bad debt write-offs for the first quarter 2007 were $177,000 while the provisions were $174,000.

7. **Storm Reserves**
As of March 31, 2007, the Company had a storm reserve of approximately $1.7 million for the electric segment. The Company does not have a storm reserve for the natural gas or propane gas segments. Any future storm costs affecting the natural gas segment will be deferred for recovery from customers either through rate increases or through applying any available over-earnings as a reduction to the costs. All such deferred costs are subject to review and approval by the FPSC.

The Company deferred storm costs for the natural gas segment incurred in 2004 as a regulatory asset on the condensed consolidated balance sheets. The FPSC approved recovery of these storm costs, plus interest and revenue related taxes, over a 30-month period beginning in November 2005. As of March 31, 2007, the remaining balance of these storm costs to be recovered is $207,000.

8. **Goodwill and Other Intangible Assets**
The Company does not amortize goodwill or intangibles with indefinite lives. The Company periodically tests the applicable reporting segments, natural gas and propane gas, for impairment. In the event goodwill or intangible assets related to a segment are determined to be impaired, the Company would write down such assets to fair value. The impairment test performed in 2006 showed no impairment for either reporting segment. The Company does not believe the 2007 impairment test will indicate impairment for either reporting segment. Final results are expected in the second quarter of 2007.

Goodwill associated with the Company's acquisitions consists of $500,000 in the natural gas segment and $1.9 million in the propane gas segment. The summary of intangible assets at March 31, 2007, is as follows:

Intangible Assets
(Dollars in thousands)

		2007
Customer distribution rights	(Indefinite life)	$ 1,900
Customer relationships	(Indefinite life)	900
Software	(Five to nine year life)	3,169

Accumulated amortization	(1,603)
Total intangible assets, net of amortization	$ 4,366

The amortization expense of intangible assets was approximately $86,000 for the three months ended March 31, 2007.

9. Common Shareholders' Equity

Items impacting common shareholders' equity other than income and dividends are the dividend reinvestment program, employee stock purchase program, stock compensation plans and treasury stock. The net impact of these additional items increased common shareholders' equity approximately $220,000 for the three months ended March 31, 2007. Accumulated other comprehensive loss, comprised of the deferred cost of employee benefit plans, totaled approximately $100,000 as of March 31, 2007 and December 31, 2006.

10. Over-earnings – Natural Gas Segment

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. The Company has agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

The Company has recorded estimated 2006 and 2005 over-earnings for regulated natural gas operations of $25,000 and $650,000, respectively. These liabilities are included in the over-earnings liability on the Company's condensed consolidated balance sheet of March 31, 2007. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. Estimates may be revised as expectations change and factors become known and determinable.

The 2005 and 2006 over-earnings liabilities are based on the Company's best estimates, but the amounts could change upon the FPSC finalization and review of earnings expected in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, increasing storm damage or environmental reserves or reducing any depreciation reserve deficiency.

11. Environmental Contingencies

The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. For full disclosure of the legal items that impact the Company, please refer to "Contingencies" in the Notes to Consolidated Financial Statements in the Company's Form 10-K for the year ended December 31, 2006.

12. Reclassification

Certain amounts in the 2006 financial statements have been reclassified to conform to the 2007 presentation.

13. Financial Accounting Standard Board Interpretation No. 48

The Company accounts for uncertainty in income taxes in accordance with FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48) and SFAS No. 109, Accounting for Income Taxes. The Company performed an analysis of tax positions taken and expected to be taken on the tax returns. The analysis concluded that the Company had no material uncertain tax positions.

The Interpretation requires Companies to accrue interest and penalties that would be incurred if an uncertain tax position ultimately were not sustained. In such a case, the Company would start accruing interest and penalty in the period which gives rise to the uncertain tax position. The Company would classify interest and penalties in the income statement and balance sheet separately from other tax balances and based on expected timing of cash payment to the taxing authorities.

Under the tax statute of limitations applicable to the Internal Revenue Code and state taxes, we are no longer subject to examinations by the Internal Revenue Service or the State of Florida for years before 2003. However, because we are carrying forward income tax attributes, such as net operating losses and tax credits from 2002 and earlier tax years, these attributes can still be audited when utilized on returns filed in the future. As noted in Note 14, we have been notified of a IRS audit.

14. IRS Examination

In February of 2007, the IRS informed us that it has selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we do not expect any material adverse findings as the result of the impending IRS audit.

15. Recent Accounting Standards

FSP AUG AIR-1 Accounting for Planned Major Maintenance Activities

FASB Staff Position (FSP) AUG AIR-1 *"Accounting for Planned Major Maintenance Activities,"* amended APB 28, *"Interim Financial Reporting,"* to prohibit the use of the accrue-in-advance method of accounting for planned major maintenance. The Company does not accrue-in-advance for planned major maintenance activities therefore the adoption of FSP AUG AIR-1 in the first quarter of 2007 did not have an impact on the Company's results of operations, cash flows or financial position.

Financial Accounting Standard No. 159

In February 2007, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, non-financial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement becomes effective January 1, 2008 for financial statements issued for fiscal years beginning after November 15, 2007. As the Company does not

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In February of 2007, the IRS informed us that it has selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we do not expect any material adverse findings as the result of the impending IRS audit.¶
¶
14. Recent Accounting Standards

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FASB Staff Position (FSP) AUG AIR-1 *"Accounting for Planned Major Maintenance Activities,"* amended APB 28, *"Interim Financial Reporting,"* to prohibit the use of the accrue-in-advance method of accounting for planned major maintenance. The Company does not accrue-in-advance for planned major maintenance activities therefore the adoption of FSP AUG AIR-1 in the first quarter of 2007 did not have an impact on the Company's results of operations, cash flows or financial position.¶
¶
Financial Accounting Standard No. 159¶
In February 2007, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 159, "The Fair Value Option for Financial Assets a[... [1]]

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believe adoption of this Statement will have a material impact on our financial condition or results of operation, we do not anticipate electing the fair value option.

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16. Employee Benefit Plans

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The Company sponsors a qualified defined benefit pension plan for non-union employees that were hired before January 1, 2005 and for unionized employees that work under one of the six Company union contracts and were hired before their respective contract dates in 2005. The Company also sponsors a postretirement medical plan.

The following table provides the components of the net periodic benefit cost for our pension plan and postretirement benefit plan for the three months ended March 31, 2006 and 2007.

FLORIDA PUBLIC UTILITIES COMPANY
Net Periodic Benefit Costs
(Dollars in thousands)

	Three Months Ended March 31, 2007	2006
Pension Plan:		
Service Cost	$ 283	$ 308
Interest Cost	566	524
Expected Return on Plan Assets	(610)	(603)
Amortization of Prior Service Cost	184	184
Net Periodic Pension Cost	$ 423	$ 413
Postretirement Benefit Plan:		
Service Cost	16	15
Interest Cost	26	26
Amortization of Transition Obligation/(Asset)	11	11
Amortization of Net (Gain) or Loss	(5)	(4)
Net Periodic Postretirement Benefit Cost	$ 48	$ 48

For additional information related to our employee benefit plans, please see Note 12 to the Consolidated Financial Statements of the company's 10-K Annual Report.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

We have three primary business segments: natural gas, electric and propane gas. The Florida Public Service Commission (FPSC) regulates the natural gas and electric segments.

Results of Operations

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Revenues and Gross Profit Summary

Revenues include cost recovery revenues. The FPSC allows cost recovery revenues to directly recover costs of fuel, conservation and revenue-based taxes in our natural gas and electric segments. Revenues collected for these costs and expenses have no effect on results of operations and fluctuations could distort the relationship of revenues between periods. Gross profit is defined as gross operating revenues less fuel, conservation and revenue-based taxes that are passed directly through to customers. Because gross profit eliminates these cost recovery revenues, we believe it provides a more meaningful basis for evaluating utility revenues. The following summary compares gross profit between periods and units sold in one thousand Dekatherm (MDth) (gas) and Megawatt Hour (MWH) (electric).

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Revenues and Gross Profit
(Dollars in thousands)

	Three Months Ended March 31,	
	2007	**2006**
Natural Gas		
Revenues	$20,573	$26,954
Cost of fuel and other pass through costs	12,522	18,555
Gross Profit	$ 8,051	$ 8,399
Units sold: (MDth)	1,840	1,946
Electric		
Revenues	$13,358	$11,696
Cost of fuel and other pass through costs	9,899	8,273
Gross Profit	$ 3,459	$ 3,423
Units sold: (MWH)	185,636	197,227
Propane Gas		
Revenues	$4,681	$4,698
Cost of fuel	2,348	2,385
Gross Profit	$2,333	$2,313
Units sold: (MDth)	192	200
Consolidated		

Revenues	$38,612	$43,348
Cost of fuel	24,769	29,213
Gross Profit	$13,843	$14,135

[...[4]]

Three Months Ended March 31, 2007 Compared with Three Months Ended March 31, 2006.

Revenues and Gross Profit

Natural Gas

Natural gas service revenues decreased $6,381,000 in the first quarter of 2007 over the same period in 2006. As the cost of natural gas continues to decline, revenues to recover our cost of fuel and other costs passed through to customers decreased by $6,033,000. These costs do not impact our gross profit. Our gross profit decreased $348,000 or 4%. The decrease in gross profit is attributable to a 5% decrease in units sold in 2007 due primarily to generally warmer weather compared to the prior year.

Electric

Electric service revenues increased $1,662,000 in the first quarter of 2007 over the same period in 2006. $1,626,000 of the increase was attributable to the cost of fuel and other costs that were passed through to customers. A new fuel contract in our Northeast division was effective January 1, 2007 and this increased the cost of fuel that was passed through to our customers. Gross profit was flat compared to the first quarter of 2006.

Propane Gas

Propane experienced a 4% decrease in units sold to customers due to warmer weather; however this was offset by increased profit margins.

Operating Expenses

Operating expenses were higher by $498,000 in the first quarter of 2007 compared to the same period in 2006. The majority of the increased expense is from cost of living raises related to payroll and increased payroll expense incurred to improve natural gas customer service and collections.

Other Income and Deductions

Although merchandise and service revenue decreased by $311,000 in the first quarter of 2007 compared to the same period last year, our profit increased by $64,000. We experienced a decrease in revenue mainly due to lower demand for merchandise as a result of the slow down of new construction projects during the current downturn in the housing market. Despite the decrease to our revenues, profitability rose due to a focus by our management on pricing structure.

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The total interest expense decreased $46,000 as compared to the same period last year, due mainly to a decrease in the average outstanding balance on the line of credit.

Income Taxes

Income tax expense decreased in the first quarter of 2007 by $257,000 over the same period last year as a result of lower taxable income.

Liquidity and Capital Resources

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Cash Flows

Operating Activities
Net cash flow provided by operating activities for the three months ended March 31, 2007 decreased by approximately $4.8 million over the same period in 2006. The over-recovered fuel costs in 2006 and the related reduction in fuel costs in 2007 that are passed to our customers accounted for approximately $5.1 million decrease in the current year's net cash flow as compared to the prior year.

Investing Activities
Construction expenditures did not fluctuate significantly between the quarters, decreasing by approximately $178,000 compared to the same period last year.

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Financing Activities
Decreases in cash flow used in financing activities were mostly attributable to reductions in short-term borrowings. In the first quarter of 2007 we paid down our line of credit by $1.3 million as compared to $6.1 million in the first quarter of 2006. The increase in fuel costs during the latter part of 2005 resulted in large fuel under-recoveries and therefore a higher dependence on short-term financing in the first quarter of 2006 compared to 2007.

Capital Resources

We have a $12 million line of credit (LOC), which expires on July 1, 2008. Upon 30 days notice by us we can increase the LOC to a maximum of $20 million. The LOC contains affirmative and negative covenants that, if violated, would give the bank the right to accelerate the due date of the loan to be immediately payable. The covenants include certain financial ratios. All ratios are currently within the required limits and management believes we are in full compliance with all covenants and anticipates continued compliance in the foreseeable future. We reserve $1 million of the LOC to cover expenses for any major storm repairs in our electric segment and an additional $250,000 for a letter of credit insuring propane facilities. As of March 31, 2007, the amount borrowed from the LOC was $2.2 million. At March 31, 2007, the LOC, long-term debt and preferred stock comprised 52% of total equity and debt capitalization.

Our 1942 Indenture of Mortgage and Deed of Trust, which is a mortgage on all real and personal property, permits the issuance of additional bonds based upon a calculation of unencumbered net real and personal property. At March 31, 2007, such calculation would permit the issuance of approximately $39.8 million of additional bonds.

We have $3.4 million in invested funds for payment of future environmental costs. We expect to incur between $5.8 million and $19.1 million through year ending December 31, 2021 for expenses related to environmental clean up.

Capital Requirements

Portions of our business are seasonal and dependent on weather conditions in Florida. The weather affects the sale of electricity and gas, and thereby impacts the cash provided by operations. Construction costs also impact cash requirements throughout the year. Cash needs for operations and construction are met partially through short-term borrowings from our LOC.

We plan to purchase land for the construction of our South Florida division office within three years. The possible purchase of the land would increase capital expenditures by $4 to $6 million. The current South Florida division office is located on environmentally impacted property, which requires relocating the office to allow for clean up of the property. It will not be possible to rebuild at the current location since this site has been rezoned with a residential designation. We are planning to build and complete this new facility in the next five years. Additional construction expenditures for the remainder of 2007 include the anticipated construction of an office building in Northeast Florida. The cost is expected to be approximately $750,000 with construction scheduled for completion in early 2008.

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Deleted: Additionally, the construction expenditures for the remainder of 2007 are expected to increase due to the anticipated construction of an office building in Northeast Florida. The cost is expected to be approximately $750,000 with construction scheduled for completion in early 2008.

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Deleted: The estimated cost of the land is $4 million to $6 million.

Material commitments for capital expenditures consist of $775,000 for the purchase of a transformer and vehicle purchases totaling approximately $489,000.

Cash requirements are anticipated to increase significantly in the future due to additional environmental clean up costs, sinking fund payments on long-term debt and pension contributions. Environmental clean up costs are forecasted to be approximately $600,000 through 2007, with remaining payments which could total approximately $13.1 million, beginning in 2008 and ending in 2021. Annual long-term debt sinking fund payments of approximately $1.4 million will begin in 2008 and will continue for eleven years. Current projections indicate that we will need to make a contribution of $250,000 to our pension plan in 2007. Congress has finalized the new funding rules and we may have significant contribution requirements for several years beginning with 2008.

Due to delayed environmental clean-up costs, we currently do not anticipate that any equity or debt financing in 2007 will be required. We believe that cash from operations, coupled with short-term borrowings on the LOC, will be sufficient to satisfy our operating expenses, normal capital expenditure requirements and dividend payments through spring of 2008. However, cash requirements are forecasted to increase significantly in the future due to our environmental clean up costs, a land purchase, and sinking fund payments on long-term debt and pension contributions. If cash needs relating to the land purchase and related construction and the timing of environmental expenditures change, it is possible we may consider equity or debt financing. The need and timing will depend upon the overall company cash flow requirements. There can be no assurance, however, that equity or debt financing will be available on favorable terms, or at all, when we seek such financings.

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Outlook

Electric Power Supply

Contracts with our two electric suppliers were originally set to expire on December 31,

2007. Those long-term contracts provided electricity to our customers at rates much lower than current market rates. As part of our negotiations, we agreed to end the current contract terms for our Northeast division on December 31, 2006 and executed an amended contract that began January 1, 2007 and will expire December 31, 2017. Although the contract rates have increased for 2007, this enabled us to obtain lower rates for the longer term of the contract than would have been available if we had not revised the contract. The savings are passed through to our customers without profit to us.

We executed a contract for the provider of electricity in our Northwest division in December 2006 and are seeking approval of this contract and its related terms and conditions from the FPSC on or before July 1, 2007. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division. This contract will be for the purchase of electricity beginning January 1, 2008. We anticipate that contract will result in rates closer to market, which could cause our customers' bills to double over existing prices in the next several years.

We are unable to estimate what impact, if any, the higher rates could have on electric consumption.

Propane Gas

We continue to review the possibility of hedging activities later in 2007 to help mitigate the risk of price changes for our cost of propane gas. We are unable to determine the impact this activity will have on our future operating income.

Deleted: We used advance purchase agreements made in the normal course of procuring propane gas supplies in past years. These agreements resulted in a loss of gross profit of approximately $5,000 in 2006 and additional gross profit of approximately $383,000 in 2005.¶

Over-earnings-Natural Gas Segment

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We have recorded estimated 2006 and 2005 over-earnings for regulated natural gas operations of $25,000 and $650,000, respectively. These liabilities have been included in the over-earnings liability on our balance sheet. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. Estimates may be revised as expectations change and factors become known and determinable.

Our 2005 and 2006 estimates of our over-earnings liabilities could change upon the FPSC finalization and review of our earnings for 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

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In 2007, we requested that the 2005 natural gas over-earnings be used to provide additional funds to our regulatory storm reserve liability and reduce the costs currently being recovered from our customers through a storm surcharge. If the FPSC approves this disposition, we will end the storm surcharge later in 2007.

Indiantown Gas
The FPSC approved our joint transportation and territorial agreements with Indiantown in October 2006. We have also begun construction in the Indiantown area to install natural gas mains in the first phase of this development for approximately 100 homes. The next two developments are slated to break ground later in 2007 for construction of approximately 1,000 homes.

Land Purchase
We have entered into an agreement to purchase land for the new South Florida division office. We are in the process of completing due diligence on this property and expect to finalize this phase and close on the property during the second quarter of 2007.

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New Division Office
We are planning to build a new operations center for our Northeast division on land we currently own. We are in the process of developing and finalizing the building plans, and expect to begin construction sometime in 2007. The cost is expected to be $750,000 and should be completed in early 2008.

Storm Related Expenditures
Regulators continue to focus on hurricane preparedness and storm recovery issues for utility companies. Newly mandated storm preparedness initiatives could impact our operating expenses and capital expenditures later in 2007. The initial forecasts of these annual expenditures are approximately $700,000. It is possible that additional regulation and rules will be mandated regarding storm related expenditures over the next several years. We requested that the FPSC allow us to recover the cost of the newly mandated storm preparedness initiatives and to defer these storm-related expenditures until we receive recovery through a rate increase. If approved, both the recovery and expenditures may occur by mid-2007. If these expenditures are approved for rate recovery in 2007, these rates would be temporary until final rates were implemented as a result of an electric base rate proceeding.

Electric Base Rate Proceeding
We plan to file a request with the FPSC in the third quarter of 2007 for a base rate increase in our electric segment. This request will include recovery of increased expenses and capital expenditures since our last rate proceeding in 2004, as well as additional storm-related expenditures as discussed above. Finalization of this request and approval, if any, of an electric base rate increase would not occur until early 2008. Possible interim rate relief for partial recovery of the increased expenditures may occur in late 2007.

Impact of Recent Accounting Standards
FASB Staff Position (FSP) AUG AIR-1 *"Accounting for Planned Major Maintenance Activities,"* amended APB 28, "*Interim Financial Reporting*," to prohibit the use of the accrue-in-advance method of accounting for planned major maintenance. The Company does not accrue-in-advance for planned major maintenance activities

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therefore the adoption of FSP AUG AIR-1 in the first quarter of 2007 did not have an impact on the Company's results of operations, cash flows or financial position.

Financial Accounting Standard No. 159
In February 2007, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, nonfinancial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company expects to adopt SFAS No. 159 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard Board Interpretation No. 48
The Company accounts for uncertainty in income taxes in accordance with FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48) and SFAS No. 109, Accounting for Income Taxes. The Company performed an analysis of tax positions taken and expected to be taken on the tax returns. The analysis concluded that the Company had no material uncertain tax positions.

The Interpretation requires Companies to accrue interest and penalties that would be incurred if an uncertain tax position ultimately were not sustained. In such a case, the Company would start accruing interest and penalty in the period which gives rise to the uncertain tax position. The Company would classify interest and penalties in the income statement and balance sheet separately from other tax balances and based on expected timing of cash payment to the taxing authorities.

In February of 2007, the IRS informed us that it selected our 2003, 2004 and 2005 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings resulting from the IRS audit.

Forward-Looking Statements (Cautionary Statement)
This report contains forward-looking statements including those relating to the following:

- Based on our current expectations for cash needs, including cash needs relating to the possible land purchase and related construction, we may choose to consider an equity or debt financing.

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¶
We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings and case law and determined that the Company has no material uncertain tax positions. ¶

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- Our anticipation of continued compliance in the foreseeable future with our LOC covenants.
- Construction expenditures for the remainder of 2007 may increase by $4 to $6 million over the same period in 2006 if we are successful in negotiating the purchase of the land for our South Florida operations.
- Our expectation that cash requirements will increase significantly in the future due to environmental clean-up costs, sinking fund payment on long-term debt and pension contributions.
- Our belief that cash from operations, coupled with short-term borrowings on our LOC, will be sufficient to satisfy our operating expenses, normal construction expenditure and dividend payments through spring of 2008.
- Our 2006 and 2005 over-earnings liability in natural gas will materialize as estimated after the FPSC review and audit.
- We expect there will be no impairment of either reporting segment upon finalization of our impairment testing in 2007.
- We expect higher fuel costs beginning in 2008 for our Northwest electric division.
- The development in Indiantown will occur as estimated.
- Storm related expenditures may be necessary beginning in 2007 and the total cost may be significant. We may receive recovery for these expenditures.
- The purchase of land for our new South Florida division office may occur in 2007.
- We expect to file for an electric base rate increase in the third quarter of 2007 and finalization is expected in early 2008. Final rates, if approved by the FPSC, would not occur until 2008.
- We anticipate capital expenditures of approximately $750,000 for the construction of an office building in Northeast Florida. Construction will begin in 2007 and be completed in early 2008.

These statements involve certain risks and uncertainties. Actual results may differ materially from what is expressed in such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed by the forward-looking statements include, but are not limited to, those set forth in "Risk Factors" in our Form 10-K for the year ending December 31, 2006.

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Item 3. Quantitative and Qualitative Disclosures about Market Risk

All financial instruments held by us were entered into for purposes other than for trading. We have market risk exposure only from the potential loss in fair value resulting from changes in interest rates. We have no material exposure relating to commodity prices because under our regulatory jurisdictions, we are fully compensated for the actual costs of commodities (natural gas and electricity) used in our operations. Any commodity price increases for propane gas are normally passed through monthly to propane gas customers as the fuel charge portion of their rate.

None of our gas or electric contracts are accounted for using the fair value method of accounting. While some of our contracts meet the definition of a derivative, we have designated these contracts as "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

On a rolling four-quarter basis, we will purchase a "cap" on approximately one-third of our forecast propane volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane purchases. The remaining one-third will fluctuate with the market price. Our energy strategy allows us to participate in two-thirds of price declines but only one-third of price increases. As of March 31, 2007, we have not entered into any hedging activities. When we do enter into hedging activities, we will determine whether they meet the definition of normal sales and purchases and if not, we will determine whether we can use hedge accounting.

We have no exposure to equity risk, as we do not hold any equity instruments. Our exposure to interest rate risk is limited to investments held for environmental costs, the long-term notes receivable from the sale of our water division and short-term borrowings on the line of credit. The investments held for environmental costs are short-term fixed income debt securities whose carrying amounts are not materially different than fair value. The short-term borrowings were approximately $2.2 million at the end of March 2007. We do not believe we have material market risk exposure related to these instruments. The indentures governing our two first mortgage bond series outstanding contain "make-whole" provisions (pre-payment penalties that charge for lost interest), which render refinancing impracticable.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer as of March 31, 2007, concluded that our disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended March 31, 2007 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 6. Exhibits

3.1 Amended Articles of Incorporation (incorporated herein by reference as Exhibit 3.1 to our quarterly report on Form 10-Q for the period ended June 30, 2002).

3.2 Amended By-Laws (incorporated herein by reference as Exhibit 3(ii) to our quarterly report on Form 10-Q for the period ended June 30, 2002).

4.1 Indenture of Mortgage and Deed of Trust of FPU dated as of September 1, 1942 (incorporated by reference herein to Exhibit 7-A to Registration No. 2-6087).

4.2 Fourteenth Supplemental Indenture dated September 1, 2001 (incorporated by reference to exhibit 4.2 on our annual report on Form 10-K for the year ended December 31, 2001).

4.3 Fifteenth Supplemental Indenture dated November 1, 2001 (incorporated by reference to exhibit 4.3 on our annual report on Form 10-K for the year ended December 31, 2001).

31.1 Certification of Chief Executive Officer (CEO) per Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer (CFO) per Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certification of Principal Executive Officer and Principal Financial Officer per Section 906 of the Sarbanes-Oxley Act of 2002.

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Deleted: Item 1A. Risk Factors¶
No new risk factors have been identified outside of those included in our most recent Form 10-K for the year ending December 31, 2006. You should read the risk factors contained within the 10K in conjunction with this report. ¶

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FLORIDA PUBLIC UTILITIES COMPANY
(Registrant)

Date: May 14, 2007 By: /s/ George M. Bachman

George M. Bachman
Chief Financial Officer
(Principal Accounting Officer)

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FLORIDA PUBLIC UTILITIES COMPANY
EXHIBIT INDEX

<u>Item Number</u>

31.1	Certification of Chief Executive Officer (CEO) per Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer (CFO) per Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification of Principal Executive Officer and Principal Financial Officer per Section 906 of the Sarbanes-Oxley Act of 2002.

Page 10: [1] Deleted **buschmdm** **5/10/2007 11:50:00 AM**

FASB Staff Position (FSP) AUG AIR-1 *"Accounting for Planned Major Maintenance Activities,"* amended APB 28, *"Interim Financial Reporting,"* to prohibit the use of the accrue-in-advance method of accounting for planned major maintenance. The Company does not accrue-in-advance for planned major maintenance activities therefore the adoption of FSP AUG AIR-1 in the first quarter of 2007 did not have an impact on the Company's results of operations, cash flows or financial position.

Financial Accounting Standard No. 159

In February 2007, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, non-financial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement becomes effective January 1, 2008 for financial statements issued for fiscal years beginning after November 15, 2007. As the Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation, we do not anticipate electing the fair value option.

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As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings resulting from the IRS audit.

Page 10: [3] Deleted **alundgren** **5/9/2007 4:59:00 PM**

In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings and case law and determined that the Company has no material uncertain tax positions.

Page 14: [4] Deleted **alundgren** **5/10/2007 10:49:00 AM**

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Files Currently on the CD

Name	Size	Type	Date Modified	Location
Propane Projections - Impairme...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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10K correction.msg	34 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
10q draft with revisions to date....	673 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
2007 1st quarter audit.msg	1,675 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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ANALYTICS.msg	102 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Covenants-DEC 2006 xls.msg	150 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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Friday, Apr 11, 2008 01:34 PM

Clara Leider

From:	Dale Buschmann [dbuschmann@bdo.com]
Sent:	Thursday, May 10, 2007 11:54 AM
To:	Khojasteh Mehrdad
Cc:	Martin Cheryl; Lundgren April; blanchardcpa@bellsouth.net
Subject:	RE: 10q redline and clean versions
Attachments:	1st quarter 10q51007dmbmarked.doc

1st quarter
1007dmbmark

I would not say they are auditing it. I would just say that all years after 2002 are open or conversely all years before 2002 are closed. You already state in a separate section that you are being audited for 2003 & 2004. Maybe you could move that note right after the FIN 48 note and then you could eliminate the duplication See my changes on the attached. Thanks Dale PS I didn't fix the pension table

---

From: Khojasteh Mehrdad [mailto:mkhojasteh@fpuc.com]
Sent: Thu 5/10/2007 11:39 AM
To: Dale Buschmann
Cc: Martin Cheryl; Lundgren April; blanchardcpa@bellsouth.net
Subject: RE: 10q redline and clean versions

They have not specifically said that they are auditing 2005 but since it is open, Ana suggested that we add it to our note.

Thanks,

Mehrdad K.
(561) 838-1724

-----Original Message-----
From: Dale Buschmann [mailto:dbuschmann@bdo.com]
Sent: Thursday, May 10, 2007 11:21 AM
To: Lundgren April
Cc: Martin Cheryl; Khojasteh Mehrdad
Subject: RE: 10q redline and clean versions

Fin 48 note - Companies should be a small C. You added 2005 here but didn't add it to the Income tax audit note. Are they auditing 2005? Rather than add 2005 to the audit note if it's not being audited, I would just state something along these lines:

Under the tax statute of limitations applicable to the Internal Revenue Code, we are no longer subject to U.S. federal income tax examinations by the Internal Revenue Service for years before 2003. However, because we are carrying forward income tax attributes, such as net operating losses and tax credits from 2002 and earlier tax years, these attributes can still be audited when utilized on returns filed in the future.
State: Under the statutes of limitation applicable to most state income tax laws, we are no longer subject to state income tax examinations by tax authorities for years before 2003 in states in which we have filed income tax returns. Certain states may take the position that we are subject to income tax in such states even though we have not filed income tax returns in such states and, depending on the varying state income tax statutes and administrative practices, the statute of limitations in such states may extend to years before 2003.
You could combine it into one paragraph and not have a federal and a state separately.
On the pension note, the table doesn't look right. Postretirement expense recorded for

the 3 months of 2007 was $50K, wasn't it?

Can you please leave the tracking on for these changes?

thanks Dale

From: Lundgren April [mailto:alundgren@fpuc.com]
Sent: Thu 5/10/2007 10:58 AM
To: Dale Buschmann
Cc: Martin Cheryl; Khojasteh Mehrdad
Subject: 10q redline and clean versions

Hi Dale:

I have attached the most recent versions of the 10q for your review.

Thank you,
April Lundgren
Sr. SEC Accountant
Florida Public Utilities Company
561.838.1788

<font size=2>Please read the following disclaimer if the above communication includes tax advice. If it does not include tax advice, please disregard the following paragraph in bold.

To ensure compliance with Treasury Department regulations, we wish to inform you that any tax advice that may be contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or applicable state or local tax law provisions or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.
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NOTICE:

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **March 31, 2007**

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to ___________

Commission File Number: **001-10608**

FLORIDA PUBLIC UTILITIES COMPANY
(Exact name of registrant as specified in its charter)

Florida	**59-0539080**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

401 South Dixie Highway,
West Palm Beach, Fl. 33401
(561) 832-0872
(Address and telephone number of registrant's principal executive offices and principal place of business)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

On May 1, 2007, there were 6,028,828 shares of $1.50 par value common stock outstanding.

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PART I. FINANCIAL INFORMATION

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Item 1. Financial Statements

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(Dollars in thousands, except share data)

	Three Months Ended March 31, 2007	2006
Revenues		
Natural gas	$20,573	$26,954
Electric	13,358	11,696
Propane gas	4,681	4,698
Total revenues	38,612	43,348
Cost of Fuel and Other Pass Through Costs	24,769	29,213
Gross Profit	13,843	14,135
Operating Expenses		
Operation and maintenance	7,173	6,805
Depreciation and amortization	2,072	1,978
Taxes other than income taxes	860	824
Total operating expenses	10,105	9,607
Operating Income	3,738	4,528
Other Income and (Deductions)		
Merchandise and service revenue	915	1,226
Merchandise and service expenses	(810)	(1,185)
Other income	151	151
Interest expense	(1,167)	(1,213)
Total other deductions – net	(911)	(1,021)
Earnings Before Income Taxes	2,827	3,507
Income Taxes	(1,029)	(1,286)
Net Income	1,798	2,221
Preferred Stock Dividends	7	7
Earnings for Common Stock	$1,791	$2,214
(Basic and Diluted):		
Earnings Per Common Share	$0.30	$0.37
Dividends Declared Per Common Share	$0.1075	$0.1033
Average Shares Outstanding	6,024,739	5,980,037

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Dollars in thousands)

ASSETS	March 31, 2007	December 31, 2006
Utility Plant		
Utility Plant	$191,633	$188,968
Less Accumulated depreciation	61,114	59,757
Net utility plant	130,519	129,211
Current Assets		
Cash	2,073	84
Accounts receivable	12,947	12,199
Allowance for uncollectible accounts	(426)	(429)
Unbilled receivables	1,684	1,957
Notes receivable	312	298
Inventories (at average unit cost)	3,883	4,120
Prepaid expenses	692	963
Under-recovery of fuel costs	1,010	862
Deferred income taxes-current	676	418
Total current assets	22,851	20,472
Other Assets		
Investments held for environmental costs	3,375	3,364
Other regulatory assets-environmental	8,121	8,284
Other regulatory assets-storm reserve	207	270
Other regulatory assets-retirement plans	442	587
Long-term receivables and other investments	5,448	5,740
Deferred charges	6,380	6,496
Goodwill	2,405	2,405
Intangible assets (net)	4,366	4,405
Total other assets	30,744	31,551
Total Assets	$184,114	$181,234

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

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FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Dollars in thousands)

CAPITALIZATION AND LIABILITIES	March 31, 2007	December 31, 2006
Capitalization		
Common shareholders' equity	$48,959	$47,572
Preferred stock	600	600
Long-term debt	50,723	50,702
Total capitalization	100,282	98,874
Current Liabilities		
Line of credit	2,215	3,466
Accounts payable	9,483	10,279
Insurance accrued	110	181
Interest accrued	1,208	789
Other accruals and payables	3,082	2,798
Taxes accrued	3,389	1,180
Over-earnings liability	675	722
Over-recovery of fuel costs and other	4,210	4,011
Customer deposits	10,152	9,608
Total current liabilities	34,524	33,034
Other Liabilities		
Deferred income taxes	17,076	17,436
Environmental liability	12,930	13,140
Regulatory liability-storm reserve	1,667	1,636
Regulatory liabilities-other	9,830	9,676
Other liabilities	7,805	7,438
Total other liabilities	49,308	49,326
Total Capitalization and Liabilities	$184,114	$181,234

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

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FLORIDA PUBLIC UTILITIES COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(Dollars in thousands)

	Three Months Ended March 31, 2007	Three Months Ended March 31, 2006
Net cash provided by operating activities	$6,416	$11,174
Investing Activities		
Construction expenditures	(3,087)	(3,265)
Proceeds received on notes receivable	87	296
Other	346	148
Net cash used in investing activities	(2,654)	(2,821)
Financing Activities		
Net decrease in short-term borrowings	(1,251)	(6,115)
Dividends paid	(653)	(1,248)
Other increases	131	163
Net cash used in financing activities	(1,773)	(7,200)
Net increase in cash	1,989	1,153
Cash at beginning of period	84	695
Cash at end of period	$2,073	$1,848

These financial statements should be read with the accompanying Notes to Condensed Consolidated Financial Statements.

FLORIDA PUBLIC UTILITIES COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
March 31, 2007

1. **Basis of Presentation**
The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in the United States (GAAP) for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments necessary for fair presentation have been included. The operating results for the period are not necessarily indicative of the results that may be expected for the full year. For further information, refer to the audited consolidated financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2006.

2. **Use of Estimates**
The preparation of financial statements in conformity with GAAP requires the Company to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include allowances, accruals for pensions, environmental liabilities, liability reserves, regulatory deferred tax liabilities, unbilled revenue and over-earnings liability. Actual results may differ from these estimates.

3. **Regulation**
The financial statements are prepared in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 71 – "Accounting for the Effects of Certain Types of Regulation". SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. A regulated utility may defer recognition of a cost (a regulatory asset) or show recognition of an obligation (a regulatory liability) if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in revenues. The Company has recognized certain regulatory assets and liabilities in the condensed consolidated balance sheets.

As a result, Florida Public Service Commission (FPSC) regulation has a significant effect on the Company's results of operations. The FPSC approves rates that are intended to permit a specified rate of return on investment. Rate tariffs allow the flexibility of automatically passing through the cost of natural gas and electricity to customers. Increases in the operating expenses of the regulated segments may require a request for increases in the rates charged to customers.

4. **Pledged Assets**
Substantially all of the Company's utility plant and the shares of its wholly owned subsidiary, Flo-Gas Corporation, collateralize the Company's First Mortgage Bonds (long-term debt). Cash, accounts receivable and inventory are collateral for the line of

credit.

5. **Restriction on Dividends**
The Company's Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At March 31, 2007, approximately $10.1 million of retained earnings were free of such restriction and available for the payment of dividends. The Company's line of credit agreement contains covenants that, if violated, could restrict or prevent the payment of dividends. The Company is not in violation of these covenants.

6. **Allowance for Uncollectible Accounts**
The Company records an allowance for uncollectible accounts based on historical information and trended current economic conditions. The bad debt write-offs for the first quarter 2007 were $177,000 while the provisions were $174,000.

7. **Storm Reserves**
As of March 31, 2007, the Company had a storm reserve of approximately $1.7 million for the electric segment. The Company does not have a storm reserve for the natural gas or propane gas segments. Any future storm costs affecting the natural gas segment will be deferred for recovery from customers either through rate increases or through applying any available over-earnings as a reduction to the costs. All such deferred costs are subject to review and approval by the FPSC.

The Company deferred storm costs for the natural gas segment incurred in 2004 as a regulatory asset on the condensed consolidated balance sheets. The FPSC approved recovery of these storm costs, plus interest and revenue related taxes, over a 30-month period beginning in November 2005. As of March 31, 2007, the remaining balance of these storm costs to be recovered is $207,000.

8. **Goodwill and Other Intangible Assets**
The Company does not amortize goodwill or intangibles with indefinite lives. The Company periodically tests the applicable reporting segments, natural gas and propane gas, for impairment. In the event goodwill or intangible assets related to a segment are determined to be impaired, the Company would write down such assets to fair value. The impairment test performed in 2006 showed no impairment for either reporting segment. The Company does not believe the 2007 impairment test will indicate impairment for either reporting segment. Final results are expected in the second quarter of 2007.

Goodwill associated with the Company's acquisitions consists of $500,000 in the natural gas segment and $1.9 million in the propane gas segment. The summary of intangible assets at March 31, 2007, is as follows:

Intangible Assets
(Dollars in thousands)

		2007
Customer distribution rights	(Indefinite life)	$ 1,900
Customer relationships	(Indefinite life)	900
Software	(Five to nine year life)	3,169

Accumulated amortization	(1,603)
Total intangible assets, net of amortization	$ 4,366

The amortization expense of intangible assets was approximately $86,000 for the three months ended March 31, 2007.

9. Common Shareholders' Equity

Items impacting common shareholders' equity other than income and dividends are the dividend reinvestment program, employee stock purchase program, stock compensation plans and treasury stock. The net impact of these additional items increased common shareholders' equity approximately $220,000 for the three months ended March 31, 2007. Accumulated other comprehensive loss, comprised of the deferred cost of employee benefit plans, totaled approximately $100,000 as of March 31, 2007 and December 31, 2006.

10. Over-earnings – Natural Gas Segment

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. The Company has agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

The Company has recorded estimated 2006 and 2005 over-earnings for regulated natural gas operations of $25,000 and $650,000, respectively. These liabilities are included in the over-earnings liability on the Company's condensed consolidated balance sheet of March 31, 2007. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. Estimates may be revised as expectations change and factors become known and determinable.

The 2005 and 2006 over-earnings liabilities are based on the Company's best estimates, but the amounts could change upon the FPSC finalization and review of earnings expected in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, increasing storm damage or environmental reserves or reducing any depreciation reserve deficiency.

11. Environmental Contingencies

The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. For full disclosure of the legal items that impact the Company, please refer to "Contingencies" in the Notes to Consolidated Financial Statements in the Company's Form 10-K for the year ended December 31, 2006.

12. Reclassification

Certain amounts in the 2006 financial statements have been reclassified to conform to the 2007 presentation.

13. Financial Accounting Standard Board Interpretation No. 48

The Company accounts for uncertainty in income taxes in accordance with FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48) and SFAS No. 109, Accounting for Income Taxes. The Company performed an analysis of tax positions taken and expected to be taken on the tax returns. The analysis concluded that the Company had no material uncertain tax positions.

The Interpretation requires Companies to accrue interest and penalties that would be incurred if an uncertain tax position ultimately were not sustained. In such a case, the Company would start accruing interest and penalty in the period which gives rise to the uncertain tax position. The Company would classify interest and penalties in the income statement and balance sheet separately from other tax balances and based on expected timing of cash payment to the taxing authorities.

Under the tax statute of limitations applicable to the Internal Revenue Code and state taxes, we are no longer subject to examinations by the Internal Revenue Service or the State of Florida for years before 2003. However, because we are carrying forward income tax attributes, such as net operating losses and tax credits from 2002 and earlier tax years, these attributes can still be audited when utilized on returns filed in the future. As noted in Note 14, we have been notified of a IRS audit.

14. IRS Examination

In February of 2007, the IRS informed us that it has selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we do not expect any material adverse findings as the result of the impending IRS audit.

15. Recent Accounting Standards

FSP AUG AIR-1 Accounting for Planned Major Maintenance Activities

FASB Staff Position (FSP) AUG AIR-1 *"Accounting for Planned Major Maintenance Activities,"* amended APB 28, *"Interim Financial Reporting,"* to prohibit the use of the accrue-in-advance method of accounting for planned major maintenance. The Company does not accrue-in-advance for planned major maintenance activities therefore the adoption of FSP AUG AIR-1 in the first quarter of 2007 did not have an impact on the Company's results of operations, cash flows or financial position.

Financial Accounting Standard No. 159

In February 2007, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, non-financial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement becomes effective January 1, 2008 for financial statements issued for fiscal years beginning after November 15, 2007. As the Company does not

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believe adoption of this Statement will have a material impact on our financial condition or results of operation, we do not anticipate electing the fair value option.

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16. Employee Benefit Plans

The Company sponsors a qualified defined benefit pension plan for non-union employees that were hired before January 1, 2005 and for unionized employees that work under one of the six Company union contracts and were hired before their respective contract dates in 2005. The Company also sponsors a postretirement medical plan.

The following table provides the components of the net periodic benefit cost for our pension plan and postretirement benefit plan for the three months ended March 31, 2006 and 2007.

FLORIDA PUBLIC UTILITIES COMPANY
Net Periodic Benefit Costs
(Dollars in thousands)

	Three Months Ended March 31, 2007	2006
Pension Plan:		
Service Cost	$ 283	$ 308
Interest Cost	566	524
Expected Return on Plan Assets	(610)	(603)
Amortization of Prior Service Cost	184	184
Net Periodic Pension Cost	$ 423	$ 413
Postretirement Benefit Plan:		
Service Cost	16	15
Interest Cost	26	26
Amortization of Transition Obligation/(Asset)	11	11
Amortization of Net (Gain) or Loss	(5)	(4)
Net Periodic Postretirement Benefit Cost	$ 48	$ 48

For additional information related to our employee benefit plans, please see Note 12 to the Consolidated Financial Statements of the company's 10-K Annual Report.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

We have three primary business segments: natural gas, electric and propane gas. The Florida Public Service Commission (FPSC) regulates the natural gas and electric segments.

Results of Operations

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Revenues and Gross Profit Summary

Revenues include cost recovery revenues. The FPSC allows cost recovery revenues to directly recover costs of fuel, conservation and revenue-based taxes in our natural gas and electric segments. Revenues collected for these costs and expenses have no effect on results of operations and fluctuations could distort the relationship of revenues between periods. Gross profit is defined as gross operating revenues less fuel, conservation and revenue-based taxes that are passed directly through to customers. Because gross profit eliminates these cost recovery revenues, we believe it provides a more meaningful basis for evaluating utility revenues. The following summary compares gross profit between periods and units sold in one thousand Dekatherm (MDth) (gas) and Megawatt Hour (MWH) (electric).

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Revenues and Gross Profit
(Dollars in thousands)

	Three Months Ended March 31,	
	2007	**2006**
Natural Gas		
Revenues	**$20,573**	**$26,954**
Cost of fuel and other pass through costs	12,522	18,555
Gross Profit	**$ 8,051**	**$ 8,399**
Units sold: (MDth)	1,840	1,946
Electric		
Revenues	$13,358	$11,696
Cost of fuel and other pass through costs	**9,899**	**8,273**
Gross Profit	$ 3,459	$ 3,423
Units sold: (MWH)	**185,636**	**197,227**
Propane Gas		
Revenues	**$4,681**	**$4,698**
Cost of fuel	2,348	2,385
Gross Profit	**$2,333**	**$2,313**
Units sold: (MDth)	192	200
Consolidated		

Revenues	$38,612	$43,348
Cost of fuel	24,769	29,213
Gross Profit	$13,843	$14,135

... [4]

Three Months Ended March 31, 2007 Compared with Three Months Ended March 31, 2006.

Revenues and Gross Profit

Natural Gas

Natural gas service revenues decreased $6,381,000 in the first quarter of 2007 over the same period in 2006. As the cost of natural gas continues to decline, revenues to recover our cost of fuel and other costs passed through to customers decreased by $6,033,000. These costs do not impact our gross profit. Our gross profit decreased $348,000 or 4%. The decrease in gross profit is attributable to a 5% decrease in units sold in 2007 due primarily to generally warmer weather compared to the prior year.

Electric

Electric service revenues increased $1,662,000 in the first quarter of 2007 over the same period in 2006. $1,626,000 of the increase was attributable to the cost of fuel and other costs that were passed through to customers. A new fuel contract in our Northeast division was effective January 1, 2007 and this increased the cost of fuel that was passed through to our customers. Gross profit was flat compared to the first quarter of 2006.

Propane Gas

Propane experienced a 4% decrease in units sold to customers due to warmer weather; however this was offset by increased profit margins.

Operating Expenses

Operating expenses were higher by $498,000 in the first quarter of 2007 compared to the same period in 2006. The majority of the increased expense is from cost of living raises related to payroll and increased payroll expense incurred to improve natural gas customer service and collections.

Other Income and Deductions

Although merchandise and service revenue decreased by $311,000 in the first quarter of 2007 compared to the same period last year, our profit increased by $64,000. We experienced a decrease in revenue mainly due to lower demand for merchandise as a result of the slow down of new construction projects during the current downturn in the housing market. Despite the decrease to our revenues, profitability rose due to a focus by our management on pricing structure.

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The total interest expense decreased $46,000 as compared to the same period last year, due mainly to a decrease in the average outstanding balance on the line of credit.

Income Taxes

Income tax expense decreased in the first quarter of 2007 by $257,000 over the same period last year as a result of lower taxable income.

Liquidity and Capital Resources

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Cash Flows

Operating Activities

Net cash flow provided by operating activities for the three months ended March 31, 2007 decreased by approximately $4.8 million over the same period in 2006. The over-recovered fuel costs in 2006 and the related reduction in fuel costs in 2007 that are passed to our customers accounted for approximately $5.1 million decrease in the current year's net cash flow as compared to the prior year.

Investing Activities

Construction expenditures did not fluctuate significantly between the quarters, decreasing by approximately $178,000 compared to the same period last year.

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Financing Activities

Decreases in cash flow used in financing activities were mostly attributable to reductions in short-term borrowings. In the first quarter of 2007 we paid down our line of credit by $1.3 million as compared to $6.1 million in the first quarter of 2006. The increase in fuel costs during the latter part of 2005 resulted in large fuel under-recoveries and therefore a higher dependence on short-term financing in the first quarter of 2006 compared to 2007.

Capital Resources

We have a $12 million line of credit (LOC), which expires on July 1, 2008. Upon 30 days notice by us we can increase the LOC to a maximum of $20 million. The LOC contains affirmative and negative covenants that, if violated, would give the bank the right to accelerate the due date of the loan to be immediately payable. The covenants include certain financial ratios. All ratios are currently within the required limits and management believes we are in full compliance with all covenants and anticipates continued compliance in the foreseeable future. We reserve $1 million of the LOC to cover expenses for any major storm repairs in our electric segment and an additional $250,000 for a letter of credit insuring propane facilities. As of March 31, 2007, the amount borrowed from the LOC was $2.2 million. At March 31, 2007, the LOC, long-term debt and preferred stock comprised 52% of total equity and debt capitalization.

Our 1942 Indenture of Mortgage and Deed of Trust, which is a mortgage on all real and personal property, permits the issuance of additional bonds based upon a calculation of unencumbered net real and personal property. At March 31, 2007, such calculation would permit the issuance of approximately $39.8 million of additional bonds.

We have $3.4 million in invested funds for payment of future environmental costs. We expect to incur between $5.8 million and $19.1 million through year ending December 31, 2021 for expenses related to environmental clean up.

Capital Requirements

Portions of our business are seasonal and dependent on weather conditions in Florida. The weather affects the sale of electricity and gas, and thereby impacts the cash provided by operations. Construction costs also impact cash requirements throughout the year. Cash needs for operations and construction are met partially through short-term borrowings from our LOC.

We plan to purchase land for the construction of our South Florida division office within three years. The possible purchase of the land would increase capital expenditures by $4 to $6 million. The current South Florida division office is located on environmentally impacted property, which requires relocating the office to allow for clean up of the property. It will not be possible to rebuild at the current location since this site has been rezoned with a residential designation. We are planning to build and complete this new facility in the next five years. Additional construction expenditures for the remainder of 2007 include the anticipated construction of an office building in Northeast Florida. The cost is expected to be approximately $750,000 with construction scheduled for completion in early 2008.

Material commitments for capital expenditures consist of $775,000 for the purchase of a transformer and vehicle purchases totaling approximately $489,000.

Cash requirements are anticipated to increase significantly in the future due to additional environmental clean up costs, sinking fund payments on long-term debt and pension contributions. Environmental clean up costs are forecasted to be approximately $600,000 through 2007, with remaining payments which could total approximately $13.1 million, beginning in 2008 and ending in 2021. Annual long-term debt sinking fund payments of approximately $1.4 million will begin in 2008 and will continue for eleven years. Current projections indicate that we will need to make a contribution of $250,000 to our pension plan in 2007. Congress has finalized the new funding rules and we may have significant contribution requirements for several years beginning with 2008.

Due to delayed environmental clean-up costs, we currently do not anticipate that any equity or debt financing in 2007 will be required. We believe that cash from operations, coupled with short-term borrowings on the LOC, will be sufficient to satisfy our operating expenses, normal capital expenditure requirements and dividend payments through spring of 2008. However, cash requirements are forecasted to increase significantly in the future due to our environmental clean up costs, a land purchase, and sinking fund payments on long-term debt and pension contributions. If cash needs relating to the land purchase and related construction and the timing of environmental expenditures change, it is possible we may consider equity or debt financing. The need and timing will depend upon the overall company cash flow requirements. There can be no assurance, however, that equity or debt financing will be available on favorable terms, or at all, when we seek such financings.

Outlook

Electric Power Supply

Contracts with our two electric suppliers were originally set to expire on December 31,

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2007. Those long-term contracts provided electricity to our customers at rates much lower than current market rates. As part of our negotiations, we agreed to end the current contract terms for our Northeast division on December 31, 2006 and executed an amended contract that began January 1, 2007 and will expire December 31, 2017. Although the contract rates have increased for 2007, this enabled us to obtain lower rates for the longer term of the contract than would have been available if we had not revised the contract. The savings are passed through to our customers without profit to us.

We executed a contract for the provider of electricity in our Northwest division in December 2006 and are seeking approval of this contract and its related terms and conditions from the FPSC on or before July 1, 2007. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division. This contract will be for the purchase of electricity beginning January 1, 2008. We anticipate that contract will result in rates closer to market, which could cause our customers' bills to double over existing prices in the next several years.

We are unable to estimate what impact, if any, the higher rates could have on electric consumption.

Propane Gas
We continue to review the possibility of hedging activities later in 2007 to help mitigate the risk of price changes for our cost of propane gas. We are unable to determine the impact this activity will have on our future operating income.

Deleted: We used advance purchase agreements made in the normal course of procuring propane gas supplies in past years. These agreements resulted in a loss of gross profit of approximately $5,000 in 2006 and additional gross profit of approximately $383,000 in 2005.

Over-earnings-Natural Gas Segment
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We have recorded estimated 2006 and 2005 over-earnings for regulated natural gas operations of $25,000 and $650,000, respectively. These liabilities have been included in the over-earnings liability on our balance sheet. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. Estimates may be revised as expectations change and factors become known and determinable.

Our 2005 and 2006 estimates of our over-earnings liabilities could change upon the FPSC finalization and review of our earnings for 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

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In 2007, we requested that the 2005 natural gas over-earnings be used to provide additional funds to our regulatory storm reserve liability and reduce the costs currently being recovered from our customers through a storm surcharge. If the FPSC approves this disposition, we will end the storm surcharge later in 2007.

Indiantown Gas
The FPSC approved our joint transportation and territorial agreements with Indiantown in October 2006. We have also begun construction in the Indiantown area to install natural gas mains in the first phase of this development for approximately 100 homes. The next two developments are slated to break ground later in 2007 for construction of approximately 1,000 homes.

Land Purchase
We have entered into an agreement to purchase land for the new South Florida division office. We are in the process of completing due diligence on this property and expect to finalize this phase and close on the property during the second quarter of 2007.

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New Division Office
We are planning to build a new operations center for our Northeast division on land we currently own. We are in the process of developing and finalizing the building plans, and expect to begin construction sometime in 2007. The cost is expected to be $750,000 and should be completed in early 2008.

Storm Related Expenditures
Regulators continue to focus on hurricane preparedness and storm recovery issues for utility companies. Newly mandated storm preparedness initiatives could impact our operating expenses and capital expenditures later in 2007. The initial forecasts of these annual expenditures are approximately $700,000. It is possible that additional regulation and rules will be mandated regarding storm related expenditures over the next several years. We requested that the FPSC allow us to recover the cost of the newly mandated storm preparedness initiatives and to defer these storm-related expenditures until we receive recovery through a rate increase. If approved, both the recovery and expenditures may occur by mid-2007. If these expenditures are approved for rate recovery in 2007, these rates would be temporary until final rates were implemented as a result of an electric base rate proceeding.

Electric Base Rate Proceeding
We plan to file a request with the FPSC in the third quarter of 2007 for a base rate increase in our electric segment. This request will include recovery of increased expenses and capital expenditures since our last rate proceeding in 2004, as well as additional storm-related expenditures as discussed above. Finalization of this request and approval, if any, of an electric base rate increase would not occur until early 2008. Possible interim rate relief for partial recovery of the increased expenditures may occur in late 2007.

Impact of Recent Accounting Standards
FASB Staff Position (FSP) AUG AIR-1 *"Accounting for Planned Major Maintenance Activities,"* amended APB 28, *"Interim Financial Reporting,"* to prohibit the use of the accrue-in-advance method of accounting for planned major maintenance. The Company does not accrue-in-advance for planned major maintenance activities

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therefore the adoption of FSP AUG AIR-1 in the first quarter of 2007 did not have an impact on the Company's results of operations, cash flows or financial position.

Financial Accounting Standard No. 159

In February 2007, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, nonfinancial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company expects to adopt SFAS No. 159 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard Board Interpretation No. 48

The Company accounts for uncertainty in income taxes in accordance with FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48) and SFAS No. 109, Accounting for Income Taxes. The Company performed an analysis of tax positions taken and expected to be taken on the tax returns. The analysis concluded that the Company had no material uncertain tax positions.

The Interpretation requires Companies to accrue interest and penalties that would be incurred if an uncertain tax position ultimately were not sustained. In such a case, the Company would start accruing interest and penalty in the period which gives rise to the uncertain tax position. The Company would classify interest and penalties in the income statement and balance sheet separately from other tax balances and based on expected timing of cash payment to the taxing authorities.

In February of 2007, the IRS informed us that it selected our 2003, 2004 and 2005 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings resulting from the IRS audit.

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Deleted: In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.¶
¶
We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings and case law and determined that the Company has no material uncertain tax positions. ¶

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Forward-Looking Statements (Cautionary Statement)

This report contains forward-looking statements including those relating to the following:

- Based on our current expectations for cash needs, including cash needs relating to the possible land purchase and related construction, we may choose to consider an equity or debt financing.

- Our anticipation of continued compliance in the foreseeable future with our LOC covenants.
- Construction expenditures for the remainder of 2007 may increase by $4 to $6 million over the same period in 2006 if we are successful in negotiating the purchase of the land for our South Florida operations.
- Our expectation that cash requirements will increase significantly in the future due to environmental clean-up costs, sinking fund payment on long-term debt and pension contributions.
- Our belief that cash from operations, coupled with short-term borrowings on our LOC, will be sufficient to satisfy our operating expenses, normal construction expenditure and dividend payments through spring of 2008.
- Our 2006 and 2005 over-earnings liability in natural gas will materialize as estimated after the FPSC review and audit.
- We expect there will be no impairment of either reporting segment upon finalization of our impairment testing in 2007.
- We expect higher fuel costs beginning in 2008 for our Northwest electric division.
- The development in Indiantown will occur as estimated.
- Storm related expenditures may be necessary beginning in 2007 and the total cost may be significant. We may receive recovery for these expenditures.
- The purchase of land for our new South Florida division office may occur in 2007.
- We expect to file for an electric base rate increase in the third quarter of 2007 and finalization is expected in early 2008. Final rates, if approved by the FPSC, would not occur until 2008.
- We anticipate capital expenditures of approximately $750,000 for the construction of an office building in Northeast Florida. Construction will begin in 2007 and be completed in early 2008.

These statements involve certain risks and uncertainties. Actual results may differ materially from what is expressed in such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed by the forward-looking statements include, but are not limited to, those set forth in "Risk Factors", in our Form 10-K for the year ending December 31, 2006.

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Item 3. Quantitative and Qualitative Disclosures about Market Risk

All financial instruments held by us were entered into for purposes other than for trading. We have market risk exposure only from the potential loss in fair value resulting from changes in interest rates. We have no material exposure relating to commodity prices because under our regulatory jurisdictions, we are fully compensated for the actual costs of commodities (natural gas and electricity) used in our operations. Any commodity price increases for propane gas are normally passed through monthly to propane gas customers as the fuel charge portion of their rate.

None of our gas or electric contracts are accounted for using the fair value method of accounting. While some of our contracts meet the definition of a derivative, we have designated these contracts as "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

On a rolling four-quarter basis, we will purchase a "cap" on approximately one-third of our forecast propane volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane purchases. The remaining one-third will fluctuate with the market price. Our energy strategy allows us to participate in two-thirds of price declines but only one-third of price increases. As of March 31, 2007, we have not entered into any hedging activities. When we do enter into hedging activities, we will determine whether they meet the definition of normal sales and purchases and if not, we will determine whether we can use hedge accounting.

We have no exposure to equity risk, as we do not hold any equity instruments. Our exposure to interest rate risk is limited to investments held for environmental costs, the long-term notes receivable from the sale of our water division and short-term borrowings on the line of credit. The investments held for environmental costs are short-term fixed income debt securities whose carrying amounts are not materially different than fair value. The short-term borrowings were approximately $2.2 million at the end of March 2007. We do not believe we have material market risk exposure related to these instruments. The indentures governing our two first mortgage bond series outstanding contain "make-whole" provisions (pre-payment penalties that charge for lost interest), which render refinancing impracticable.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer as of March 31, 2007, concluded that our disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended March 31, 2007 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 6. Exhibits

3.1 Amended Articles of Incorporation (incorporated herein by reference as Exhibit 3.1 to our quarterly report on Form 10-Q for the period ended June 30, 2002).

3.2 Amended By-Laws (incorporated herein by reference as Exhibit 3(ii) to our quarterly report on Form 10-Q for the period ended June 30, 2002).

4.1 Indenture of Mortgage and Deed of Trust of FPU dated as of September 1, 1942 (incorporated by reference herein to Exhibit 7-A to Registration No. 2-6087).

4.2 Fourteenth Supplemental Indenture dated September 1, 2001 (incorporated by reference to exhibit 4.2 on our annual report on Form 10-K for the year ended December 31, 2001).

4.3 Fifteenth Supplemental Indenture dated November 1, 2001 (incorporated by reference to exhibit 4.3 on our annual report on Form 10-K for the year ended December 31, 2001).

31.1 Certification of Chief Executive Officer (CEO) per Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer (CFO) per Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certification of Principal Executive Officer and Principal Financial Officer per Section 906 of the Sarbanes-Oxley Act of 2002.

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No new risk factors have been identified outside of those included in our most recent Form 10-K for the year ending December 31, 2006. You should read the risk factors contained within the 10K in conjunction with this report. ¶

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FLORIDA PUBLIC UTILITIES COMPANY
(Registrant)

Date: May 14, 2007 By: /s/ George M. Bachman

George M. Bachman
Chief Financial Officer
(Principal Accounting Officer)

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FLORIDA PUBLIC UTILITIES COMPANY
EXHIBIT INDEX

Item Number	
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FASB Staff Position (FSP) AUG AIR-1 *"Accounting for Planned Major Maintenance Activities,"* amended APB 28, *"Interim Financial Reporting,"* to prohibit the use of the accrue-in-advance method of accounting for planned major maintenance. The Company does not accrue-in-advance for planned major maintenance activities therefore the adoption of FSP AUG AIR-1 in the first quarter of 2007 did not have an impact on the Company's results of operations, cash flows or financial position.

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In February 2007, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities". This Statement permits measurement at fair value of certain firm commitments, non-financial insurance contracts and warranties, host financial instruments and recognized financial assets and liabilities, excluding consolidating investments in subsidiaries, consolidating variable interest entities, various forms of deferred compensation agreements, leases, depository institution deposit liabilities and financial instruments included in shareholders' equity. This Statement becomes effective January 1, 2008 for financial statements issued for fiscal years beginning after November 15, 2007. As the Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation, we do not anticipate electing the fair value option.

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As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings resulting from the IRS audit.

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In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings and case law and determined that the Company has no material uncertain tax positions.

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Back Search Folders

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9	Retail Bond Coupon Rates for D...		File Folder	2/25/2008 7:36 AM	Files Currently on the...
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Clara Leider

From: Dale Buschmann [dbuschmann@bdo.com]
Sent: Monday, March 12, 2007 9:17 PM
To: Martin Cheryl; Khojasteh Mehrdad
Cc: Ray Martin (E-mail)
Subject: RE: 10K

Attachments: 10 k 2006 31207 trackeddmb.doc

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' trackeddmb.

On Note 1 H - the $507K bad debt expense doesn't agree to the $623K on the cash flows statement - bad debt expense.

See suggested changes on the K.
Thanks Dale

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)
☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT** OF 1934
For the fiscal year ended ______ December 31, 2006

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ______ to ______

Commission file number ______ 001-10608

Florida Public Utilities Company
(Exact name of the registrant as specified in its charter)

Florida	59-0539080
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification Number)

401 South Dixie Highway, West Palm Beach, FL 33401
(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code (561) 832-0872

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock par value $1.50 per share	American Stock Exchange

Securities registered pursuant to section 12(g) of the Act:

______
(Title of class)

______
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. [ ] Yes [X] No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. [ ] Yes [X] No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [ ] No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ]   Accelerated filer [ ]   Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). [ ] Yes [X] No

As of June 30, 2006, the aggregate market value of the Registrant's Common Stock held by non-affiliates (based upon the closing price of the Common Stock on that date on the American Stock Exchange) was approximately $71,300,000.

On February 9, 2007, 6,024,739 shares of the Registrant's $1.50 par value common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the May 8, 2007 Annual Meeting of Shareholders are incorporated by reference in Part III hereof.

PART I

Item 1. Business

General

Florida Public Utilities Company (FPU) was incorporated on March 6, 1924 and reincorporated on April 29, 1925 under the 1925 Florida Corporation Law. We provide natural gas, electricity and propane gas to residential, commercial and industrial customers in Florida. We do not produce energy and are not a generating utility. Our regulated segments sell natural gas and electricity to approximately 82,000 customers, and our unregulated segment sells propane gas through a wholly owned subsidiary, Flo-Gas Corporation, to approximately 13,000 customers. We also sell merchandise and other service related products on a limited basis as a complement to the natural and propane gas segments.

Our three primary business segments are aligned with our products and are natural gas, electric and propane gas. The Florida Public Service Commission (FPSC) regulates the natural gas and electric segments. We operate through five divisions based on geographic areas:

(1) South Florida Division - provides natural and propane gas to customers in West Palm Beach, Palm Beach Gardens, North Palm Beach, Jupiter, Riviera Beach, Palm Beach, Lake Worth, Royal Palm Beach, Wellington, Boynton Beach, Delray Beach, Boca Raton, Lauderdale Lakes, Deerfield Beach, Stuart, Palm City and other areas near these cities.
(2) Central Florida Division - provides natural and propane gas to customers in Sanford, Deland, Deltona, DeBary, Orange City, Lake Mary, Winter Springs, New Smyrna Beach, Edgewater, Longwood, Port Orange and other areas near these cities.
(3) Northwest Florida Division - provides electricity to customers in Marianna, Bristol, Altha, Cottondale, Malone, Alford and other areas near these cities.
(4) Northeast Florida Division - provides electricity and propane gas to customers in Fernandina Beach, Jacksonville, Callahan, Yulee and other areas near these cities.
(5) West Florida Division - provides propane gas to customers in Dunnellon, Inglis, Crystal River, Inverness, Brooksville and other areas near these cities.

Business Environment

Natural and propane gas are some of the most popular forms of energy today. Gas is used for heating, cooling, cooking, backup generation and decorative lighting by businesses and homeowners and in many other ways by various industries. Natural gas is also used in combination with other fuels to improve environmental performance and decrease pollution in the generation of electricity.

Natural and propane gas have seen increased demand in Florida as a result of the recent hurricanes and the popularity of generators. Generators themselves do not impact usage significantly for a region; however, gas appliances have been added as a result of generator popularity, and that does increase gas usage. Prices of natural and propane gas

have decreased during 2006 due in part to the absence of a hurricane affecting the Gulf of Mexico.

As a result of historically high natural gas costs in 2005, alternatives such as coal and nuclear power for generation of electricity have seen increased interest. Our sales in the electric segment have not been impacted by higher electricity costs due to our long-term favorable fixed price contracts for purchasing electricity. However, our long-term contract ended at the end of 2006 for our Northeast division and our long-term contract will end at the end of 2007 for our Northwest division. We now have new contracts in place with pricing much closer to current market price. Our electric prices are expected to significantly increase. Although this will not directly impact our income from operations because increased fuel costs are passed through to the customer, this may impact the number of units sold and decrease income from operations as a result of less usage.

Because of the hurricanes in 2004 and 2005, the electric industry in Florida has seen increased interest in improving reliability of electric services during and after hurricanes. Regulators have been researching the issue and have introduced new storm preparedness requirements to improve electric reliability with storm preparedness rules regarding pole inspections, strengthened design specifications for wind loading, vegetation management practices and installation of underground facilities for electric distribution and transmission systems. We are seeking rate relief and implementation for these new requirements in 2007.

Business Segments
We are organized in three operating and reporting segments: natural gas, electric and propane gas. We are also involved in limited merchandise sales and other services within our natural gas and propane gas areas to complement these segments. For information concerning revenues, operating income and identifiable assets of each of our segments, see Note 13 in Notes to Consolidated Financial Statements.

Natural Gas
Natural gas is primarily composed of methane, which is a colorless, odorless fuel that burns cleaner than many other traditional fossil fuels. Odorant is added to enable easy detection of a gas leak.

We provide natural gas to customers in our South and Central Florida divisions. The vast majority of the natural gas we distribute is purchased in the Gulf Coast region, both onshore and offshore.

We use Florida Gas Transmission (FGT) as our natural gas pipeline in peninsular Florida. FGT is under the jurisdiction of the Federal Energy Regulatory Commission (FERC). We use gas marketers and producers to procure all gas supplies for our markets. We use Florida City Gas and Indiantown Gas Company to provide wholesale gas transportation services in areas distant from our interconnections with FGT. We pass all fuel costs on to our customers. We also transport natural gas for customers who purchase their own gas supplies and arrange for pipeline transportation. Our operating results are not adversely affected if our customers purchase gas from third parties because we do not profit on the fuel portion of sales.

Our natural gas revenues are affected by the rates charged to customers, supply costs for natural gas purchased for resale, economic conditions in our service areas and weather.

Although the FPSC permits us to pass through to customers the increase in price for our gas supply, higher rates may cause customers to purchase less natural gas.

Our current portfolio of natural gas customers is reasonably diverse, with the largest customer using natural gas for the generation of electricity. We are not dependent on any single natural gas customer for over ten percent of our total natural gas revenues.

The FPSC approved joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We plan to transport natural gas through Indiantown's system to new developments. In the early phase, Indiantown Gas Company will provide operational and customer service related work. We also began construction in the Indiantown area to install natural gas mains in the first phase of a development for approximately 100 homes. Two more new developments are slated to break ground in 2007 for construction of approximately 1,000 homes.

Electric

We provide electricity to our customers in our Northwest and Northeast Florida divisions. Wholesale electricity is purchased from two suppliers; Gulf Power Company and JEA (formerly Jacksonville Electric Authority). In 1996, we executed ten-year fixed-price purchased power contracts with both suppliers. Gulf Power Company provides electric power to the Northwest division and JEA provides electric power to the Northeast division. These long-term contracts provided our customers with the lowest consumer electric rates in Florida.

During 2006 we completed negotiations and executed final contracts for the supply of electricity in our Northeast division from JEA beginning January 1, 2007 and our Northwest division from Gulf Power Company beginning in January 1, 2008. We are seeking approval of the contract with Gulf Power Company from the FPSC in 2007. We expect that rates charged to our customers will significantly increase when the new contracts become effective in 2007 and 2008 because the prices are closer to market price. We are unable to estimate what impact higher rates could have on electric consumption, but electricity usage could decrease.

The Northwest and Northeast divisions experience a variety of weather patterns. Hot summers and cold winters produce year-round electric sales that normally do not have highly seasonal fluctuations. None of the electric segment's customers represent more than ten percent of our total electric revenues.

The electric utility industry has not been deregulated in the state of Florida. All customers within a given service or franchise area purchase from a single electricity provider in that area.

Propane Gas

We provide propane gas to customers in our Northeast, West, Central and South Florida divisions and can purchase our propane gas supply from several different wholesale companies. Propane gas is delivered to Florida by barges and railcars to terminals in Tampa and Ft. Lauderdale, and through the Dixie Pipeline terminus at Alma and Albany, Georgia. Propane gas is also delivered by transport to our facilities and directly to a customer's premise. We believe that the propane gas supply infrastructure is adequate to meet the needs of the industry in Florida for the foreseeable future.

Propane gas is not as affected by environmental regulations as other petroleum products. However, propane gas is a hazardous material and as such is subject to strict code enforcement and safety requirements.

As with natural gas, the sales volume of propane gas is affected by the season and the weather. Typically, Florida has a tourist season that coincides with the winter months. The propane gas segment's sales volumes and revenues are closely balanced between residential and commercial customers. We employ two strategies to become less weather dependent, concentrating on the forklift propane gas cylinder exchange market and marketing propane gas appliances not used for heating air. We believe that water heaters and forklift cylinder exchange accounts are good ways to become less weather reliant. None of the propane gas segment's customers represent more than ten percent of our total propane gas sales volume or revenues.

Strategy
Our strategy is to leverage our expertise in the natural gas, electric and propane gas distribution business to assist us in consistently meeting our customer's expectations. Our core focus is to build mutually beneficial relationships with builders, developers and customers with high-energy usage requirements. Included in our strategy is a plan to enhance our future success by expanding our service territory into new areas with high growth potential.

Competition
We do not face substantial competition in our electric divisions. This is because no other competitor can currently provide the same energy in our areas due to FPSC regulations and territorial agreements between utilities. In addition, natural gas as an alternative fuel is only available in a small area served by our electric divisions. Although our natural gas segment operates with the same types of guidelines, there is competition in our natural gas segment from electric utilities. Normally each home will have electricity as a base fuel and natural gas as an alternative source of energy used for cooking and heating. Electricity competes with natural gas, in large part based on the cost of fuel. Our propane gas segment is unregulated and faces competition from other suppliers of propane gas as well as alternative energy source suppliers. Competition in the propane gas segment is primarily based on price and service.

Rates and Regulation
The natural gas and electric segments are highly regulated by the FPSC. The FPSC has the authority to regulate our rates, conditions of service, issuance of securities and certain other matters affecting our natural gas and electric operations. As a result, FPSC regulation has a significant effect on our results of operations. The FPSC approves rates that are intended to permit a specified rate of return on investment. Our rate tariffs allow the cost of natural gas and electricity to be passed through to customers. Increases in the operating expenses of the regulated segments may require us to request increases in the rates charged to our customers. The FPSC has granted us the flexibility of automatically passing on increased expenses for certain fuel costs to customers. Other operational expenses, such as pension and medical expenses require us to petition the FPSC for rate increases. The FPSC is likely to grant rate increases to offset increased expenditures necessary for business operations. We successfully petitioned for an electric rate increase, which became effective on March 17, 2004, and for a natural gas rate increase that went into effect on November 18, 2004. We are currently seeking electric

rate relief in 2007 for the recent storm preparedness requirements implemented to improve reliability of electric utility systems.

We are subject to federal and state regulation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies.

Prior to the widespread availability of natural gas, we manufactured gas for sale to our customers or purchased utility assets from other companies that manufactured gas. The process for manufacturing gas produced by-products and residuals such as coal tar. The remnants of these residuals are sometimes found at former gas manufacturing sites. These sites face environmental regulation from various agencies including the FDEP and EPA on necessary cleanup and restoration.

Franchises
We hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Generally, these franchises have terms ranging from 10 to 30 years and terminate on varying dates. We are currently in negotiations with certain municipalities for new service areas within our current operating divisions, and renewals of existing franchises. We continue to provide services to these municipalities and do not anticipate any interruption in our service.

Employees
As of January 18, 2007, we had 362 employees, of which 9 were part-time and 2 were temporary. Of these employees, 175 were covered under union contracts with two labor unions, the Internal Brotherhood of Electric Workers and the International Chemical Workers Union. We believe that our labor relations with employees are good.

Available Information
We file periodic reports including our Form 10-Qs, Form 10-Ks, and Form 8-Ks with the Securities and Exchange Commission (SEC). The most recent copies of Form 10-Qs and Form 10-Ks as well as a copy of our Code of Ethics Policy can be obtained through our website (http://www.fpuc.com).

Item 1A. Risk Factors

A substantial portion of our revenues and, to a large extent, our profitability, depends upon rates determined by the FPSC.

FPSC regulates many aspects of our natural gas and electric operating segments, including the retail rates that we may charge customers for natural gas and electric service. Our retail rates are set by the FPSC using a cost-of-service approach that takes into account our historical operating expenses, our fixed obligations and recovery of our capital investments, including potentially stranded obligations. Using this approach, the FPSC sets rates at a level calculated to recover such costs, adjusted to reflect known and measurable changes, and a permitted return on investment. Any rate adjustments to recover increased costs or to otherwise improve our profitability must be obtained through a petition filed with the FPSC, which is referred to as a rate case. The rates permitted by the FPSC in rate cases will determine a substantial portion of our revenues for succeeding periods and may have a material impact on our consolidated earnings, cash flows and

financial position, as well as our ability to maintain our common stock dividend at current levels or to increase our dividend in the future.

Some of our natural gas and electric service costs may not be fully recovered through retail rates.

Our natural gas and electric service retail rates, once established by the FPSC, remain fixed until changed in a subsequent rate case. We may at any time elect to file a rate case to request a change in our rates or intervening parties may request that the FPSC review our rates for possible adjustment, subject to any limitations that may have been ordered by the FPSC. Earnings could be reduced to the extent that our operating costs increase more than our revenues during the period between rate cases, which may occur because of maintenance and repair of plants, fuel and purchased power expenses, employee or labor costs, inflation or other factors. In addition, even if we decide to file rate cases, our requests for rate adjustments in such rate cases may be rejected. Other parties to a rate case or the FPSC staff may contend that our current rates, or rates proposed in a rate case, are excessive and our petition for rate adjustments may be denied on that or another basis.

Our segments are sensitive to variations in weather.

Our segments are affected by variations in general weather conditions and unusually severe weather. We forecast energy sales on the basis of normal weather, which represents a long-term historical average. Significant variations from normal weather could have a material impact on energy sales. Unusual weather, such as hurricanes, could also adversely affect operating costs and sales.

Our natural gas and propane gas customers use gas primarily for heating purposes. As a result, our natural gas and propane gas sales peak in the winter and are more weather sensitive than electricity sales, which peak in both summer and winter periods. Mild winter weather in Florida can be expected to negatively impact results from our natural gas and propane gas operations. Severe weather conditions could also interrupt or slow down service and increase the operating costs of all our segments.

We operate in an increasingly competitive industry, which may affect our future earnings.

Natural Gas
The natural gas distribution industry has been subject to competitive forces for several years. We receive our supply of natural gas at thirteen city gate stations connected to an interstate pipeline system owned by FGT and one gate station connected to an intrastate pipeline owned by Florida City Gas Company. Gulfstream Natural Gas System currently also serves peninsular Florida with interstate natural gas transmission service; however we cannot predict if this system will be extended to areas near our existing facilities and how it could affect our natural gas operations.

Electric
The U.S. electric power industry has been undergoing restructuring. There is competition in wholesale power sales on a national level. Some states have mandated or encouraged competition at the retail level. While there is active wholesale competition in Florida, the retail electric business has remained substantially free from direct competition. Changes

in the competitive environment occasioned by legislation, regulation, market conditions or initiatives of other electric power providers, particularly with respect to retail competition, could adversely affect our financial condition and results of operations. To the extent competitive pressures increase and the pricing and sale of electricity assumes more of the characteristics of a commodity business, the economics of our electric operating segment may come under increasing pressure. In addition, regulatory changes may increase access to electricity transmission grids by utility and non-utility purchasers and sellers of electricity, thus potentially resulting in a significant number of additional competitors.

Propane Gas
Our propane gas business is our only non-regulated business segment. Because the propane gas business is not regulated, we face significant competition in this segment. Our propane gas business competes directly with other distributors of propane gas, and other sources of energy including natural gas and electric. We may encounter increased competition in the propane gas business in the future. Our inability to compete effectively in the propane gas business, whether on the basis of price, customer service, alternative energy sources or otherwise, could have a material adverse effect on our financial condition and results of operations.

Our business could be adversely affected if our supply of natural gas is interrupted.

FGT's pipeline system transports all of our natural gas. FGT is owned by Citrus Corporation, which is jointly owned by Cross Country Energy Corporation and El Paso Corporation. Our ability to receive our normal supply of natural gas could be adversely affected by an interruption in FGT's service.

General economic conditions may adversely affect our segments.

Our segments are affected by general economic conditions. The consumption of the energy we supply is directly tied to the economy. A downturn in the economy in our local areas of operations, as well as on the state, national and international levels, could adversely affect the performance of our segments. Changes in political climate, including terrorist activities, could further negatively impact our performance. If tourism is down, then the demand for the energy we supply is reduced.

Commodity price changes may affect the operating costs and competitive position of our segments.

Our segments are sensitive to changes in coal, gas, oil and other commodity prices. If we are unable to increase the rates we charge to customers to reflect increases in these commodity prices, our margins and earnings will be lowered. If increased prices for any of these commodities persist for substantial periods, our competitive position could be adversely affected by customers who switch to cheaper energy sources. Further, natural gas prices have been increasingly volatile and, accordingly, the earnings from our natural gas operations are increasingly difficult to predict.

We could incur material expenses as a result of our obligations to comply with existing and new environmental laws and regulations.

We are subject to environmental regulations in connection with the ongoing conduct of our business and to civil and criminal liability for failure to comply with these regulations. In addition, new environmental laws and regulations, or new interpretations of existing laws and regulations, affecting our operations or facilities may be adopted which may cause us to incur additional material expenses.

We are subject to federal and state legislation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the EPA and other federal and state agencies. We may incur material future expenditures in order to comply with these existing environmental laws and regulations.

We rely on a limited number of natural gas and electric suppliers, the loss of which could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under several contracts having expiration dates from 2007 to 2023 transport our natural gas to us. These contracts have provisions, which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2007 and 2017. We have renegotiated a new contract for the one that is set to expire in 2007 with the same supplier for electric service beginning in 2008 which we are currently awaiting approval for from the FPSC. If we were to lose any of these contracts, we might not be able to replace the corresponding energy source on acceptable terms, if at all. In addition, in the event of the expiration of the contracts, we might not be able to renew them on favorable terms, if at all. As a result, the loss of any of these suppliers, the terminations of any of these supply contracts or the non-renewal of any of these supply contracts before or upon their expiration could have material adverse effects on our financial condition and results of operations.

New supply contracts could result in substantial increases to our prices, and could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under firm contracts having expiration dates from 2007 to 2023 transport our natural gas to us. All of these contracts have provisions which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2007 and 2017.

The recent renewal of the electricity supply contract that was terminated in 2006 and the one that will expire in 2007 will result in the cost of electricity more than doubling over existing prices. Extensions or renewals of our natural gas contracts could result in the cost of natural gas increasing. Although these increases are currently passed through to our customers, these could have a significant impact on our financial condition and results of operations due to decreased consumption or if costs cannot be passed through in the future.

Fluctuation in prices under long-term purchase and transportation commitments may have an adverse effect on our financial condition and results of operations.

To ensure a reliable supply of electricity and natural gas at competitive prices, we have entered into purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2023. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices.

As of December 31, 2006, we have firm purchase and transportation commitments adequate to supply our expected sales requirements for electricity with contracts that will expire in 2017. Our contract in the Northeast division of the electric segment began January 1, 2007 and expires on December 31, 2017. We have a contract with a supplier for the Northwest division beginning January 1, 2008 and expiring December 31, 2017. We are currently seeking approval with the FPSC for the Northwest division contract. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division.

Our natural gas pipeline transportation contracts expire in parts in 2010, 2015 and 2023. We are committed to pay demand or similar fixed charges monthly through 2023 related to the natural gas pipeline transportation agreements. Significant fluctuation in prices under these long-term purchase and transportation commitments may have a material adverse effect on our financial condition and results of operations.

Problems with operations could materially adversely impact us.

We are subject to various operational risks, including accidents, outages, equipment breakdowns or failures, or operations below expected levels of performance or efficiency. Problems such as the breakdown or failure of transmission lines, pipelines or other equipment or processes and interruptions in service which would result in performance below affected levels of output or efficiency, particularly if extending for prolonged periods of time, would have a material adverse effect on our financial condition and results of operations.

We are vulnerable to interest rate changes and may not have access to capital at favorable rates, if at all.

Changes in interest rates can affect our cost of borrowing on our line of credit, on refinancing of debt maturities and on incremental borrowing to fund new investments. Because our stock is not widely held and has a low trading volume, we may not be able to access the equity market or may be limited in the amount of equity financing. If we are unable to obtain equity or debt financing on terms satisfactory to us, our ability to fund capital expenditures and other commitments will be impaired. Moreover, even if available, the cost of such financing could reduce our margins and materially adversely affect our results of operations.

Failure to effectively and efficiently manage our growth, as well as changes in our business strategies, could have a negative impact on our performance.

An essential part of our business strategy is to grow our businesses. Much of our growth depends on our ability to find attractive development opportunities and to obtain the necessary financing for them. Our outlook is based on our expectation that we will be successful in finding and capitalizing on development opportunities, but our efforts may not be successful. Our failure to effectively and efficiently manage our growth, as well as changes in our business strategies, may have a material adverse effect on our financial

condition and results of operations. If we grow our business with acquisitions there is a risk the acquisition will not have a positive effect on our financial condition.

Our ability to pay dividends on our common stock is limited.

We cannot guaranty that we will continue to pay dividends at our current annual dividend rate or at all. In particular, our ability to pay dividends in the future will depend upon, among other things, our future earnings, our cash requirements and our debt covenants.

Provisions in our certificate of reincorporation, certain agreements, and the Florida Business Corporation Act may inhibit a takeover, which could adversely affect the value of our common stock.

Our certificate of reincorporation as well as provisions of the Florida Business Corporation Act (FBCA), contain provisions that could delay or prevent a change of control in our management that shareholders might consider favorable and may prevent them from receiving a takeover premium for their shares.

Our certificate of reincorporation contains provisions that make it more difficult to obtain control of our company through transactions, which have not received the approval of our board of directors. These provisions include supermajority voting requirements for certain transactions with affiliated persons, staggering the terms of the members of our board of directors, and certain procedural requirements relating to shareholder meetings and amendments to our certificate of reincorporation or bylaws.

In addition, Florida has enacted legislation that may deter or frustrate takeovers of Florida corporations. Subject to certain exceptions, the "Control Share Acquisitions" section of the FBCA generally provides that shares acquired in excess of certain specified thresholds, beginning at 20% of a corporation's outstanding voting shares, will not possess any voting rights unless such voting rights are approved by a majority vote of the corporation's disinterested shareholders.

The "Affiliated Transactions" section of the FBCA generally requires majority approval by disinterested directors or supermajority approval by disinterested shareholders of certain specified transactions (such as mergers, consolidations, sales of assets, issuance or transfer of shares or reclassifications of securities) between a corporation and a holder of more than 10% of the outstanding shares of the corporation, or any affiliate of such shareholder.

Finally, we have agreements with three of our executive officers that provide for significant payments to those executives upon a change in control under certain circumstances. The existence of these contracts may make an acquisition of our company less attractive to a possible buyer.

Conflict or turmoil in oil producing countries could impact future prices for commodities including natural gas, propane gas and electricity, and increases in these prices could materially affect our financial condition and results of operations.

Worldwide turmoil could cause the cost of crude oil and its associated products to rise on

concerns of the conflicts interfering with the production of crude oil. If these conflicts are large, escalate or spread, the impact to the cost of all fuel related commodities could increase substantially. These increases could materially adversely affect our financial condition and results of operations.

Item 1B. Unresolved Staff Comments

None

Item 2. Properties

We have natural gas, electric and propane gas utility related properties. These properties include transmission, distribution, storage and general facilities at various locations in our service areas. We do not have generating facilities. We maintain property that is adequate for our current operations and we expand our existing facilities as required by growth or other operational needs.

We own natural gas mains that distribute gas through 1,558 miles of pipe located in Central and South Florida. Additionally, we have adequate gate stations in each distribution system.

In the electric segment, we own 22 miles of electric transmission lines located in Northeast Florida and 1,082 miles of electric distribution lines located in Northeast and Northwest Florida. The distribution lines are installed both under and above ground with many of the coastal locations having under ground facilities. All transmission lines are installed above ground. Additionally, we own various substations and regulator stations that are used in our operations.

Our propane gas segment has bulk storage facilities and tank installations on the customers' premises. We also have 16 community gas systems that distribute propane gas to customers in a specific area. These systems are subject to the Federal Department of Transportation Office of Pipeline Safety Regulations.

We own office and warehouse facilities in Northwest, Northeast, Central, West and South Florida, which are used for our operations and materials storage by the natural gas, electric, and propane gas segments. We also have various easements and other assets located throughout our service areas that are utilized by all of our operations.

We also own a three-story building in West Palm Beach, where our corporate headquarters is located.

All of our property is subject to a lien collateralizing our funded indebtedness under our Mortgage Indenture as discussed in Note 1-I in Notes to Consolidated Financial Statements.

Item 3. Legal Proceedings

In our operations, we currently use or have used several contamination sites that have pending or threatened environmental litigation. We are in the process of investigating and assessing this litigation. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover losses or expenses incurred as a result of this

litigation. We believe all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the combined sum of any insurance proceeds received and any rate relief granted.

West Palm Beach Site
We are currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property we own in West Palm Beach, Florida. We previously operated a gasification plant at this site. We entered into a Consent Order with the FDEP effective April 8, 1991. This requires us to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. We have submitted numerous reports to FDEP describing the results of soil and groundwater sampling conducted at the site. We completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant performed a feasibility study to evaluate appropriate remedies for the site. The feasibility study was transmitted to FDEP on November 30, 2006.

The feasibility study evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the feasibility study ranged from a low of $2.8 million to a high of $54.6 million. Based on the likely acceptability of proven remedial technologies described in the feasibility study and implemented at similar sites, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from $4.6 million to $17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA) or some combination of these remedies. The feasibility study proposed a remedy of superficial soil excavation, and installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from $4.6 million to $9.9 million.

Prior to FDEP's approval of a final remedy for the site, we are unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately $4.8 million to $18 million.

Sanford Site
We own a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to our acquisition of the property. Following discovery of soil and groundwater impacts on the property, we have participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, we executed an Administrative Order on Consent (AOC) with the four former owners and operators (Group) and the United States Environmental Protection Agency (EPA) that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RI/FS AOC and RI/FS Participation Agreement is now complete and we have no further obligations under either document.

In late September 2006, EPA sent us a Special Notice Letter, notifying us of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the other Group members and us sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended Record of Decision (ROD) for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, we, along with the Group, submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1 through OU3.

In January, we, along with the other members of the Group signed a Third Participation Agreement, which provides for funding the remediation work specified in the RODs for OU1 through OU3 and supercedes and replaces the Second Participation Agreement. Our share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13 million or $650,000. At present, it is not anticipated that the total cost of remediation will exceed $13 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13 million. In any such event, we do not expect our share of such additional costs to be greater than 5% and our share of such additional costs may be less than 5%.

Our future legal costs and expenses and our share future remediation expenses for this site are currently projected to be approximately $710,000.

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Pensacola Site
We are the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that we were one of several responsible parties for any environmental impacts associated with the former gasification plant site, we entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. Our share of these costs is less than $2,000 annually or a total cost of $27,000.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to us in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, we have not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, we are unable to determine whether additional fieldwork or site remediation will be required by EPA and, if so, the scope or costs of such work.

Key West Site

From 1927-1938, we owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the current site owner and us and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified us that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished disposition is recommended." FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 31, 2006, we have received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such work. In 1999, we received an estimate from our consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, our share would be approximately $83,000.

Item 4. Submission of Matters to a Vote of Security Holders

None

Executive Officers of the Registrant

The following sets forth certain information about the executive officers of the Company as of February 17, 2007.

Name	Age	Position	Date
John T. English	63	Chairman of the Board	2006 - Present
		Chief Executive Officer	1998 - Present
		President	1997 - Present
		Chief Operating Officer	1997 - 2000
Charles L. Stein	57	Senior Vice President	1997 - Present
		Chief Operating Officer	2001 - Present
George M. Bachman	47	Corporate Secretary	2004 - Present
		Chief Financial Officer	2001 - Present
		Treasurer	2001 - Present

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Mr. English was Senior Vice President from 1993 preceding his appointment as President and Chief Operating Officer.

Mr. Stein was Vice President from 1993 preceding his appointment as Senior Vice President.

Mr. Bachman was Controller from 1996 preceding his appointment as Chief Financial Officer and Treasurer.

Each of these executive officers has an employment agreement for a three-year term, which can be renewed at the Board Meeting preceding the expiration of the agreement subject to his earlier resignation or removal. There are no family relationships among any of the executive officers and directors of the Company.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Quarterly Stock Prices and Dividends Paid

Our common shares are traded on the American Stock Exchange under the symbol FPU. The quarterly dividends declared and the reported last sale price range per share of our common stock for the most recent two years were as follows:

	2006			2005		
	Stock Prices		Dividends	Stock Prices *		Dividends
Quarter ended	Low	High	Declared	Low	High	Declared*
March 31	$13.25	$14.50	$0.1033	$11.47	$13.49	$0.1000
June 30	11.86	14.40	0.1075	11.45	12.67	0.1033
September 30	12.61	14.42	0.1075	12.67	16.84	0.1033
December 31	13.10	14.05	0.1075	13.46	16.44	0.1033

* On July 25, 2005 we issued a three for two stock split in the form of a stock dividend to our shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split.

As of February 16, 2007, there were approximately 3,900 holders of record of our common shares.

We intend to continue to pay quarterly cash dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon future earnings, cash flow, financial condition, capital requirements and other factors. Our Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9 million of retained earnings were free of such restriction and therefore available for the payment of dividends.

Securities Authorized for Issuance under Equity Compensation Plans

Equity Compensation Plan Information

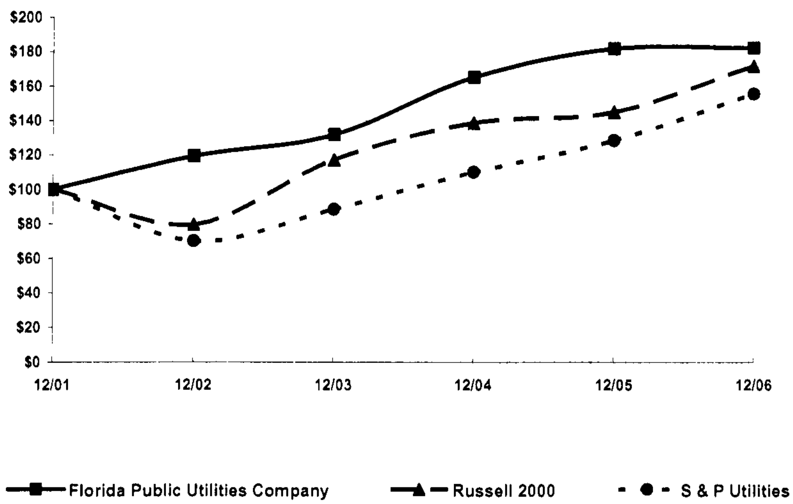
Plan Category	Number of Securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	72,749*
Equity compensation plans not approved by security holders	-
Total	72,749

* This includes 20,714 shares for the Non-Employee Director Compensation Plan. This plan was adopted by the Board of Directors on March 18, 2005 and was approved at the 2005 meeting of shareholders. This also includes 52,035 shares for the Employee Stock Purchase Plan.

PERFORMANCE GRAPH

The following graph compares the yearly percentage change and the cumulative total of shareholder return on the Company's common stock with the cumulative return on the Russell 2000 Index (Russell 2000) and Standard & Poor's Utilities Index (S&P Utilities) for the last five calendar years. These comparisons assume the investment of $100 in the Company's common stock and each of the indices on January 1, 2001 and the reinvestment of dividends. The stock price performance shown in the graph below should not be considered indicative of

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
Among Florida Public Utilities Company, The Russell 2000 Index
And The S & P Utilities Index



* $100 invested on 12/31/01 in stock or index-including reinvestment of dividends. Fiscal year ending December 31.

future stock performance.

	12/01	12/02	12/03	12/04	12/05	12/06
Florida Public Utilities Company	100.00	119.25	131.72	165.01	181.67	182.09
Russell 2000	100.00	79.52	117.09	138.55	144.86	171.47
S & P Utilities	100.00	70.01	88.39	109.85	128.35	155.29

Item 6. Selected Financial Data

(Dollars in thousands, except per share data)

Years Ended December 31,	2006	2005	2004	2003	2002
Revenues	$ 134,235	$ 130,023	$ 110,039	$ 102,723	$ 88,461
Gross profit	$ 48,264	$ 47,219	$ 40,689	$ 37,733	$ 34,929
Earnings:					
Continuing operations	$ 4,264	$ 4,248	$ 3,594	$ 2,522	$ 2,761
Discontinued operations (1)	-	-	-	9,901	602
Net income	$ 4,264	$ 4,248	$ 3,594	$ 12,423	$ 3,363
Earnings per common share (basic and diluted):					
Continuing operations	$ 0.71	$ 0.71	$ 0.60	$ 0.43	$ 0.47
Discontinued operations (1)	-	-	-	1.69	0.10
Total	$ 0.71	$ 0.71	$ 0.60	$ 2.12	$ 0.57
Dividends declared per common share	$ 0.43	$ 0.41	$ 0.40	$ 0.39	$ 0.38
Total assets	$ 181,155	$ 182,666	$ 170,503	$ 160,944	$ 148,487
Utility plant – net	$ 129,211	$ 123,061	$ 117,191	$ 107,942	$ 103,357
Current debt	$ 3,466	$ 9,558	$ 5,825	$ 2,278	$ 19,183
Long-term debt	$ 50,702	$ 50,620	$ 50,538	$ 50,454	$ 50,367
Common shareholders' equity	$ 47,624	$ 45,503	$ 43,213	$ 41,463	$ 30,883

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Note to the Selected Financial Data:

(1) On December 3, 2002, FPU entered into an agreement to sell the assets of its water utility system to the City of Fernandina Beach. The transaction closed on March 27, 2003. Revenues, Gross profit and Utility plant-net do not include discontinued operations.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation

RESULTS OF OPERATIONS

General

Effects of seasonal weather conditions, the timing of rate increases, fluctuations in demand due to the cost of fuel passed on to customers and the migration of winter residents and tourists to Florida during the winter season all have an impact on income.

Revenues and Gross Profit Summary

Revenues include cost recovery revenues. The FPSC allows cost recovery revenues to directly recover costs of fuel, conservation and revenue-based taxes in our natural gas and electric segments. Revenues collected for these expenses have no effect on results of operations and fluctuations could distort the relationship of revenues between periods. Gross profit is defined as gross operating revenues less fuel, conservation and revenue-based taxes that are passed directly through to customers. Because gross profit eliminates these cost recovery revenues, we believe it provides a more meaningful basis for evaluating utility revenues. The following summary compares gross profit between periods and units sold in One thousand Dekatherm (MDth) (gas) and Megawatt Hour (MWH) (electric).

Revenues and Gross Profit
(Dollars in thousands)

	Year Ended December 31,		
	2006	**2005**	**2004**
Natural Gas			
Revenues	$70,981	$69,094	$55,962
Cost of fuel and other pass through costs	43,909	42,815	34,232
Gross Profit	$27,072	$26,279	$21,730
Units sold: (MDth)	6,230	6,224	6,124
Electric			
Revenues	$48,527	$47,450	$42,910
Cost of fuel and other pass through costs	34,259	33,352	29,732
Gross Profit	$14,268	$14,098	$13,178
Units sold: (MWH)	849,124	814,353	766,349
Propane Gas			
Revenues	$14,727	$13,479	$11,167
Cost of fuel and other pass through costs	7,803	6,637	5,386
Gross Profit	$ 6,924	$6,842	$5,781
Units sold: (MDth)	621	640	614
Consolidated			
Revenues	$134,235	$130,023	$110,039
Cost of fuel and other pass through costs	85,971	82,804	69,350
Gross Profit	$ 48,264	$ 47,219	$ 40,689

Natural Gas

Natural gas revenues increased $1.9 million, or 3% in 2006 over 2005 primarily due to increased revenue collected for taxes passed directly through to customers. A change in legislature regarding the calculation of Gross Receipts tax became effective January 1, 2006, and along with an increase to overall revenues, increased these taxes paid by our

customers by approximately $500,000. Franchise fee revenues also increased by $500,000 due to increased rates and area expansion.

Natural gas gross profit increased by $793,000, or 3% in 2006 over 2005. We had higher revenue and gross profit in 2006 compared to 2005 primarily due to billed revenue not exceeding the FPSC allowable earnings as much as in the prior year. In 2006 we reduced billed revenues and gross profit by our estimate of over-earnings of $230,000 for the year. Our estimate for 2005 was recorded at $700,000 in 2005 and we reduced that estimate in 2006 by $50,000 to $650,000. The combined effect of this was to increase our revenues and gross profit over the prior year by approximately $500,000. Other factors contributing to the increase in revenues and gross profit were 2% customer growth and storm surcharge revenues, which became effective November 2005. The revenues and gross profit increases were slightly offset by the loss of approximately $100,000 of revenue from two customers who went off-line for several months to do maintenance work.

Natural gas revenues increased $13.1 million in 2005 over 2004 primarily due to an $8.6 million increase in the cost of fuel and other costs that were passed through to customers. The cost of natural gas increased significantly over prior years, partially as a result of hurricanes and their impact on supplies. Gross profit increased $4.5 million, or 21%, primarily as a result of rate relief effective in November 2004, normal customer growth and a 2% increase in units sold. Offsetting these increases was the estimated over-earnings for 2005 of $700,000, which reduced revenues and gross profit.

Electric

Electric revenues increased $1.1 million in 2006 over 2005. Cost of fuel and other costs that were passed through to customers contributed approximately $900,000 of the increase. Gross profit increased $170,000 or 1% in 2006 over 2005. The increase in gross profit was primarily due to a slight increase in customer growth and units sold.

Electric revenues increased $4.5 million in 2005 over 2004. Cost of fuel and other costs that were passed through to customers contributed $3.6 million of the increase. Gross profit increased $920,000 or 7% in 2005 over 2004. The increase in gross profit was primarily due to a 6% increase in units sold along with the rate increases granted in March 2004. A large distribution center was built in our Northwest division and increased revenues by approximately $700,000 and gross profit by approximately $91,000 in 2005 over 2004.

Propane Gas

Propane revenues increased $1.2 million, or 9% and gross profit increased $82,000 or 1% in 2006 compared to 2005. Revenues increased primarily due to rising fuel costs. Although customers increased by 5% in 2006, the usage per customer declined by 8% contributing to a decrease of 3% in units sold. Warmer weather was the primary reason for this decrease in usage per customer in 2006 compared to 2005. The increase in gross profit was minimal when compared to last year primarily due to pre-buy gains of $383,000 realized in 2005 but not in 2006.

Propane revenues increased $2.3 million and gross profit increased $1.1 million or 18% in 2005 compared to 2004. The Company realized gains of approximately $383,000 as a result of buying propane supplies before market price increases. The remaining increase

of 12% from the previous year resulted from propane unit sales increasing 4% due primarily to a 13% growth in residential bulk customers and units sold.

Operating Expenses

Operating expenses include operation, maintenance, depreciation, amortization and taxes other than income taxes, and exclude fuel costs, conservation and taxes based on revenues that are directly passed through to customers and recovered in revenues.

Operating Expenses
(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Natural gas	$ 20,954	$ 20,230	$ 16,752
Electric	11,131	10,596	9,825
Propane gas	5,850	5,756	5,126
Total Operating Expenses	$ 37,935	$ 36,582	$ 31,703

Natural Gas

Natural gas operating expenses increased $724,000, or 4%, in 2006 as compared with 2005. Outside of the normal inflationary impacts on our expenses, customer account expenses increased by $237,000 as a result of our customer service focus initiated in 2005 based on our strategic plan. We continued the focus on this area and increased the number of employees in an effort to respond more effectively to customers. Bad debt provision increased $49,000 over the prior year primarily due to increasing revenues, aging accounts receivable on several major accounts, and the slowing housing economy. We increased our collection efforts in the fourth quarter of 2006 and will continue to do so in 2007.

In 2006 we had additional increases of $90,000 to sales expense resulting from initiatives to boost sales by increasing sales staff. Depreciation expense increased $137,000 principally due to construction of mains and new meters to distribute gas to a growing number of new developments in South Florida and increasing capacity requirements for existing customers.

Natural gas operating expenses increased $3.5 million or 21%, in 2005 as compared with 2004. Amortization expense increased $1 million. The bare steel replacement program and recovery of future environmental costs approved in our 2004 natural gas rate proceeding were the primary reasons for this increase. We are currently under a 50-year program to replace all bare steel mains and service lines with coated steel and polyethylene lines. We have received approval to recover the funds necessary to replace these mains and services over the 50-year period. Pursuant to an FPSC mandate, we accrue an amortization expense as an offset to the revenues received, and record a contribution, reducing the related construction expenditures. The FPSC also approved recovery of our expected environmental liability over a 20-year period.

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Customer account expense increased $373,000 in 2005 as compared to 2004 primarily due to increased payroll expenses for additional staffing and facility and equipment upgrades. There were also increased bad debt provisions as a result of the increases in accounts receivable due to general and fuel rate increases. The purchase of additional safety equipment, tools, hardware and office furniture contributed to a $942,000 increase in other operating expense. Other items affecting expenses included a research marketing study to provide us with data to better serve our customers and additional payroll

expenses relating to hurricane preparedness and wage increases. Maintenance expense increased by $208,000 primarily due to maintenance expenditures in Central Florida for cleaning and painting a distribution regulator and gate stations and the purchase of maintenance related safety equipment and tools.

Electric

Electric operating expenses increased $535,000, or 5%, in 2006 as compared with 2005. As a result of our efforts to inform and educate our electric customers about the expected 2007 and 2008 fuel rate increases in upcoming bills, sales expense increased by $120,000. Customer account expenses increased $106,000 in 2006 over the prior year mainly due to increased bad debt provisions due to higher sales and slower housing economy. Depreciation expense increased $202,000 largely due to major construction work done in the latter part of 2005 and the beginning of 2006. This included the rebuilding of a transmission sub-station, the rebuilding of an entire distribution sub-station with two transformers and the replacement of a failed sub-distribution station transformer. Additional significant work on transformers is expected in 2008.

Electric operating expenses increased $771,000, or 8%, in 2005 as compared with 2004. As we continued to focus on improving service reliability, we increased maintenance expense by $397,000 for additional tree trimming and the use of a temporary mobile substation while a new transformer was purchased and put into service. Depreciation expense increased $100,000 due to normal increases in plant assets. In 2005, other operating expenses increased $114,000 due to a shift from work on capital assets to operational needs along with personnel raises.

Propane Gas

Propane gas operating expenses increased $94,000, or 2%, in 2006 as compared with 2005. Depreciation expense increased $99,000 for the addition of plant assets including a propane gas delivery system that will increase the efficiency of our deliveries and improve our overall customer satisfaction. Aging accounts receivable, slowing housing economy and increasing revenues contributed to an increase in our bad debt expense over the prior year.

Propane gas operating expenses increased $630,000, or 12%, in 2005 as compared with 2004. As we continued to focus on increasing our propane gas business, other operating costs increased $467,000. We placed additional emphasis in the sales area, which resulted in signing up new housing developments that will utilize propane gas. We incurred increased expenditures for piping homes, delivering propane gas, implementing a new delivery system and increasing commission payments. This increased effort in our sales area contributed to an increase of 150 customers and 4% overall units sold in our propane gas segment.

Administrative Expenses

Administrative expenses increased $177,000, or 2%, in 2006 over 2005. These expenses generally are related to all of our operating segments. To continue to adequately support our internal and external customers, we increased staffing in our administrative areas. Payroll increases of $322,000 related to an increased number of employees, annual pay raises and normal inflationary impacts. In 2006, we discontinued eligibility to our defined benefit pension plan for new employees and replaced the defined benefit pension plan with a 401K-match plan for new employees. Although this change will take time to reduce pension expense, we did experience a reduction of $107,000 in our pension expenses in

2006. Medical costs increased $120,000 over the prior year and these costs are expected to continue to rise.

Regulatory storm surcharge expenses approved in our 2005 natural gas petition increased natural gas expenses by $180,000.

Administrative expenses increased $996,000, or 13%, in 2005 over 2004. Pension expense increased $274,000 due to our estimate that the return on the pension's assets will not keep pace with growing pension liabilities. Medical insurance premiums continue to rise, increasing $130,000 in 2005. Compliance costs related to Sarbanes-Oxley and internal control requirements, as well as audit fees, increased outside services expenses by $156,000. With the impact from our focus on hurricane preparations and the 2005 hurricanes, our safety expense increased by $235,000. A portion of this increase related to compensation for an additional safety employee and costs for a new safety incentive program.

Total Other Income and Deductions
Other income and deductions include revenues and expenses from sales and installation, service of merchandise, gains or losses on disposal of property, interest expense and other income and expenses. The largest components of this section are merchandise sales, services income and interest expenses. Our service activities include the installation of merchandise and other contract work. Interest expense consists of interest on bonds, short-term borrowings and customer deposits.

Merchandise and Services Revenue and Expenses
Although merchandise and services revenue decreased by approximately $268,000 in 2006, the overall profitability in this area increased by $325,000 compared to 2005. This was primarily a result of significant strategic changes made by management. These changes included revising the product markup structure, increasing installation fees and increasing employee training. We experienced a revenue decrease due to lower demand for merchandise as a result of a quiet hurricane season and the slow down of new construction projects in our areas due to the downturn in the housing market.

Merchandise and services revenues and expenses increased in 2005 from 2004 but profitability decreased $114,000. We experienced an increase in revenues and cost of sales primarily due to an increased demand for electric to gas conversions and installations of customer owned propane gas tanks to supply back-up generators. We had increased expenses from sub-contractors that were not passed on to customers in sales prices.

Interest Expenses
In 2005, total interest expense increased $106,000. Interest on short-term debt increased $37,000. This was due to the increase in the average outstanding loan balance on the line of credit and higher interest rates. Interest on customer deposits increased $48,000 due to increased customer deposits primarily as a result of additional deposits required after implementing increased rates in our natural gas operation.

Other
Other revenues increased $51,000 compared to 2005 due to additional interest income associated with the sale of the water assets.

Income Taxes

Income tax expense decreased in 2006 over the normal tax rate on net income by $67,000. This decrease was due to tax return adjustments related to the regulatory deferred tax liabilities.

Income tax expense decreased in 2005 over the normal tax rate on net income by $43,000. Tax return adjustments related to the sale of our water assets and the regulatory deferred tax liabilities decreased expenses by $118,000. We had an offsetting increase of $75,000 related to our IRS audit of the 2002 and 2003 income tax returns.

Liquidity and Capital Resources

Summary of Primary Sources and Uses of Cash
(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Sources of Cash:			
Operating activities, including working capital changes	$20,090	$10,213	$11,673
Net proceeds on short-term debt	-	3,733	3,547
Other sources of cash	1,179	1,214	648
Uses of Cash:			
Construction expenditures	13,116	12,441	13,731
Dividends paid	2,551	2,448	2,368
Net payment on short-term debt	6,092	-	-
Other uses of cash	121	75	129
Net (use) source of cash	$ (611)	$ 196	$ (360)

Cash Flows

Operating Activities

Net cash flow provided by continuing operating activities increased in 2006 by approximately $10 million compared to 2005. Fuel and other pass through costs accounted for $6.5 million of the increase. This increase resulted from the collection of the prior year's under-recoveries of $3.4 million and over-recoveries of $3.1 million in 2006. Amounts over-recovered will be refunded to customers in subsequent calendar years. Lower fuel costs during the latter part of the year in our natural gas segment contributed to a decrease in receivables and increase in cash of $3 million. The lower fuel costs and timing of payments to our major fuel suppliers resulted in a decrease to operating cash of $1 million. Income taxes paid increased by approximately $600,000 primarily due to the tax effect of the collection of prior year's fuel under-recoveries.

Net cash flow provided by continuing operating activities decreased in 2005 by approximately $1.5 million compared to 2004. Payments for fuel exceeded the amount collected from customers by an additional $3.1 million in 2005. The under-recovery of fuel costs is collected in the following calendar year. Income tax payments increased approximately $1.5 million, primarily as a result of less tax depreciation and higher income. The deduction for tax depreciation was higher in 2004 as a result of bonus depreciation, resulting in lower taxes in that year. We also received a refund in 2004 relating to the deferral of the gain on our water assets sale.

Offsetting the decreases to 2005 cash flow was additional cash received from rate increases in our natural gas segment. The rate increases also contributed to an increase to accounts receivable of $4 million. Accounts payable increased $3.3 million in 2005 primarily due to the increased cost of fuel in our natural gas segment.

Investing Activities

Capital expenditures increased in 2006 compared to 2005 by approximately $700,000. The increase in 2006 included expenditures for transportation equipment in our electric segment for approximately $400,000, vehicles in our natural gas segment above 2005 levels of approximately $600,000, and various other typical capital expenditures. Offsetting total 2006 increases was a $663,000 transformer replacement in 2005.

Capital expenditures decreased in 2005 compared to 2004 by approximately $1.3 million. In 2004, there were large projects to rebuild two substations in our electric segment and additional propane community gas systems costing approximately $3.3 million. In 2005 such expenditures were lower and consisted of the purchase of a transformer in our electric segment for $663,000, a new natural gas mapping system to track our assets used in serving our customers for approximately $300,000, a propane delivery system for approximately $300,000, additional propane community gas systems for approximately $300,000 and other various capital expenditures.

Financing Activities

Short-term borrowings decreased by $6 million in 2006. Over-recovery of fuel costs provided a large source of cash during 2006 as well as the recovery of the prior year's under-recovery of fuel costs in 2006, reducing the need for short-term borrowings.

Although additional sources of cash were provided by our rate increases and lower construction expenditures in 2005, the additional expenditures from the under-recovery of fuel costs and additional income taxes increased our short-term debt. Short-term borrowings increased in 2005 over 2004 by approximately $3.7 million.

Capital Resources

We currently have a $12 million line of credit, which expires on July 1, 2008. Upon 30 days notice by us we can increase the line of credit to a maximum of $20 million. The line of credit contains affirmative and negative covenants that, if violated, would give the bank the right to accelerate the due date of the loan to be immediately payable. The covenants include certain financial ratios. All ratios are currently met and management believes we are in full compliance with all covenants and anticipates continued compliance. We reserve $1 million of the line of credit to cover expenses for any major storm repairs in our electric segment and an additional $250,000 for a letter of credit insuring propane gas facilities. As of December 31, 2006, the amount borrowed on the line of credit was $3.5 million. The line of credit, long-term debt and preferred stock as of December 31, 2006 comprised 53% of total capitalization and debt.

In prior years we periodically paid off short-term borrowings under lines of credit using the net proceeds from the sale of long-term debt or equity securities. We may use similar types of proceeds in the future to pay off short-term borrowings, dependent on the amount borrowed from the line of credit, prevailing market conditions for debt and equity, the impact to our financial covenants and the effect on income.

Our 1942 Indenture of Mortgage and Deed of Trust, which is a mortgage on all real and personal property, permits the issuance of additional bonds based upon a calculation of unencumbered net real and personal property. At December 31, 2006, such calculation would permit the issuance of approximately $39.3 million of additional bonds.

On November 30, 2006 we received approval from the FPSC to issue and sell or exchange an additional amount of $45 million in any combination of long-term debt, short-term notes and equity securities and/or to assume liabilities or obligations as guarantor, endorser or surety during calendar year 2007. We will seek approval from the FPSC in 2007 for any possible financing in 2008.

We have $3.4 million in invested funds for payment of future environmental costs. We expect to use some of these funds in 2007.

Capital Requirements
Portions of our business are seasonal and dependent upon weather conditions in Florida. This factor affects the sale of electricity and gas and impacts the cash provided by operations. Construction costs also impact cash requirements throughout the year. Cash needs for operations and construction are met partially through short-term borrowings from our line of credit.

Capital expenditures are expected to be higher in 2007 compared to 2006 by approximately $3.9 million. The primary reason for the expected increase in expenditures is the anticipated purchase of land for a new South Florida division office. The current division office is on environmentally impacted property, which requires relocating the office to allow for clean up of the property. It is not possible to rebuild at the current location since the property has been rezoned with a residential designation. The estimated cost of land is $3.8 million. We are planning to build and complete this new facility in the next five years. We do not have any commitments for capital expenditures in 2007 other than vehicles of approximately $102,000.

Cash requirements will increase significantly in the future due to environmental clean up costs, sinking fund payments on long-term debt and pension contributions. Environmental clean up is forecast to require payments of approximately $600,000 in 2007, with remaining payments, which could total approximately $13.1 million, beginning in 2008. Annual long-term debt sinking fund payments of approximately $1.4 million will begin in 2008 and will continue for eleven years. Based on current projections, we will make voluntary contributions in our defined benefit pension plan of $250,000 in 2007 and $500,000 in 2008. Required contributions will begin in 2009 and are forecast to be approximately $2 million in 2009 and 2010.

Based on our current expectations for cash needs, including the possible land purchase and related South Florida office construction, we may choose to consider an equity or debt financing in 2008 to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time. In addition, if we experience significant environmental expenditures in the next two or three years it is possible we may need to raise additional funds. If interest rates remain favorable we may consider re-financing one of our mortgage bonds. If refinancing is deemed beneficial, we may re-issue the bond for additional principal. There can be no assurance, however, that equity or debt transaction financing will be available on favorable terms or at all when we make the decision to proceed with a financing transaction.

Outlook

Pension and Insurance Expenses

Insurance costs have been increasing and are expected to continue to increase while we expect pension costs to decrease. Pension expenses decreased $107,000 in 2006 and our actuarial estimates show pension expense decreasing by $142,000 in 2007. Insurance expenses including Medical, Liability and Workers' Compensation increased $70,000 in 2006 and are expected to increase further in 2007.

The regulated segments received rate relief for some of the historical pension and insurance increases in 2003 and 2004. Increases beyond those experienced through 2005, which are allocated to the regulated segments, may require requesting future rate relief. The propane gas segment may recover these expenses by increasing rates, depending on market conditions in the propane gas industry and the ability to remain competitive.

Due to significant cost increases for our defined benefit pension plan over the past several years and with expectations that these cost increases will continue in the years ahead, we discontinued eligibility to our pension plan for all new hires.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service.

Electric Power Supply Contracts

Contracts with our two electric suppliers were originally set to expire on December 31, 2007. Those contracts provided electricity to our customers at rates much lower than market rates. As part of our negotiations, we agreed to end the current contract terms for our Northeast division on December 31, 2006 and executed an amended contract to begin January 1, 2007 and expire December 31, 2017. Although the contract rates will increase for 2007, this enabled us to obtain lower rates for the longer term of the contract than would have been available if we had not revised the contract. The savings are passed through to our customers without profit to us.

We executed a contract for the provider of electricity in our Northwest division in December 2006 and are seeking approval of this contract and its related terms and conditions from the FPSC on or before July 1, 2007. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division. This contract will be for the purchase of electricity beginning January 1, 2008. We anticipate that contract will result in rates closer to market, which could cause our customers' bills to double over existing prices in the next several years.

We are unable to estimate what impact, if any, the higher rates could have on electric consumption.

Propane Gas

We are currently reviewing the possibility of hedging activities in 2007 to help mitigate the risk of price changes for our cost of propane gas. We are unable to determine the impact this activity will have on our future operating income.

We used advance purchase agreements made in the normal course of procuring propane gas supplies in past years. These agreements resulted in a loss of gross profit of approximately $5,000 in 2006 and additional gross profit of approximately $383,000 in 2005 and $242,000 in 2004.

Over-earnings-Natural Gas Segment
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We currently estimate over-earnings in 2006 of $230,000 and in 2005 of $650,000. We revised our prior year's 2005 estimate of $700,000 during 2006. These liabilities have been included in an over-earnings liability on our balance sheet, with the potential of rate refunds to customers. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

Our 2005 and 2006 estimates of our over-earnings liabilities could change upon the FPSC finalization and review of our earnings in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

In 2007 we requested that the 2005 natural gas over-earnings be used to provide additional funds to our regulatory liability – storm reserve and reduce the costs currently being recovered from our customers through a storm surcharge. If the FPSC approves this disposition, we will end the storm surcharge in 2007.

Electric Customers
A large commercial customer in our electric division closed its operations in late 2006. As a result we anticipate annual revenues to be reduced by approximately $300,000 and annual gross profit to be reduced by approximately $50,000.

A large distribution center was built in our Northwest division in 2004 and a second facility was added in 2006. A third distribution facility is expected to be added by the end of 2007. Additional industrial and commercial development is planned for this general area, which should increase load significantly. Additional gross profit is anticipated in the future to increase between $30,000 and $50,000 as a result of the additional developments.

Natural Gas Customers

Two natural gas customers went off-line for approximately six months in 2006 due to lower production, market slow down and maintenance work on their facilities. We anticipate that they will not be fully operational until mid-2007. The decreased revenue and gross profit is estimated to be $100,000 in 2007.

Indiantown Gas Agreement

The FPSC approved our joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We began construction in the Indiantown area to install natural gas mains in the first phase of this development, for approximately 100 homes. Two more developments are slated for construction of approximately 1,000 homes in 2007.

Storm Preparedness Expenses
Regulators continue to focus on hurricane preparedness and storm recovery issues for utility companies. Newly mandated storm preparedness initiatives could impact our operating expenses and capital expenditures beginning in 2007. The initial forecasts of these annual expenditures are approximately $700,000. It is possible that additional regulation and rules will be mandated regarding storm related expenditures over the next several years. We requested that the FPSC allow us to recover the cost of the newly mandated storm preparedness initiatives and to defer these storm-related expenditures until we receive recovery through a rate increase. If approved, both the recovery and expenditures may occur by mid-2007. If the FPSC does not approve our request, we plan to file a rate proceeding in 2007 as an alternative option for recovery of these expenditures.

Land Purchase
We are currently reviewing multiple sites for the new South Florida division office. We expect to purchase land for the new South Florida division office during 2007.

Contractual Obligations

Table of Contractual Obligations
(Dollars in thousands)

Payments due by period:	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Long-term Debt Obligations	$52,500	$ -	$2,818	$2,818	$46,864
Long-term Debt Interest	63,904	3,949	7,623	7,074	45,258
Operating Lease Obligations	352	151	163	38	-
Natural Gas and Propane Gas Purchase Obligations	64,904	37,768	16,244	4,568	6,324
Electric Purchase Obligations	[illegible]	53	98	91	[illegible]
Other Purchase Obligations	2,682	940	1,726	14	2
Total	$184,[illegible]	$42,861	$28,672	$14,603	$98,[illegible]

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Long-term Debt Obligations
The Long-term debt obligations are principal amounts.

Long-term Debt Interest
The Long-term debt interest represents the interest obligation on our Mortgage Bonds.

Operating Lease Obligations
Our total operating lease obligation is $352,000. We are leasing property from the City of Fernandina Beach in our Northeast division. The total obligation for the duration of this lease is about $107,000 over the next five years. We lease our appliance showroom in the same division for approximately $35,000 annually. We also have other operating lease agreements with various terms and expiration dates.

Purchase Obligations

A purchase order is considered an obligation if it is associated with a contract or is authorizing a specific purchase of material. The Other Purchase Obligation amount presented above represents the amount of open orders.

Pension, Medical Postretirement and Other Obligations
Our pension plan continues to meet all funding requirements under ERISA regulations; however, under current actuarial assumptions, contributions may be required as early as 2009. Current projections indicate that we will make voluntary contributions of $250,000 in 2007, $500,000 in 2008 and make required contributions of approximately $2 million in 2009 and 2010, decreasing to under $1 million in 2011. These payments are not included in the Contractual Obligations table.

Environmental clean up is anticipated to require approximately $600,000 in 2007, the remainder to be paid in following years. These payments are not included in the Contractual Obligations table.

We have medical postretirement payments relating to retiree medical insurance. These payments are not included in the Contractual Obligations table. Estimated future payments are described in Note 12 in the Notes to Consolidated Financial Statements.

Dividends
We have historically paid dividends. It is our intent to continue to pay quarterly dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon our future earnings, cash flow, financial condition, capital requirements and other factors.

Other

Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48
In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings, and case law and determined that the Company has no material uncertain tax positions. Additionally, the IRS concluded an audit of the 2002 and 2003 tax years in September of 2005.

In February of 2007, the IRS informed us that it selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings as the result of the impending IRS audit.

Based on the aforementioned, we believe that the adoption of FASB Interpretation No. 48 will not have a material impact on our financial condition or results of operations.

Financial Accounting Standard No. 157

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, that is, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard No. 158

In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 requires the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

The Company uses December 31 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company currently uses this date as the measurement date, and has used it for all periods presented.

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The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on the non-regulated portion of the liability has been recorded as a deferred income tax asset. As an offset, the regulatory portion of this liability has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining expense for recording the liability has been included in other comprehensive income. The fair value of retirement plan assets and obligations are subject to change based on market fluctuations. The table below summarizes the effects to our financial statements.

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FASB 158 Implementation Summary
(Dollars in thousands)

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$ -	$829	$829
Liabilities and Equity:			

Accumulated other comprehensive income/(loss)	-	(146)	(146)
Other accruals and payables	2,034	151	2,185
Long term medical and pension reserve	3,819	912	4,731
Deferred income taxes	16,224	(88)	16,136

Staff Accounting Bulletin No. 108

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes an assessment from both an income statement and a balance sheet focus. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

Critical Accounting Policies and Estimates

Regulatory Accounting

We prepare our financial statements in accordance with the provisions of SFAS No. 71 "Accounting for the Effects of Certain Types of Regulation" and it is our most critical accounting policy. In general, SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. As a result, a regulated utility may defer recognition of a cost (a regulatory asset) or recognize an obligation (a regulatory liability) if it is probable that, through the rate making process, there will be a corresponding increase or decrease in revenues or expenses. SFAS No. 71 does not apply to our unregulated propane gas operations.

Use of Estimates

We are required to use estimates in preparing our financial statements so they will be in compliance with accounting principles generally accepted in the United States of America. Actual results could differ from these estimates. We believe that the accruals for potential liabilities are adequate. The estimates in our financial statements included the accrual for pensions, environmental liabilities, over-earnings liability, unbilled revenues, allowances for doubtful accounts, uninsured liability claims and the regulatory deferred income tax and deferred income liabilities.

- Pension and post retirement benefits-An actuary calculates the estimated pension liability in accordance with FASB 87, FASB 88 as amended by FASB 132 and FASB 158.
- Environmental liabilities-These liabilities are subject to certain unknown future events. The Company reviews the environmental issues regularly with the geologists performing the feasibility studies and their legal counsel specializing in manufactured gas plant issues and negotiates with the environmental regulators and the other participating parties to determine the adequacy of the estimated liability for environmental reserves.

Deleted: ***Financial Accounting Standard No. 154***

In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We adopted SFAS No. 154 as of January 1, 2006; however, we did not have any impact to our financial statements in 2006 as a result of this adoption.

Deleted: ***Financial Accounting Standard Board Interpretation No. 47***

In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. We adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

This Interpretation addresses the legal obligation to retire an asset when the timing and (or) met[... [1]

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- Over-earnings liability-This liability is subject to regulatory review and possible disallowance of some expenses in determining the amount of over-earnings.
- Unbilled revenues-Unbilled revenue is estimated with certain assumptions including unaccounted for units and the use of current month sales to estimate unbilled sales.
- Allowances for doubtful accounts- This liability is estimated based on historical information and trended current economic conditions, certain assumptions, and is subject to unknown future events. Actual results could differ from our estimates.
- Uninsured liability claims-We are self-insured for the first $250,000 of each general and auto liability claim and accrue for estimated losses occurring from both asserted and unasserted claims. The estimate for unasserted claims arising from unreported incidents is based on an analysis of historical claims data and judgment.
- Regulatory deferred income tax and deferred income tax liabilities-These liabilities are estimated based on historical data and are subject to finalization of our income tax return. Actual results could differ from our estimates.

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Revenue Recognition
We bill utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. We accrue estimated revenue for gas and electric customers for consumption used but not yet billed for in an accounting period. Determination of unbilled revenue relies on the use of estimates and historical data. We believe that the estimates for unbilled revenue materially reflect the unbilled gross profit for our customers for units used but not yet billed in the current period.

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Any earnings in excess of this maximum amount are accrued for as an over-earnings liability and revenues are reduced for this same amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves or reducing any depreciation reserve deficiency.

Effects of Inflation
Our tariffs for natural gas and electric operations provide for fuel clauses that adjust annually for changes in the cost of fuel. Increases in other utility costs and expenses not offset by increases in revenues or reductions in other expenses could have an adverse effect on earnings due to the time lag associated with obtaining regulatory approval to recover such increased costs and expenses, the uncertainty of whether regulatory commissions will allow full recovery of such increased costs and expenses and any effect on unregulated propane gas operations.

Environmental Matters
We currently use or have used in the past, several contamination sites that are currently involved in pending or threatened environmental litigation as discussed in Note 10-"Contingencies" in the Notes to Consolidated Financial Statements. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover

any expected losses or expenses. We believe that the aggregate of all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the insurance proceeds received and any rate relief granted. The final 2004 natural gas rate relief granted by the FPSC provided future recovery of $8.9 million for environmental liabilities. The remaining balance to be recovered from customers through future recovery is included on the balance sheet as "Other regulatory assets-environmental".

Off-Balance Sheet Arrangements
We do not have any off-balance sheet arrangements.

Forward-Looking Statements (Cautionary Statement)
This report contains forward-looking statements including those relating to the following expectations:

- Based on our current expectations for cash needs, including cash needs relating to the possible land purchase and related construction, we may choose to consider an equity or debt financing in 2008 to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time.
- Pension expenses will continue to decrease in 2007.
- Other insurance costs will increase in 2007.
- Our anticipation of continued compliance in the foreseeable future with our line of credit covenants.
- Our expectation that cash requirements will increase significantly in the future due to environmental clean-up costs, sinking fund payment on long-term debt and pension contributions.
- Electric storm related expenditures may be necessary beginning in mid-2007 and the total cost may be significant. We may receive recovery for these expenditures.
- Propane gas hedging activity may occur in 2007.
- The fuel supply contract in our Northwest Florida division beginning January 1, 2008 will be approved by the FPSC in 2007 and will be effective for the purchase of fuel supply beginning in 2008.
- Our 2005 and 2006 over-earnings liabilities in natural gas will materialize as estimated after the FPSC reviews and audits.
- We expect to have higher fuel costs for 2007, 2008 and beyond.
- The development in Indiantown will occur as estimated.
- The purchase of land for our new natural gas and propane gas division office will occur in 2007.
- The FPSC will allow our natural gas over-earnings to fund a future storm reserve and reduce our current regulatory asset related to historic storm costs and discontinue the related natural gas storm surcharge in 2007.
-
- The commercial and industrial growth will occur as expected in our Northwest division providing increases in our revenues and gross profit.
- The two customers that went off-line in 2006 will be fully operational by mid-2007.

Deleted: We have increased our focus on collection efforts of bad debt and we expect our bad debt expense to return to normal levels in 2007 and beyond.

These statements involve certain risks and uncertainties. Actual results may differ materially from what is expressed in such forward-looking statements. Important factors

that could cause actual results to differ materially from those expressed by the forward-looking statements include, but are not limited to, those set forth above in "Risk Factors".

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

All financial instruments held by us were entered into for purposes other than for trading. We have market risk exposure only from the potential loss in fair value resulting from changes in interest rates. We have no material exposure relating to commodity prices because under our regulatory segments, we are currently fully compensated for the actual costs of commodities (natural gas and electricity) used in our operations. Any commodity price increases for propane gas are normally passed through monthly to propane gas customers as the fuel charge portion of their rate.

None of our gas or electric contracts are accounted for using the fair value method of accounting. While some of our contracts meet the definition of a derivative, we have designated these contracts as "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

Beginning in 2007 we plan, on a rolling four-quarter basis, to purchase a "cap" on approximately one-third of our forecast propane gas volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane gas purchases. The remaining one-third will fluctuate with the market price. Our energy strategy allows us to participate in two-thirds of price declines but only one-third of price increases. As of December 31, 2006, we have not entered into any hedging activities. When we do enter into hedging activities, we will determine whether they meet the definition of normal sales and purchases and if not, we will determine whether we can use hedge accounting.

We have no exposure to equity risk, as we do not hold any equity instruments. Our exposure to interest rate risk is limited to investments held for environmental costs, the water sale long term receivable and short-term borrowings on the line of credit. The investments held for environmental costs are short-term fixed income debt securities whose carrying amounts are not materially different than fair value. The short-term borrowings were $3.5 million at the end of December 2006. Therefore, we do not believe we have material market risk exposure related to these instruments. The indentures governing our two first mortgage bond series outstanding contain "make-whole" provisions, which are pre-payment penalties that charge for lost interest, which render refinancing impracticable.

Our non-interest bearing long-term receivable from the sale of the water operations was discounted at 4.34%. A hypothetical 0.5% (50 basis points) increase in the interest rate used would change the current fair value from $6 million to $5.9 million.

In 2006, a hypothetical 0.5% (50 basis points) decrease in the long-term interest rate on $52.5 million debt excluding unamortized debt discount would change the fair value from $63 million to $66.9 million.

Changes in short-term interest rates could have an effect on income depending on the balance borrowed on the variable rate line of credit. We had short-term debt of $3.5 million on December 31, 2006 and $9.6 million on December 31, 2005. A hypothetical 1% increase in interest rates would have resulted in a decrease in annual earnings for 2006 by $35,000 and for 2005 by $96,000, based on year-end borrowings.

Item 8. Financial Statements and Supplementary Data

CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share data)

	Years Ended December 31		
Revenues	**2006**	**2005**	**2004**
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910
Propane gas	14,727	13,479	11,167
Total revenues	134,235	130,023	110,039
Cost of Fuel and Other Pass Through Costs	85,971	82,804	69,350
Gross Profit	48,264	47,219	40,689
Operating Expenses			
Operation	23,724	22,881	20,068
Maintenance	3,484	3,566	2,982
Depreciation and amortization	7,742	7,266	5,900
Taxes other than income taxes	2,985	2,869	2,753
Total operating expenses	37,935	36,582	31,703
Operating Income	10,329	10,637	8,986
Other Income and (Deductions)			
Merchandise and service revenue	4,322	4,590	3,366
Merchandise and service expenses	(4,071)	(4,664)	(3,326)
Other income	620	569	625
Other deductions	(33)	(29)	20
Interest expense on long-term debt	(3,949)	(3,949)	(3,949)
Interest expense on short-term borrowings	(108)	(79)	(42)
Customer deposits and other interest expense	(551)	(540)	(471)
Total other deductions – net	(3,770)	(4,102)	(3,777)
Earnings Before Income Taxes	6,559	6,535	5,209
Income Taxes	(2,295)	(2,287)	(1,615)
Net Income	4,264	4,248	3,594
Preferred Stock Dividends	29	29	29
Earnings for Common Stock	$ 4,235	$ 4,219	$ 3,565
Earnings Per Common Share (basic and diluted)	$ .71	$ .71	$ .60
Dividends Declared Per Common Share	$ .43	$ .41	$ .40
Average Shares Outstanding	5,993,589	5,952,684	5,908,220

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Dollars in thousands)

	Years Ended December 31		
	2006	2005	2004
Net income	$ 4,264	$ 4,248	$ 3,594
Other comprehensive income/(loss), net:			
Retirement plans adjustment	(234)	-	-
Deferred income taxes benefit	88	-	-
Comprehensive income	$ 4,118	$ 4,248	$ 3,594

Deleted: Additional retirement plan liabilities

See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	December 31,	
ASSETS	**2006**	**2005**
Utility Plant		
Natural gas	$ 95,393	$ 89,835
Electric	72,776	70,084
Propane gas	17,153	15,500
Common	3,646	3,859
Total	188,968	179,278
Less accumulated depreciation	59,757	56,217
Net utility plant	129,211	123,061
Current Assets		
Cash	84	695
Accounts receivable	12,199	15,780
Notes receivable	298	299
Allowance for uncollectible accounts	(429)	(272)
Unbilled receivables	1,957	1,918
Inventories (at average or unit cost)	4,120	3,781
Prepaid expenses	962	951
Income tax prepayments	98	1,159
Under-recovery of fuel costs	862	3,375
Total current assets	20,151	27,686
Other Assets		
Investments held for environmental costs	3,364	3,258
Other regulatory assets – storm reserve	270	452
Other regulatory assets – environmental	8,284	8,868
Other regulatory assets – retirement plans	829	-
Long-term receivables and other investments	5,740	5,794
Deferred charges	6,496	6,751
Goodwill	2,405	2,405
Intangible assets (net)	4,405	4,391
Total other assets	31,793	31,919
Total	$ 181,155	$ 182,666

See Notes to Consolidated Financial Statements

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CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	December 31,	
CAPITALIZATION AND LIABILITIES	**2006**	**2005**
Capitalization		
Common shareholders' equity	$ 47,624	$ 45,503
Preferred stock	600	600
Long-term debt	50,702	50,620
Total capitalization	98,926	96,723
Current Liabilities		
Line of credit	3,466	9,558
Accounts payable	10,279	13,166
Insurance accrued	181	296
Interest accrued	789	1,014
Other accruals and payables	2,185	1,984
Taxes accrued	1,277	1,512
Deferred income tax	579	1,066
Over-earnings liability	880	700
Over-recovery of fuel costs	3,656	-
Over-recovery of conservation	355	24
Customer deposits	9,608	8,851
Total current liabilities	33,255	38,171
Other Liabilities		
Deferred income taxes	16,136	17,568
Unamortized investment tax credits	335	411
Environmental liability	13,753	14,001
Regulatory liability – cost of removal	8,800	8,256
Regulatory tax liabilities	876	991
Long-term medical and pension reserve	4,731	2,663
Customer advances for construction	2,707	2,346
Regulatory liability – storm reserve	1,636	1,536
Total other liabilities	48,974	47,772
Total	$ 181,155	$ 182,666

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See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CAPITALIZATION
(Dollars in thousands)

	December 31, 2006	December 31, 2005
Common Shareholders' Equity		
Common stock, $1.50 par value, authorized 10,000,000 shares; issued 6,166,648 shares in 2006; issued 6,152,676 shares in 2005	$ 9,250	$ 9,229
Paid-in capital	6,054	5,998
Retained earnings	35,308	33,625
Accumulated other comprehensive income/(loss), retirement plan adjustment, net of income tax benefit	(146)	-
Treasury stock - at cost (160,349 shares in 2006, 188,994 shares in 2005)	(2,842)	(3,349)
Total common shareholders' equity	47,624	45,503
Preferred Stock		
4 ¾% Series A, $100 par value, redemption price $106, authorized and outstanding 6,000 shares	600	600
4 ¾% Series B Cumulative Preferred, $100 par value, redemption price $101, authorized 5,000 and none issued	-	-
$1.12 Convertible Preference, $20 par value, redemption price $22, authorized 32,500 and none issued	-	-
Total preferred stock	600	600
Long-Term Debt		
First mortgage bonds series		
9.57 % due 2018	10,000	10,000
10.03 % due 2018	5,500	5,500
9.08 % due 2022	8,000	8,000
4.90 % due 2031	14,000	14,000
6.85 % due 2031	15,000	15,000
Unamortized debt discount	(1,798)	(1,880)
Total long-term debt	50,702	50,620
Total Capitalization	$ 98,926	$ 96,723

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY

(Dollars in thousands)

	Common Stock						
	Shares Issued	Aggregate Par Value	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)	Treasury Shares Cost	Treasury Shares
Balances as of December 31, 2003	6,097,478	$9,146	$5,632	$30,638	$ -	$(3,953)	223,062
Net income	-	-	-	3,594	-	-	-
Dividends	-	-	-	(2,383)	-	-	-
Stock plans	32,619	49	174	-	-	316	(17,821)
Balances as of December 31, 2004	6,130,097	9,195	5,806	31,849	-	(3,637)	205,241
Net income	-	-	-	4,248	-	-	-
Dividends	-	-	-	(2,472)	-	-	-
Stock plans	22,579	34	192	-	-	288	(16,247)
Balances as of December 31, 2005	6,152,676	9,229	5,998	33,625		(3,349)	188,994
Net income	-	-	-	4,264	-	-	-
Other comprehensive loss, retirement plans adjustment, net of tax	-	-	-	-	(146)	-	-
Dividends	-	-	-	(2,581)	-	-	-
Stock plans	13,972	21	56	-	-	507	(28,645)
Balances as of December 31, 2006	6,166,648	$9,250	$6,054	$35,308	$(146)	$(2,842)	160,349

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)

	Years Ended December 31,		
	2006	2005	2004
Cash Flows from Operating Activities:			
Net income	$ 4,264	$ 4,248	$ 3,594
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation and amortization	7,742	7,266	5,900
Deferred income taxes	(1,946)	(153)	2,470
Bad debt expense	623	359	409
Investment tax credits	(75)	(81)	(83)
Other	805	751	121
Interest income from sale of non-utility property	(252)	(192)	(271)
Compensation expense from the issuance of stock	88	58	91
Effects of changes in:			
Receivables	3,115	(4,513)	(1,688)
Unbilled receivables	(39)	367	(612)
Inventories and prepayments	711	(495)	2,746
Accounts payable and accruals	(1,128)	5,560	1,131
Over (under) recovery of fuel and other pass through costs	6,500	(3,171)	(1,991)
Area expansion program deferred costs	238	109	(372)
Environmental liability	584	429	(586)
Other	(1,140)	(329)	814
Net cash provided by operating activities	20,090	10,213	11,673
Cash Flows from Investing Activities:			
Construction expenditures	(13,116)	(12,441)	(13,731)
Customer advances received for construction	361	454	144
Purchase of long-term investments	(106)	(75)	(34)
Proceeds received on notes receivable	321	304	57
Issuance of notes receivable	-	-	(95)
Other	(15)	-	-
Net cash used in investing activities	(12,555)	(11,758)	(13,659)
Cash Flows from Financing Activities:			
Net change in short-term borrowings	(6,092)	3,733	3,547
Proceeds from common stock plans	497	456	447
Dividends paid	(2,551)	(2,448)	(2,368)
Net cash provided by (used in) financing activities	(8,146)	1,741	1,626
Net Increase (Decrease) in Cash	(611)	196	(360)
Cash at Beginning of Year	695	499	859
Cash at End of Year	$ 84	$ 695	$ 499
Supplemental Cash Flow Information			
Cash was paid during the years as follows:			
Interest	$ 4,777	$ 4,469	$ 4,357
Income taxes	$ 3,298	$ 2,698	$ 1,215

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting and Reporting Policies

A. General

The Company is an operating public utility engaged principally in the purchase, transmission, distribution and sale of electricity and in the purchase, transmission, distribution, sale and transportation of natural gas. The Company is subject to the jurisdiction of the FPSC with respect to its natural gas and electric operations. The suppliers of electric power to the Northwest Florida division and of natural gas to the natural gas divisions are subject to the jurisdiction of the FERC. The Northeast Florida division is supplied most of its electric power by a municipality which is exempt from FERC and FPSC regulation. The Company also distributes propane gas through a non-regulated subsidiary.

B. Basis of Presentation

The consolidated financial statements include the accounts of Florida Public Utilities Company (FPU) and its wholly owned subsidiary, Flo-Gas Corporation. All significant intercompany balances and transactions have been eliminated. The Company's accounting policies and practices conform to accounting principles generally accepted in the United States of America (GAAP) as applied to regulated public utilities and are in accordance with the accounting requirements and rate-making practices of the FPSC and in accordance to the rule requirements of the Securities and Exchange Commission (SEC).

C. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Some of these estimates include the accruals for pensions, allowances, environmental liabilities, liability reserves, unbilled revenue, regulatory deferred tax liabilities and over-earnings liability. Actual results may differ from these estimates and assumptions.

D. Reclassifications

Certain amounts in the prior years' financial statements have been reclassified to conform to the 2006 presentation.

E. Regulation

The financial statements are prepared in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 71 – "Accounting for the Effects of Certain Types of Regulation". SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. A regulated utility may defer recognition of a cost (a regulatory asset) or show recognition of an obligation (a regulatory liability) if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in revenues. The Company has recognized certain regulatory assets and liabilities in the consolidated balance sheets. The Company believes that the FPSC will continue to allow recovery of

such items through rates. In the event that a portion of the Company's operations are no longer subject to the provisions of SFAS No. 71, the Company would be required to write-off related regulatory assets and liabilities that are not specifically recoverable through regulated rates. In addition, the Company would be required to determine if an impairment related to other assets exists, including plant, and write-down the assets, if impaired, to their fair value.

Summary of Regulatory Assets and Liabilities
(Dollars in thousands)

	2006	2005
Assets		
Deferred development costs (1)	$ 3,952	$ 4,190
Unamortized fuel related regulatory costs (6)	48	24
Environmental assets (2)	8,284	8,868
Storm Reserve assets (3)	270	452
Deferred retirement plan costs (5)	829	-
Unamortized Rate Case expense	368	541
Under-recovery of fuel costs	862	3,375
Unamortized piping and conversion costs (1)	1,521	1,587
Unamortized loss on reacquired debt (1)	209	227
Total Regulatory Assets	$16,343	$19,264
Liabilities		
Tax liabilities	$ 876	$ 991
Cost of removal	8,800	8,256
Storm reserve liabilities	1,636	1,536
Over-recovery of fuel costs	3,656	-
Over-recovery of conservation	355	24
Over-earnings liability (4)	880	700
Total Regulatory Liabilities	$16,203	$11,507

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(1) Deferred development costs, unamortized piping and conversion costs, and unamortized loss on reacquired debt are included in deferred charges in the consolidated balance sheets.
(2) The Company has included the amount due from customers as a regulatory asset for environmental costs. The FPSC authorized recovery of these environmenatl costs from customers over 20 years.
(3) The FPSC has authorized the Company to recover storm damages incurred in 2004 in their natural gas operations. Recovery of these costs from customers over 30 months began November 2005.
(4) The Company originally estimated the 2005 over-earnings for regulated natural gas operations at $700,000. In 2006 the estimate was reduced to $650,000. The Company has estimated 2006 over-earnings for regulated natural gas operations of $230,000. The Company has recorded these liabilities which reduced revenues. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.
(5) The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in a regulatory asset for the portion of the loss of $829,000 to be recovered in future rate proceedings.

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(6) The Company has deferred certain regulatory fuel related costs and as of January 2006 has been amortizing these over five years according to a FPSC order in the November 2005 fuel hearings.

The base revenue rates for regulated segments are determined by the FPSC and remain constant until a request for an increase is filed and approved by the FPSC or the FPSC orders the Company to reduce their rates. For the Company to recover increased costs from the effects of inflation and construction expenditures for regulated segments, a request for an increase in base revenues would be required. Separate filings would be required for the electric and natural gas segments. The Company is currently seeking rate relief for electric storm preparedness initiatives required in 2007.

F. Derivatives

None of the Company's gas or electric contracts are accounted for using the fair value method of accounting. All material contracts that meet the definition of derivative instruments are considered "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

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G. Revenue Recognition

The Company's revenues consist of base revenues, fuel adjustment charges, conservation charges and the pass-through of certain governmental imposed taxes based on revenues.

The FPSC approves base revenue rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Fuel adjustment charges, conservation charges and the pass-through of certain governmental imposed taxes based on revenues are approved by the FPSC to allow recovery of fuel, conservation and revenue based taxes from the Company's customers. Any over or under-recovery of these expense items are deferred and subsequently refunded or collected in the following period.

Annually, any earnings in excess of this maximum amount permitted in the base rates are accrued for as an over-earnings liability and revenues are reduced an equivalent amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

The Company bills utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. The Company accrues estimated revenue for gas and electric customers on usage not yet billed for the accounting period. Determination of unbilled revenue relies on the use of estimates, fuel purchases and historical data.

H. Allowance for Doubtful Accounts

The Company records an allowance for doubtful accounts based on historical information and trended current economic conditions. The following is a summary of the activity in Allowance for Doubtful Accounts for the years ending December 31:

Allowance for Doubtful Accounts				
	Balance at Beginning of Year	Write-offs	Provisions to Bad Debt Expense	Balance at End of Year
2004	$ 180,000	320,000	409,000	$ 269,000
2005	$ 269,000	292,000	295,000	$ 272,000
2006	$ 272,000	350,000	507,000	$ 429,000

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I. Utility Plant and Depreciation

Utility plant is stated at original cost. The propane gas utility plant that has been acquired in acquisitions was stated at fair market value when acquired. Additions to utility plant include contracted services, direct labor, transportation and materials for additions. Units of property are removed from utility plant when retired. Maintenance and repairs of property and replacement and renewal of items determined not to be units of property are charged to operating expenses. Substantially all of the utility plant and the shares of Flo-Gas Corporation collateralize the Company's first mortgage bonds.

Utility Plant
(Dollars in thousands)

Plant Classification	**Annual Composite Depreciation Rate**	**2006**	**2005**
Land		$ 1,130	$ 1,124
Buildings	2.0% to 4.9%	6,991	6,862
Distribution	2.0% to 8.6%	158,010	147,580
Transmission	2.2% to 3.8%	6,878	6,799
Equipment	2.0% to 20.0%	12,700	11,534
Furniture and Fixtures	4.8% to 20.0%	392	369
Work-in-Progress		2,867	5,010
		$ 188,968	$ 179,278

Depreciation for the Company's regulated segments is computed using the composite straight-line method at rates prescribed by the FPSC for financial accounting purposes. Propane gas depreciation is computed using a composite straight-line method at an average rate based on estimated average life of approximately 20-30 years. Such rates are based on estimated service lives of the various classes of property. Depreciation provisions on average depreciable property approximate 3.9% in 2006, 3.9% in 2005 and 3.6% in 2004.

J. Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48

In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings and case law and determined that the Company has no material uncertain tax positions. Additionally, the IRS concluded an audit of the 2002 and 2003 tax years in September of 2005.

In February of 2007, the IRS informed us that it selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings as the result of the impending IRS audit.

Based on the aforementioned, we believe that the adoption of FASB Interpretation No. 48 will not have a material impact on our financial condition or results of operations.

Financial Accounting Standard No. 157
In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, that is, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard No. 158
In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 requires the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

The Company uses December 31 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company currently uses this date as the measurement date, and has used it for all periods presented.

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on the non-regulated portion of this liability has been recorded as a deferred income tax asset. As an offset, the regulatory portion of this liability has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining expense from recording the liability has been included in other comprehensive income. The fair value of retirement plan assets and obligations are subject to change based on market fluctuations. The table below summarizes the effects to our financial statements.

FASB 158 Implementation Summary
(Dollars in thousands)

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$ -	$829	$829
Liabilities and Equity:			
Accumulated other comprehensive income/(loss)	-	(146)	(146)
Other accruals and payables	2,034	151	2,185
Long term medical and pension reserve	3,819	912	4,731
Deferred income taxes	16,224	(88)	16,136

Staff Accounting Bulletin No. 108
In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes an assessment from both an income statement and a balance sheet focus. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

2. **Goodwill and Intangible Assets**
In accordance with SFAS No. 142, "Goodwill and Other Intangible Assets", the Company does not amortize goodwill or intangibles with indefinite lives. The Company periodically tests the applicable reporting segments, natural gas and propane gas, for

Deleted: The Company uses September 30 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company expects to make this change in 2008.¶

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Deleted: ***Financial Accounting Standard No. 154¶***
In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We adopted SFAS No. 154 as of January 1, 2006; however, we did not have any impact to our financial statements in 2006 as a result of this adoption.¶

Deleted: ***Financial Accounting Standard Board Interpretation No. 47¶***
In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. The Company adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This w[... [2]

impairment. In the event a segment becomes impaired, the Company would write down the associated goodwill and intangible assets to fair value. The impairment tests performed in 2005 and 2006 showed no impairment for either reporting segment.

Goodwill associated with the Company's acquisitions is identified as a separate line item on the consolidated balance sheet and consists of $500,000 in the natural gas segment and $1.9 million in the propane gas segment.

Intangible assets associated with the Company's acquisitions and software have been identified as a separate line item on the balance sheet. Summaries of those intangible assets at December 31 are as follows:

Intangible Assets
(Dollars in thousands)

		2006	2005
Customer distribution rights	(Indefinite life)	$ 1,900	$ 1,900
Customer relationships	(Indefinite life)	900	900
Software	(Five to nine year life)	3,122	2,971
Non-compete agreement	(Five year life)	-	35
Accumulated amortization		(1,517)	(1,415)
Total intangible assets, net of amortization		$4,405	$ 4,391

The 2006 amortization expense of computer software is approximately $300,000. The Company expects the amortization expense of computer software to be approximately $300,000 annually over the next five years, with the current level of software investment. The non-compete agreements expired in 2006.

3. *Over-earnings-Natural Gas*
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. The Company has agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

The Company estimated 2005 over-earnings for regulated natural gas operations of $700,000. The 2005 over-earnings estimate was revised in 2006 to be $650,000. The Company estimated 2006 over-earnings for regulated natural gas operations of $230,000. These liabilities have been included in the over-earnings liability on the Company's balance sheet. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

The Company feels the estimates of the 2005 and 2006 over-earnings liabilities are accurate, but the amounts could change upon the FPSC finalization and review of earnings expected in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, increasing storm damage or environmental reserves or reducing any depreciation reserve deficiency.

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4. *Storm Reserves*
As of December 31, 2006, the electric segment storm reserve was approximately $1.6 million. Since the last order on the 1999 disposition of electric over-earnings, the FPSC has allowed the Company the flexibility of automatically applying the electric over-earnings to the storm

damage reserves each year since 1999 and allowing additional storm damage accruals up to a cap of $2.9 million. In 2006, 2005 and 2004 there were no electric over-earnings and accordingly no additional over-earnings amounts were added to the storm damage reserves.

In October 2005, the FPSC approved recovery of 2004 natural gas segment storm costs plus interest and revenue taxes over a 30-month period beginning November 2005. The Company deferred storm costs as a regulatory asset due from customers on the balance sheet. As of December 31, 2006, the unrecovered amount of natural gas regulatory asset relating to storm costs was $270,000.

The Company has requested that the FPSC allow 2005 over-earnings in natural gas to be used to recover the regulatory asset -storm and discontinue this storm surcharge. As part of this same request, the Company has also asked the FPSC to allow any excess over-earnings amount to provide additional funds for the "regulatory liability- storm reserve" for natural gas. We expect the FPSC to rule on this request during 2007.

In 2005, the FPSC approved applying 2002 natural gas over-earnings of $118,000 to the storm reserve to cover future storm costs.

5. Income Taxes
Deferred income taxes are provided on all significant temporary differences between the financial statements and tax basis of assets and liabilities at currently enacted tax rates. Investment tax credits have been deferred and are amortized based upon the average useful life of the related property in accordance with the rate treatment.

A. Income Taxes related to Deferred Gain on Water Sale

On March 27, 2003, the Company sold substantially all of its assets of the water division to the City of Fernandina Beach. The sale was made pursuant to a "threat of condemnation" during the fourth quarter of 2002. For tax purposes the Company elected to defer the gain on the sale of the assets pursuant to Code Section 1033 of the Internal Revenue Code of 1986 (IRC). Section 1033 allows non-recognition of gain if property is disposed as a result of threat of condemnation and property that is similar or related in service or use is purchased to replace the disposed property. To qualify, the replacement property must be purchased within the replacement period, which begins on the earlier of date of disposition (March 27, 2003) or date of threat of condemnation (December 31, 2002) and ending two years after the close of the year of sale (December 31, 2005). For real property, the replacement period is extended to three years (December 31, 2006).

The Company purchased property that is similar or related in service or use within the replacement periods with the exception of the intangible assets. During the IRS audit in 2005, the IRS disallowed a portion, approximately $900,000 of the deferral relating to the intangible assets, since replacement was no longer expected.

A $2.9 million estimated tax payment was made in 2003 related to the gain on the sale of the water division. It was subsequently determined that the income tax would be deferred. The Company applied for a refund and received $3.9 million in July 2004, which included other estimated tax overpayments.

B. Provision for Income Taxes

The provision (benefit) for income taxes consists of the following:

(Dollars in thousands)	Years ended December 31, 2006	2005	2004
Current payable			
Federal	$ 3,652	$ 2,150	$ (566)
State	664	370	(96)
Current – net	4,316	2,520	(662)
Deferred			
Federal	(1,674)	(143)	2,003
State	(272)	(9)	358
Deferred – net	(1,946)	(152)	2,361
Investment tax credit	(75)	(81)	(84)
Total income taxes	$ 2,295	$ 2,287	$ 1,615

C. Effective Tax Rate Reconciliation

The difference between the effective income tax rate and the statutory federal income tax rate applied to pretax income is of continuing operations accounted for as follows:

(Dollars in thousands)	Years ended December 31, 2006	2005	2004
Federal income tax at statutory rate (34%)	$ 2,230	$ 2,222	$ 1,771
State income tax, net of federal benefit (5.5%)	238	237	189
Investment tax credit	(75)	(81)	(84)
Tax exempt interest	(85)	(71)	(94)
Other	(13)	(20)	(167)
Total provision for income taxes	$ 2,295	$ 2,287	$ 1,615

D. Deferred Income Taxes

Temporary timing differences which produce deferred income taxes in the accompanying consolidated balance sheets are as follows:

(Dollars in thousands)	Years ended December 31, 2006	2005
Deferred tax assets:		
Environmental	$ 2,063	$ 1,932
Self insurance	774	731
Storm reserve liability	509	408
Vacation pay	357	320
Other deferred credits	15	61
Allowance for uncollectible accounts receivable	162	103
General liability	68	111
Rate refund	331	263
Pension	698	286
Under/over-recovery of conservation costs	134	9

Other	37	37
Total deferred tax assets	5,148	4,261
Deferred tax liabilities:		
Utility plant related	20,274	20,319
Deductible intangibles	696	577
Under-recovery of fuel costs	643	1,704
Rate case expense	138	204
Loss on reacquired debt	79	85
Other	33	6
Total deferred tax liabilities	21,863	22,895
Net deferred income taxes liabilities	$ 16,715	$ 18,634

Deferred tax liabilities included in the consolidated balance sheets are as follows:

(Dollars in thousands)	2006	2005
Deferred income tax – current	$ 579	$ 1,066
Deferred income tax – long term	16,136	17,568
Net deferred income tax liabilities	$ 16,715	$ 18,634

E. IRS Audit

The IRS has informed us that it has selected our 2003 and 2004 tax returns for examination. Management does not expect any material adjustments from the audit but the effects, if any, that result from the final resolution of this IRS audit will be recorded when they become known and estimable. The Company expects the audit will be completed before the end of 2007.

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The IRS completed an audit in 2005 of the Company's 2002 and 2003 federal income tax returns. The audit resulted in a current income tax payable amount of $361,000 due to adjustments to depreciation, reserve accounts and recognition of a portion of the water sale gain that was previously deferred. This amount was partially offset by $285,000 in deferred tax liabilities previously established.

6. Capitalization

A. Stock Dividend

On July 25, 2005 a three-for-two stock split in the form of a stock dividend was issued to the shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split for all periods presented.

B. Common Shares Reserved

The Company has 3,833,352 authorized but unissued shares and 160,349 treasury shares as of December 31, 2006. The Company has reserved the following common shares for issuance as of December 31, 2006:

Dividend Reinvestment Plan	54,071
Employee Stock Purchase Plan	52,035
Board Compensation Plan	20,714

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C. Preferred Stock

The Company has 6,000 shares of 4 ¾% Series A preferred stock $100 par value authorized for issuance of which 6,000 were issued and outstanding at December 31, 2006. The Company also has 5,000, 4 ¾% Series B preferred stock $100 par value authorized for issuance none of which has been issued.

The Company also has 32,500, $1.12 Convertible Preference stock, $20 par value and $22 redemption price, authorized for issuance none of which has been issued.

D. Dividend Restriction

The Company's Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9 million of retained earnings were free of such restriction and therefore available for the payment of dividends. The line of credit agreement contains covenants that, if violated, could restrict or prevent the payment of dividends. At December 31, 2006 the Company is not in violation of these covenants.

E. Treasury Shares

In prior years, common shares resulting from stock dividends have been allocated to common shares held as treasury shares. Treasury shares are not eligible to receive such allocations. Some of these treasury shares were subsequently reissued, resulting in an overstatement of additional paid-in capital. Accordingly, the Company has restated all periods presented to reflect the correct number of treasury shares and the value of treasury shares and additional paid-in capital at each year-end. As the adjustment is a reallocation of amounts between treasury stock and additional paid-in capital, there is no effect on net income, earnings per common share or total stockholders' equity in any period presented.

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F. Employee Stock Purchase Plan

The Company's Employee Stock Purchase Plan offers common stock at a discount to qualified employees.

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¶
Year ... [3]

G. Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan is offered to all Company shareholders and allows the shareholder to reinvest dividends received and purchase additional shares without a fee.

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¶
Year ... [4]

7. Long-term Debt

The Company issued its Fourteenth Series of FPU's First Mortgage Bond on September 27, 2001 in the aggregate principal amount of $15 million as security for the 6.85% Secured Insured Quarterly Notes, due October 1, 2031 (IQ Notes). Interest on the pledged bond accrues at the annual rate of 6.85% payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year beginning January 1, 2002.

The Company issued $14 million of Palm Beach County municipal bonds (Industrial Development Revenue Bonds) on November 14, 2001 to finance development in the area. The interest rate on the thirty-year callable bonds is 4.90%. The bond proceeds were restricted and held in trust until construction expenditures were actually incurred by the

Company. In 2002 the remaining $8 million was drawn from the restricted funds held by the trustee.

In 1992, the Company issued its First Mortgage Bond 9.08% Series in the amount of $8 million. The thirty-year bond is due in June 2022.

The Company issued two of its Twelfth Series First Mortgage bond series on May 1, 1988; the 9.57% Series due 2018 in the amount of $10 million and 10.03% Series due 2018 in the amount of $5.5 million. These two issuances require sinking fund payments of $909,000 and $500,000 respectively, beginning in 2008.

Long-term debt on the balance sheet has been reduced for unamortized debt discount. The unamortized debt discount at December 31 included in long-term debt on the balance sheet is $1.8 million in 2006 and $1.9 million in 2005.

Annual Maturities of Long-Term Debt
(Dollars in thousands)

	Total	2007	2008	2009	2010	2011	Thereafter
Long-term Debt	$52,500		$1,409	$1,409	$1,409	$1,409	$ 46,864

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8. Notes Payable

In 2004, FPU entered into an amended and restated loan agreement that allows the Company to increase the line of credit upon 30 days notice by the Company to a maximum of $20 million. In 2006 the agreement was renewed with an expiration date of July 1, 2008. We have not exercised our option to increase the line of credit limit which is currently at $12 million with an outstanding balance of $3.5 million and a remaining amount available of $8.5 million. The Company reserves $1 million of the line of credit to cover expenses for any major storm repairs in its Northwest Florida division. An additional $250,000 of the line of credit is reserved for a 'letter of credit' insuring our propane facilities.

The average interest rates for the line of credit were as follows as of December 31:

Year	Rate
2006	6.2%
2005	5.3%
2004	3.3%

9. Fair Value of Financial Instruments

The carrying amounts reported in the balance sheet for investments held in escrow for environmental costs, notes payable, taxes accrued and other accrued liabilities approximate fair value. The fair value of long-term debt excluding the unamortized debt discount is estimated by discounting the future cash flows of each issuance at rates currently offered to the Company for similar debt instruments of comparable maturities. The values at December 31 are shown below.

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2006	2005

(in thousands)	Carrying Amounts	Approximate Fair Value	Carrying Amounts	Approximate Fair Value
Long-term debt	$ 52,500	$63,000	$52,500	$ 63,000

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10. Contingencies

Environmental

The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. Except as discussed below, the Company does not expect to incur material future expenditures for compliance with existing environmental laws and regulations.

(Dollars in thousands)

Site	Range From	Range To
West Palm Beach	$ 4,801	$ 18,027
Sanford	710	710
Pensacola and Other	110	110
Total	$ 5,621	$ 18,847

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The Company currently has $13.8 million reserved as an environmental liability. The FPSC approved up to $14 million for total recovery from insurance and rates based on the original 2005 projections as a basis for rate recovery. The Company has recovered a total of $5.5 million from insurance and rate recovery, net of costs incurred to date. The remaining balance of $8.3 million is recorded as a regulatory asset. On October 18, 2004 the FPSC approved recovery of $9.1 million for environmental liabilities (the remaining amount to be recovered is $8.3 million and is included on the balance sheet as "Other regulatory assets – environmental"). The amortization of this recovery and reduction to the regulatory asset began on January 1, 2005. The majority of environmental cash expenditures are expected to be incurred before 2010, but may continue for another 10 years.

West Palm Beach Site

The Company is currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property owned by it in West Palm Beach, Florida upon which the Company previously operated a gasification plant. The Company entered into a Consent Order with the FDEP effective April 8, 1991, that requires the Company to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. The Company completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant was retained to perform a feasibility study to evaluate appropriate remedies for the site. The feasibility study was transmitted to FDEP on November 30, 2006.

The feasibility study evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the feasibility study ranged from a low of $2.8 million to a high of $54.6 million. Based on the likely acceptability of proven remedial

technologies described in the feasibility study and implemented at similar sites, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from $4.6 million to $17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA) or some combination of these remedies. The feasibility study proposed a remedy of superficial soil excavation, and installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from $4.6 million to $9.9 million.

Prior to FDEP's approval of a final remedy for the site, the Company is unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately $4.8 million to $18 million.

Sanford Site
The Company owns a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to its acquisition of the property. Following discovery of soil and groundwater impacts on the property, the Company has participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, the Company executed an Administrative Order on Consent (AOC) with the four former owners and operators (collectively, the Group) and the EPA that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RI/FS AOC and RI/FS Participation Agreement is now complete and the Company has no further obligations under either document.

In late September 2006, EPA sent a Special Notice Letter to the Company, notifying the Company of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the Company and the other Group members sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended Record of Decision (ROD) for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, the Company and the Group submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1 through OU3.

In January, the Company along with the other members of the Group signed a Third Participation Agreement, which provides for funding the remediation work specified in the RODs for OU1 through OU3 and supercedes and replaces the Second Participation Agreement. The Company's share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13 million, or

$650,000. At present, it is not anticipated that the total cost of remediation will exceed $13 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13 million. In any such event, the Company does not expect our share of such additional costs to be greater than 5%; and its share of such additional costs may be less than 5%.

The Company's future legal costs and expenses and its share future remediation expenses for this site are currently projected to be approximately $710,000.

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Pensacola Site
The Company is the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that the Company was one of several responsible parties for any environmental impacts associated with the former gasification plant site, the Company entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. The Company's share of these costs is less than $2,000 annually or a total of $27,000.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to the Company in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, the Company has not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, the Company is unable to determine whether additional field work or site remediation will be required by EPA and, if so, the scope or costs of such work.

Key West Site
From 1927 to 1938, the Company owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the Company and the current site owner and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified the Company that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished disposition is recommended." FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 31, 2006, the Company has received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such

work. In 1999, the Company received an estimate from its consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, the Company's share would be approximately $83,000.

11. Commitments

A. General

To ensure a reliable supply of electric and natural gas at competitive prices, the Company has entered into long-term purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2015. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices. At December 31, 2006, the Company has firm purchase and transportation commitments adequate to supply its expected future sales requirements. The Company is committed to pay demand or similar fixed charges of approximately $37.8 million during 2007 related to gas purchase agreements. Substantially all costs incurred under the electric and gas purchase agreements are recoverable from customers through fuel adjustment clause mechanisms.

B. Operating Leases

The Company's total operating lease obligation is $352,000. The Company is leasing property from the City of Fernandina Beach in our Northeast division. The Company is in the process of renegotiating the terms of this lease and it may be able to terminate this lease at an earlier date. The Company leases an appliance showroom in the same division for approximately $35,000 annually. The Company also has other operating lease agreements with various terms and expiration dates. The following table shows the approximate future obligations under noncancelable agreements.

	2007	2008	2009	2010	2011
Operating Lease Obligations	$151,000	$116,000	$47,000	$38,000	-

12. Employee Benefit Plans

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans, pension plan and retirees medical plan. See Footnote 1J, Impact of Recent Accounting Standards, Financial Accounting Standard 158 for a summary of the impact to our financial statements.

A. Pension Plan

The Company sponsors a qualified defined benefit pension plan for non-union employees that were hired before January 1, 2005 and for unionized employees that work under one of the six Company union contracts and were hired before their respective contract dates in 2005.

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The following tables provide a reconciliation of the changes in the plan's benefit obligations and fair value of assets over the 3-year period ending December 31, 2006 and a statement of the funded status as of December 31, of all three years:

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Benefit Obligations and Funded Status

			Years Ended December 31,		
			2006	2005	2004
(1)		Change in Projected Benefit Obligation			
	(a)	Projected Benefit Obligation at the Beginning of the Year	$36,349,925	$34,926,383	$31,540,942
	(b)	Service Cost	1,225,495	1,195,723	1,084,564
	(c)	Interest Cost	2,160,719	2,000,099	1,940,122
	(d)	Actuarial (Gain) or Loss	541,865	(842,777)	1,708,132
	(e)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
	(f)	Change in Plan Provisions	-	584,838	-
	(g)	Curtailment	(97,858)	-	
	(h)	Projected Benefit Obligation at the End of the Year	$38,650,888	$36,349,925	$34,926,38
	(i)	Accumulated Benefit Obligation at the End of the Year	$33,693,860	$31,966,513	$30,518,393
(2)		Change in Plan Assets			
	(a)	Fair Value of Plan Assets at the Beginning of the Year	$32,936,666	$32,385,214	$31,081,063
	(b)	Actual Return on Plan Assets	3,977,806	2,065,793	2,651,528
	(c)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
	(d)	Employer Contributions	250,000	-	-
	(e)	Fair Value of Assets at the End of the Year	$35,635,214	$32,936,666	$32,385,21
(3)		Funded Status: (2)(e) - (1)(h)	$(3,015,674)	$(3,413,259)	$(2,541,16
(4)		Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
	(a)	Prepaid (Accrued) Benefit Cost	$(1,760,785)	$(721,333)	$725,619
	(b)	Net Asset (liability)	$(1,760,785)	$(721,333)	$725,61
	(c)	Charge to Accumulated Other Comprehensive Income:			
(5)		Adjustments Caused by Applying FAS 158			
	(a)	Increase in Net Asset (Liability): (3) – (4)(b)	$(1,254,889)	N/A	N/A
	(b)	Increase in Charge to Accumulated Other Comprehensive Income:	276,076	N/A	N/A
	(c)	Increase in Charge to Regultory Asset retirement plans	978,813	N/A	N/A
	(d)	Subtotal of Adjustments: (a)+(b)+(c)		N/A	N/A
(6)		Amount Recognized in Statement of Financial Position After applying FAS 158			

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	(a)	Net Asset (Liability): (4)(h) + (5)(a)	$(3,015,674)	$(721,333)	$725,61
	(b)	Charge to Accumulated Other Comprehensive Income: (4)(c) + (5)(b)	$276,076	-	
	(c)	Regulatory Asset-Retirement Plans (5)(c)	$978,813	-	
(7)		Net Asset (Liability) Recognized in the Statement of Financial Position After applying FAS 158			
	(a)	Noncurrent Assets	-	N/A	N/A
	(b)	(Current Liabilities)	-	N/A	N/A
	(c)	(Noncurrent Liabilities)	$(3,015,674)	N/A	N/A
	(d)	Total Net Asset (Liability): (a) + (b) + (c)	$(3,015,674)	N/A	N/A
(8)		Amount Recognized in Accumulated Other Comprehensive Income And Regulatory Asset Retirement Plans After applying FAS 158			
	(a)	Transition Obligation (Asset)	-	N/A	N/A
	(b)	Prior Service Cost (Credit)	$3,992,489	N/A	N/A
	(c)	Net (Gain) or Loss	(2,737,600)	N/A	N/A
	(d)	Total	$1,254,889	N/A	N/A
(9)		Weighted Average Assumption at End of Year			
	(a)	Discount Rate	6.00%	5.90%	5.75%
	(b)	Rate of Compensation Increase	3.25%	3.15%	3.00%
	(c)	Mortality	GAM 83	GAM 83	GAM 83

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The following table provides the components of net periodic benefit cost for the plans for fiscal years 2006, 2005 and 2004:

Net Periodic Pension Costs

		Years Ended December 31,		
		2006	2005	2004
(1)	Service Cost	$1,225,495	$1,195,723	$1,084,564
(2)	Interest Cost	2,160,719	2,000,099	1,940,122
(3)	Expected Return on Plan Assets	(2,736,019)	(2,485,985)	(2,591,099)
(4)	Amortization of Transition Obligation/(Asset)	-	-	-
(5)	Amortization of Prior Service Cost	737,115	737,115	698,211
(6)	Amortization of Net (Gain) or Loss	-	-	-
(7)	Total FAS 87 Net Periodic Pension Cost	$1,387,310	$1,446,952	$1,131,798
(8)	FAS 88 Charges / (Credits)			
	(a) Curtailment	(97,858)	-	-
	(b) Total	(97,858)	-	-
(9)	Total Net Periodic Pension Cost and Comprehensive Income	$1,289,452	$1,446,952	$1,131,798

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(10)	Weighted Average Assumptions				
	(a)	Discount Rate at Beginning of the Period	5.90%	5.75%	6.25%
	(b)	Expected Return on Plan Assets	8.50%	8.50%	8.50%
	(c)	Rate of Compensation Increase	3.15%	3.00%	3.50%

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Plan Assets

			Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets					
	(a)	Equity Securities	40%-60%	68%	67%	69%
	(b)	Debt Securities	25%-40%	30%	32%	30%
	(c)	Real Estate	5%-15%	0%	0%	0%
	(d)	Other	5%-15%	2%	1%	1%
	(e)	Total		100%	100%	100%

Expected Return on Plan Assets

The expected rate of return on plan assets is 8.5%. The Company expects 8.5% to fall within the 40 to 50 percentile range of returns on investment portfolios with asset diversification similar to that of the Pension Plan's target asset allocation.

Investment Policy and Strategy

The Company has established and maintains an investment policy designed to achieve a long-term rate of return, including investment income and appreciation, sufficient to meet the actuarial requirements of the Pension Plan. The Company seeks to accomplish its return objectives by investing in a diversified portfolio of equity, fixed income and cash securities seeking a balance of growth and stability as well as an adequate level of liquidity for pension distributions as they fall due. Plan assets are constrained such that no more than 10% of the portfolio will be invested in any one issue.

Cash Flows

(1)	Expected Contributions for Fiscal Year Ending December 31, 2007		
	(a)	Expected Employer Contributions	$250,000
	(b)	Expected Employee Contributions	-
(2)	Estimated Future Benefit Payments Reflecting Expected Future Service for the years ending December 31,		
	(a)	2007	$1,756,069
	(b)	2008	$1,839,843
	(c)	2009	$1,975,656
	(d)	2010	$2,092,003
	(e)	2011	$2,182,628
	(f)	2012 – 2016	$13,040,794
(3)	Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07		-

Other Accounting Items

		Years Ended December 31,		
		2006	2005	2004
(1)	Market-Related Value of Assets as of the Beginning of fiscal year	$32,936,666	$30,016,761	$31,222,154
(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	$ 0	$ 0	$ 0
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	10.80	10.95	10.95
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

B. Medical Plan

The Company sponsors a postretirement medical program. The medical plan is contributory with participants' contributions adjusted annually. The following tables provide required financial disclosures over the three-year period ended December 31, 2006:

Benefit Obligations and Funded Status

			Fiscal Year Ending		
			12/31/2006	12/31/2005	12/31/20
(1)	Change in Accumulated Postretirement Benefit Obligation				
	(a)	Accumulated Postretirement Benefit Obligation at the Beginning of the Year	$2,343,583	$1,925,254	$1,807
	(b)	Service Cost	59,982	100,054	70
	(c)	Interest Cost	105,483	127,312	106
	(d)	Actuarial (Gain) or Loss	(568,755)	282,812	32
	(e)	Benefits Paid	(117,459)	(135,166)	(119
	(f)	Change in Plan Provisions	-	-	
	(g)	Plan Participant's Contributions	42,519	43,317	27
	(h)	Accumulated Postretirement Benefit Obligation at the End of the Year	$1,865,353	$2,343,583	$1,925
(2)	Change in Plan Assets				
	(a)	Fair Value of Plan Assets at the Beginning of the Year	$ 0	$ 0	

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	(b) Benefits Paid	(117,459)	(135,166)	(119,
	(c) Employer Contributions	74,940	91,849	91,
	(d) Plan Participant's Contributions	42,519	43,317	27,
	(e) Fair Value of Assets at the End of the Year	$ 0	$ 0	
(3)	Net Amount Recognized			
	(a) Funded Status: (2)(e) - (1)(b)	$(1,865,353)	$(2,343,583)	$(1,925,
(4)	Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
	(a) Prepaid (Accrued) Benefit Cost	(2,057,833)	(1,942,393)	(1,763,
	(b) (Additional Liability due to an Unfunded ABO)	-	-	
	(c) Intangible Asset	-	-	
	(d) Net Asset (Liability): (a) + (b) + (c)	($2,057,833)	$(1,942,393)	$(1,763,
	(e) Charged to Accumulated Other Comprehensive Income:	-	-	
(5)	Adjustments Caused by Applying FAS 158			
	(a) Increase in Net Asset (Liability): (3) – (4)(d)	192,480	N/A	
	(b) Increase in charge to Accumulated Other Comprehensive Income:	(42,346)	N/A	
	(c) Increase in charge to Regulatory Asset-retirement plans	(150,134)	N/A	
	(d) Subtotal of Adjustments: (a) + (b) + (c)		N/A	
(6)	Amounts Recognized in the Statement of Financial Position After applying FAS 158			
	(a) Net Asset (Liability): (4)(d) +(5)(a)	(1,865,353)	(1,942,393)	(1,763,
	(b) Charge to Accumulated Other Comprehensive Income: (4)(e) + (5)(b)	(42,346)	-	
	(c) Charge to Regulatory Asset-Retirement Plans (5)(c)	(150,134)	-	
(7)	Net Asset (Liability) Recognized in the Statement of Financial Position After Applying FAS 158			
	(a) Noncurrent Assets	-	N/A	N/A
	(b) (Current Liabilities)	(150,589)	N/A	N/A
	(c) (Noncurrent Liabilities)	(1,714,764)	N/A	N/A
	(d) Total Net Asset (Liability): (a) + (b) + (c)	$(1,865,353)	N/A	N/A
(8)	Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Asset After Applying FAS 158			
	(a) Transition Obligation (Asset)	-	N/A	N/A
	(b) Prior Service Cost (Credit)	-	N/A	N/A
	(c) Net (Gain) or Loss	(192,480)	N/A	N/A
	(d) Total	$(192,480)	N/A	N/A
(9)	Weighted Average Assumptions at the End of the Year			
	(a) Discount Rate	6.00%	5.90%	5.75%
	(b) Rate of Compensation Increase	N/A	N/A	N/A
	(c) Mortality	GAM 83	GAM 83	GAM 83
(10)	Assumed Health Care Cost Trend Rates			
	(a) Health Care Cost Trend Rate Assumed for Next Year	11.50%	9.00%	10.00%
	(b) Ultimate Rate	5.00%	5.00%	5.00%
	(c) Year that the Ultimate Rate is Reached	2014	2010	2010

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Net Periodic Postretirement Benefit Cost

		Years ended December 31,		
		2006	2005	2004
(1)	Service Cost	$59,982	$100,054	$70,300
(2)	Interest Cost	105,483	127,312	106,079
(3)	Amortization of Transition Obligation/(Asset)	42,896	42,896	42,896
(4)	Amortization of Prior Service Cost	-	-	-
(5)	Amortization of Net (Gain) or Loss	(17,981)	-	(8,666)
(6)	Total Net Periodic Benefit Cost	$190,380	$270,262	$210,609
(7)	Weighted Average Assumptions			
	(a) Discount Rate	5.90%	5.75%	6.25%
	(b) Expected Return on Plan Assets	N/A	N/A	N/A
	(c) Rate of Compensation Increase	N/A	N/A	N/A
(8)	Assumed Health Care Cost Trend Rates			
	(a) Health Care Cost Trend Rate Assumed for Current Year	12.50%	10.00%	12.00%
	(b) Ultimate Rate	5.00%	5.00%	5.00%
	(c) Year that the Ultimate Rate is Reached	2014	2010	2010

Expected Amortizations

		Years ended December 31,		
		2007	2006	2005
(1)	Expected Amortization of Transition Obligation (Asset)	-	N/A	N/A

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(2)	Expected Amortization of Prior Service Cost (Credit)	-	N/A	N/A
(3)	Expected Amortization of Net Loss (Gain)	$(536)	N/A	N/A

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(9)	Impact of One-Percentage-Point Change in Assumed Health Care Cost Trend Rates	Increase	Decrease
(a)	Effect on Service Cost + Interest Cost	$20,533	$(17,812)
(b)	Effect on Postretirement Benefit Obligation	$203,809	$(179,005)

Plan Assets

			Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets					
	(a)	Equity Securities	N/A	N/A	N/A	N/A
	(b)	Debt Securities	N/A	N/A	N/A	N/A
	(c)	Real Estate	N/A	N/A	N/A	N/A
	(d)	Other	N/A	N/A	N/A	N/A
	(e)	Total	N/A	N/A	N/A	N/A

Cash Flows

(1) Expected Contributions for Fiscal Year Ending 12/31/2007

(a)	Expected Employer Contributions	$150,589
(b)	Expected Employee Contributions	$48,832

(2) Estimated Future Benefit Payments Reflecting Expected Future Service for the Fiscal Year(s) Ending

		Total	Medicare Part-D Reimbursement	Employee	Employer
(a)	12/31/2007	$199,421	$0	$48,832	$150,589
(b)	12/31/2008	$143,659	$8,266	$36,130	$99,263
(c)	12/31/2009	$146,580	$8,749	$36,535	$101,296
(d)	12/31/2010	$160,560	$9,504	$41,759	$109,297
(e)	12/31/2011	$199,681	$10,062	$51,049	$138,570
(f)	12/31/2012 – 12/31/2016	$1,407,957	$61,062	$350,375	$996,520

(3) Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07 $0

Other Accounting Items

		Years Ended December 31, 2006	2005	2004
(1)	Market-Related Value of Assets	N/A	N/A	N/A

(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	-	-	-
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	11.10	13.35	12.48
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

Voluntary Prescription Drug Coverage

Legislation enacted in December 2003 provides for the addition of voluntary prescription drug coverage under Medicare starting in 2006. The legislation also provides for a 28% tax-free subsidy for each qualified covered retiree's drug cost between certain thresholds if the employer's coverage is at least actuarially equivalent to the standard Medicare drug benefit. Based on the final regulations issued by the Centers for Medicare and Medicaid Services on January 21, 2005, we determined our prescription drug coverage of the Postretirement Medical Benefits plan to be actuarially equivalent to Medicare Part D.

Discount Rate Assumption

The discount rate assumption used to determine the postretirement benefit obligations is based on current yield rates in the double A bond market. The current year's discount rate was selected using a method that matches projected payouts from the plan with a zero-coupon double A bond yield curve. This yield curve was constructed from the underlying bond price and yield data collected as of the plan's measurement date and is represented by a series of annualized, individual discount rates with durations ranging from six months to thirty years. Each discount rate in the curve was derived from an equal weighting of the double A or higher bond universe, apportioned into distinct maturity groups. These individual discount rates are then converted into a single equivalent discount rate, which is then used for FAS discount purposes. To assure that the resulting rates can be achieved by a postretirement benefit plan, only bonds that satisfy certain criteria and are expected to remain available through the period of maturity of the plan benefits are used to develop the discount rate. Prior years' discount rate assumptions were set based on investment yields available on double A, long-term corporate bonds.

Actuarial Equivalent

In determining "Actuarial Equivalence," our plan's actuary, Aon Consulting, proprietary prescription drug pricing tool, Aon Rx, was used. This tool allowed us to determine the estimated Per Member Per Month (PMPM) prescription drug cost

for both the Company plan and the Medicare plan. The two PMPM's were adjusted for monthly retiree contributions. We assumed that 60% of the monthly combined medical and prescription drug retiree contribution for the Company plan applies towards prescription drugs.

Deleted: Because the subsidy is the same regardless of the cost sharing structure unless the plan is not "Actuarial Equivalent", in general a plan that has higher cost sharing would reduce their annual cost as a percentage greater than a plan would that has lower cost sharing.

C. Health Plan

In December 2003, the Company became fully insured for its employee and retiree's medical insurance. Net health care benefits paid by the Company for active employees were approximately $1.7 million in 2006, $1.6 million in 2005 and $1.5 million in 2004, excluding administrative and stop-loss insurance.

D. 401K Plan

The Company has discontinued eligibility to the defined benefit pension plan for all new hires, and replaced it with a new 401K match.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a Company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service. The expenses incurred in 2005 and 2006 relating to the Company's 401K plan are not material.

E. **Employee Stock Purchase Plan**

The Company offers an employee stock purchase plan to substantially all of its employees. The plan offers a 15% discount on the Company's stock at market price fixed six months prior to the date of purchase. The recorded stock compensation expense relating to the Company's employee stock purchase plan is not material.

13. Segment Information

The Company is organized into two regulated business segments: natural gas and electric, and one non-regulated business segment, propane gas. There are no material inter-segment sales or transfers.

Identifiable assets are those assets used in the Company's operations in each business segment. Common assets are principally cash and overnight investments, deferred tax assets and common plant.

Business segment information for 2006, 2005 and 2004 is summarized as follows:

(Dollars in thousands)	2006	2005	2004
Revenues			
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910

Propane gas	14,727	13,479	11,167
Consolidated	$ 134,235	$ 130,023	$ 110,039
Operating income, excluding income tax			
Natural gas	$ 6,118	$ 6,049	$ 4,978
Electric	3,137	3,502	3,353
Propane gas	1,074	1,086	655
Consolidated	$ 10,329	$ 10,637	$ 8,986
Identifiable assets			
Natural gas	$ 93,689	$ 96,106	$ 87,729
Electric	52,251	51,317	48,687
Propane gas	19,239	19,567	15,731
Common	15,976	15,676	18,356
Consolidated	$ 181,155	$ 182,666	$ 170,503
Depreciation and amortization			
Natural gas	$ 4,095	$ 3,928	$ 2,752
Electric	2,610	2,404	2,323
Propane gas	720	621	560
Common	317	313	265
Consolidated	$ 7,742	$ 7,266	$ 5,900
Construction expenditures			
Natural gas	$ 7,643	$ 6,357	$ 5,314
Electric	3,184	3,775	6,793
Propane gas	1,885	2,133	1,339
Common	404	176	285
Consolidated	$ 13,116	$ 12,441	$ 13,731
Income tax expense			
Natural gas	$ 1,336	$ 1,283	$ 843
Electric	577	666	565
Propane gas	136	245	130
Common	246	93	77
Consolidated	$ 2,295	$ 2,287	$ 1,615

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14. Quarterly Financial Data (Unaudited)

The quarterly financial data presented below reflects the influence of seasonal weather conditions, the timing of rate increases and the migration of winter residents and tourists to Central and South Florida during the winter season. Significant increases in the fourth quarter of 2005 expenses relate to the performance of previously delayed expenditures from previous quarters.

(Dollars in thousands, except per share amounts):	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2006				
Revenues	$ 43,348	$ 29,878	$ 29,415	$ 31,594
Gross profit	$ 14,135	$ 11,402	$ 10,867	$ 11,860
Operating income	$ 4,528	$ 2,065	$ 1,488	$ 2,248
Earnings before income taxes	$ 3,507	$ 1,162	$ 609	$ 1,281

Net Income	$ 2,221	$ 738	$ 475	$ 830
Earnings per common share (basic and diluted):				
Continuing operations	$ 0.37	$ 0.12	$ 0.08	$ 0.14
2005				
Revenues	$ 35,438	$ 28,329	$ 29,190	$ 37,066
Gross profit	$ 13,619	$ 10,963	$ 10,374	$ 12,263
Operating income	$ 4,684	$ 2,215	$ 1,578	$ 2,160
Earnings before income taxes	$ 3,711	$ 1,205	$ 573	$ 1,046
Net Income	$ 2,353	$ 851	$ 260	$ 784
Earnings per common share (basic and diluted):				
Continuing operations	$ 0.40	$ 0.14	$ 0.04	$ 0.13

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Directors and Shareholders of FPU:

We have audited the accompanying consolidated balance sheets and statements of capitalization of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation as of December 31, 2006 and 2005 and the related consolidated statements of income, comprehensive income, common shareholders' equity and cash flows for each of the three years in the period ended December 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedules, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation at December 31, 2006 and 2005, and the results of its operation and its cash flows for each of the three years in the period ended December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

BDO Seidman, LLP
Certified Public Accountants
West Palm Beach, Florida
March 13, 2007

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Deleted: We have also audited the schedule listed in the accompanying index.

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2006, our disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended December 31, 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None

PART III

Item 10. Directors and Executive Officers of the Registrant

Information required by this item concerning directors and nominees of the Registrant will be included under the caption "Information About Nominees and Continuing Directors" in the Registrant's Proxy Statement for the 2007 Annual Meeting of Shareholders (the "2007 Proxy Statement") and is incorporated by reference herein. Information required by this item regarding the Audit Committee will be included under the caption "Board of Directors and Committees" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding the Code of Ethics will be included under the caption "Code of Ethics" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding compliance with Section 16(a) of the Exchange Act will be set forth in the 2007 Proxy Statement under "Section 16(a) Beneficial Ownership Reporting Compliance" and is incorporated by reference herein. Information required by this Item concerning executive officers is set out in Part I of this Form 10-K, above.

Item 11. Executive Compensation

Information required by this Item concerning executive compensation is included under the captions "Board of Directors and Committees", "Executive Compensation", and "Compensation Committee Interlocks and Inside Participation" in the 2007 Proxy Statement is incorporated by reference herein.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required by this Item concerning the security ownership of certain of the Registrant's beneficial owners and management is included under the caption "Security Ownership of Management and Certain Beneficial Owners" in the 2007 Proxy Statement and is incorporated by reference herein. See Item 5 above for equity compensation plan information, which is incorporated by reference herein.

Item 13. Certain Relationships and Related Transactions

None.

Item 14. Principal Accountant Fees and Services

Information required by this Item is set forth in the Registrant's 2007 Proxy Statement under the caption "Principal Accountant Fees and Services" and is incorporated by reference herein.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of this report:

(1) Financial Statements
The following consolidated financial statements of the Company are included herein and in the Registrant's 2006 Annual Report to Shareholders:

Consolidated Statements of Income
Consolidated Statements of Comprehensive Income
Consolidated Balance Sheets
Consolidated Statements of Capitalization
Consolidated Statements of Common Shareholders' Equity
Consolidated Statements of Cash Flows
Notes to Consolidated Financial Statements
Report of Independent Registered Public Accounting Firm

(2) Financial Statement Schedules
The following valuation and qualifying accounts table is included in Note 1.H. herein and in the Registrant's 2006 Annual Report to Shareholders:

Allowance for Doubtful Accounts

(3) Exhibits

3(i)	Amended Articles of Incorporation (Incorporated herein by reference as Exhibit 3(i) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)
3(ii)	Amended By-Laws (Incorporated herein by reference as Exhibit 3(ii) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)
4(a)	Indenture of Mortgage and Deed of Trust of FPU dated as of September 1, 1942 (Incorporated by reference herein to Exhibit 7-A to Registration No. 2-6087)
4(b)	Fourteenth Supplemental Indenture dated September 1, 2001. (Incorporated by reference to exhibit 4(b) on FPU's annual report on Form 10-K for the year ended December 31, 2001)
4(c)	Fifteenth Supplemental Indenture dated November 1, 2001. (Incorporated by reference to exhibit 4(c) on FPU's annual report on Form 10-K for the year ended December 31, 2001)

10(a) First Amendment to Amended and Restated Loan Agreement and Promissory Note between FPU and Bank of America dated August 25, 2006. (Incorporated by reference to exhibit 10(2) on FPU's Form 10-Q for third quarter ending September 30, 2006, File No. 001-10608)

10(b) Contract for the transportation of natural gas between FPU and the City of Lake Worth dated March 25, 1992 (Incorporated by reference to exhibit 10(f) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(c) Contract for the purchase of electric power between FPU and Jacksonville Electric Authority dated January 29, 1996. (Incorporated by reference to exhibit 10(h) on FPU's annual report on Form 10-K for the year ended December 31, 2000)

10(d) Contract for the purchase of electric power between FPU and Gulf Power Company effective November 21, 1996. (Incorporated by reference to exhibit 10(i) on FPU's annual report on Form 10-K for the year ended December 31, 2000)

10(e) Contract for the purchase of as-available capacity and energy between FPU and Container Corporation of America dated September 19, 1985 (Incorporated by reference to exhibit 10(i) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(f) Contract for the sale of electric service between FPU and Container Corporation of America dated August 26, 1982 (Incorporated by reference to exhibit 10(j) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(g) Contract for the sale of electric service between FPU and ITT Rayonier Inc. Dated April 1, 1982 (Incorporated by reference to exhibit 10(k) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(h) Form of Stock Purchase and Sale Agreement between FPU and three persons who, upon termination of two trusts, will become the record and beneficial owners of an aggregate of 313,554 common shares of the Registrant (Incorporated by reference to exhibit 10(p) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(i) Contract for the sale of certain assets comprising FPU's water utility business to the City of Fernandina Beach dated December 3, 2002. (Incorporated by reference to exhibit 10(o) on FPU's annual report on Form 10-K for the year ended December 31, 2002)

10(j) Transportation agreement between FPU and the City of Lake Worth (Incorporated by reference to exhibit 99.2 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)

10(k) A Mutual Release agreement, as of March 31, 2003, by and between FPU, Lake Worth Generation, LLC, The City of Lake Worth, and The AES Corporation. (Incorporated by reference to exhibit 99.3 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)

10(l)	Amended and Restated loan agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(n) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(m)	Security agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(o) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(n) #	Non-Employee Director Compensation Plan, approved by Board of Directors on March 18, 2005. (Incorporated by reference as exhibit 10(p) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(o)	Amendment to Electric Service Contract by and between JEA and FPU dated September 25, 2006, effective January 1, 2007. (Incorporated by reference as Exhibit 10.1 to our Form 10-Q, for the quarter ending September 30, 2006, File No. 001-10608)
10(p) #	Employment Agreement between the Company and John T. English dated March 31, 2006 (Incorporated by reference as Exhibit 10.1 to our Form 8-K, filed on March 31, 2006)
10(q) #	Employment Agreement between the Company and Charles L. Stein dated March 31, 2006 (Incorporated by reference as Exhibit 10.2 to our Form 8-K, filed on March 31, 2006)
10(r) #	Employment Agreement between the Company and George M. Bachman dated March 31, 2006 (Incorporated by reference as Exhibit 10.3 to our Form 8-K, filed on March 31, 2006)
10(s) *	Contract for the Agreement for Generation Services by and between FPU and Gulf Power Company dated December 28, 2006, effective January 1, 2008
14	Ethics Policy (Incorporated by reference to exhibit 99.3 on FPU's Form 10-K, filed March 30, 2004 File No. 001-10608)
16	Change in certifying accountants (Incorporated herein by reference as exhibit 16 to FPU's current report on Form 8-K, filed April 18, 2003)
21	Subsidiary of the registrant (Incorporated by reference to exhibit 21 on FPU's annual report on Form 10-K, for the year ended December 31, 2000)
23	Independent Registered Public Accounting Firm's Consent BDO Seidman LLP
31.1	Certification of Principal Executive Officer (302)
31.2	Certification of Principal Financial Officer (302)

32	Certification of Principal Executive Officer and Principal Financial Officer (906)

\# Denotes management contract or compensatory plan or arrangement

* Confidential treatment is being requested for a portion of this agreement

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FLORIDA PUBLIC UTILITIES COMPANY

/s/ George M Bachman
George M Bachman, Chief Financial Officer
(Duly Authorized Officer)

Date: **March 15, 2007**

Each person whose signature appears below hereby constitutes and appoints John T. English, Chief Executive Officer and President, and George M. Bachman, Chief Financial Officer, and each of them, the true and lawful attorneys-in-fact and agents of the undersigned, with full power undersigned, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and hereby grants to such attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

/s/ John T. English Date: March 15, 2007
John T. English
Chairman of the Board, President, Chief Executive Officer, and Director (Principal Executive Officer)

/s/ George M. Bachman Date: March 15, 2007
George M Bachman, Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

/s/ Ellen Terry Benoit Date: March 15, 2007
Ellen Terry Benoit, Director

/s/ Richard C. Hitchins Date: March 15, 2007
Richard C. Hitchins, Director

/s/ Dennis S. Hudson III Date: March 15, 2007
Dennis S. Hudson III, Director

/s/ Paul L. Maddock, Jr. Date: March 15, 2007
Paul L. Maddock, Jr., Director

/s/ Troy W. Maschmeyer, Jr. Date: March 15, 2007
Troy W. Maschmeyer, Jr., Director

FLORIDA PUBLIC UTILITIES COMPANY
EXHIBIT INDEX

Regulation S-K Item Number	
10(s) *	Contract for the Agreement For Generation Services by and between FPU and Gulf Power Company dated December 28, 2006, effective January 1, 2008
23	Independent Registered Public Accounting Firm's Consent BDO Seidman LLP
31.1	Certification of Principal Executive Officer (302)
31.2	Certification of Principal Financial Officer (302)
32	Certification of Principal Executive Officer and Principal Financial Officer (906)

* Confidential treatment is being requested for a portion of this agreement

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Financial Accounting Standard Board Interpretation No. 47

In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. We adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

This Interpretation addresses the legal obligation to retire an asset when the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the Company. This Interpretation is effective no later than the end of fiscal years ending after December 15, 2005 (December 31, 2005 for calendar-year entities). We adopted FIN No. 47 as of January 1, 2006. The adoption of this Interpretation has not had an impact to our financial condition or results of operations.

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Financial Accounting Standard Board Interpretation No. 47

In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. The Company adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.

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. The following table shows the number of shares issued under the Plan and the total aggregate consideration received:

Year	Shares	Consideration
2006	25,655	$ 287,000
2005	22,427	$ 236,000
2004	24,164	$ 220,000

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The following table shows the number of shares issued under the Plan and the total aggregate consideration received:

Year	Shares	Consideration
2006	13,972	$ 190,000
2005	14,456	$ 193,000
2004	18,513	$ 217,000

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Plan Participant Contributions

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Special Termination Benefits

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Plan Participant Contributions

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Acquisition

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(Additional Liability due to an Unfunded ABO)		
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Special Termination Benefits

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Other Changes in Plan Assets and Benefit Obligations Recognized as a Charge to Other Comprehensive Income

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Prior Service Cost (Credit)

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Page 63: [22] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

(b)

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Net (Gain) or Loss

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N/A

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N/A

Page 63: [23] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

(c)

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Amortization of Transition Obligation

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N/A

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(d)

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Amortization of Prior Service Cost (Credit)

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Amortization of Net (Gain) or Loss

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N/A

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Page 63: [26] Deleted	**Cheryl_Martin**	**3/12/2007 11:41:00 AM**

(f)

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Increase in Minimum Liability Included in OCI

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(g)

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Total: (a)+(b)+(c)+(d)+(e)+(f)

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(3)

Page 67: [28] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**

Expected Return on Plan Assets

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Total FAS 106 Net Periodic Benefit Cost

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$190,380

Page 67: [29] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**

$270,262

Page 67: [29] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**

$210,609

Page 67: [30] Deleted	**Cheryl_Martin**	**3/12/2007 11:44:00 AM**

(8)

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Other Charges / (Credits)

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(a)

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Settlement

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Curtailment

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(c)

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Special Termination Benefits

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Total

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Page 67: [35] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
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Page 67: [35] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**

Other Changes in Plan Assets and Benefit Obligations Recognized as a Charge to Other Comprehensive Income

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Page 67: [36] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
Prior Service Cost (Credit)

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N/A

Page 67: [36] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
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Page 67: [37] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
(b)

Page 67: [37] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
Net (Gain) or Loss

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Page 67: [38] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
(c)

Page 67: [38] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
Amortization of Transition Obligation

Page 67: [38] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
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Page 67: [39] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
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Amortization of Prior Service Cost (Credit)

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Amortization of Net (Gain) or Loss

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Increase in Minimum Liability Included in OCI

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Total: (a)+(b)+(c)+(d)+(e)+(f)

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Total Recognized in Net Periodic Pension Cost and other Comprehensive Income: (9) + (10)(g)

Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
$190,380

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Page 67: [43] Deleted **Cheryl_Martin** **3/12/2007 11:47:00 AM**
$210,609

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Folders

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Name	Size	Type	Date Modified	Location
FW Analytical Comments.msg	139 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Balance Sheet (12).msg	43 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Balance Sheet.msg	46 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
FW Dir-Quest 2007-FINAL.msg	439 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE999.msg	158 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW JE 999.msg	1,061 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes (1).msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
FW Q changes.msg	30 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Impairment Testing 2005 - Bala...	361 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
JE999.msg	1,067 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
MFR.msg	26 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
Propane Projections - Impairme...	32 KB	HTML Document	10/16/2007 9:25 AM	Files Currently on the...
RE 10q redline and clean versio...	408 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K (2).msg	1,593 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE 10K.msg	1,596 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE Audit Requests.msg	126 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
RE expense (9).msg	37 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense (10).msg	36 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense (11).msg	34 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE expense.msg	38 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE Long term debt Obligations....	3,644 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
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RE rate case (5).msg	94 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
RE rate case (6).msg	766 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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RE rate case (8).msg	45 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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RE Revised C-11.msg	44 KB	Outlook Item	10/16/2007 3:36 PM	Files Currently on the...
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SAS 70 for Recordkeeper and Tr...	1,287 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Summary of pension change xls....	40 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
UNITED STATES.msg	237 KB	Outlook Item	10/16/2007 3:30 PM	Files Currently on the...
Untitled.msg	663 KB	Outlook Item	10/16/2007 3:29 PM	Files Currently on the...

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Clara Leider

From: Dale Buschmann [dbuschmann@bdo.com]
Sent: Monday, March 12, 2007 9:17 PM
To: Martin Cheryl; Khojasteh Mehrdad
Cc: Ray Martin (E-mail)
Subject: RE: 10K

Attachments: 10 k 2006 31207 trackeddmb.doc

10 k 2006
' trackeddmb.

On Note 1 H - the $507K bad debt expense doesn't agree to the $623K on the cash flows statement - bad debt expense.

See suggested changes on the K.
Thanks Dale

<font size=2><b>Please read the following disclaimer if the above communication includes tax advice. If it does not include tax advice, please disregard the following paragraph in bold.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)
☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT** OF 1934
For the fiscal year ended December 31, 2006

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ____________ to ____________

Commission file number 001-10608

Florida Public Utilities Company
(Exact name of the registrant as specified in its charter)

Florida	59-0539080
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification Number)

401 South Dixie Highway, West Palm Beach, FL 33401
(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code (561) 832-0872

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock par value $1.50 per share	American Stock Exchange

Securities registered pursuant to section 12(g) of the Act:

____
(Title of class)

____
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. [ ] Yes [X] No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. [ ] Yes [X] No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [ ] No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). [ ] Yes [X] No

As of June 30, 2006, the aggregate market value of the Registrant's Common Stock held by non-affiliates (based upon the closing price of the Common Stock on that date on the American Stock Exchange) was approximately $71,300,000.

On February 9, 2007, 6,024,739 shares of the Registrant's $1.50 par value common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the May 8, 2007 Annual Meeting of Shareholders are incorporated by reference in Part III hereof.

PART I

Item 1. Business

General

Florida Public Utilities Company (FPU) was incorporated on March 6, 1924 and reincorporated on April 29, 1925 under the 1925 Florida Corporation Law. We provide natural gas, electricity and propane gas to residential, commercial and industrial customers in Florida. We do not produce energy and are not a generating utility. Our regulated segments sell natural gas and electricity to approximately 82,000 customers, and our unregulated segment sells propane gas through a wholly owned subsidiary, Flo-Gas Corporation, to approximately 13,000 customers. We also sell merchandise and other service related products on a limited basis as a complement to the natural and propane gas segments.

Our three primary business segments are aligned with our products and are natural gas, electric and propane gas. The Florida Public Service Commission (FPSC) regulates the natural gas and electric segments. We operate through five divisions based on geographic areas:

(1) South Florida Division - provides natural and propane gas to customers in West Palm Beach, Palm Beach Gardens, North Palm Beach, Jupiter, Riviera Beach, Palm Beach, Lake Worth, Royal Palm Beach, Wellington, Boynton Beach, Delray Beach, Boca Raton, Lauderdale Lakes, Deerfield Beach, Stuart, Palm City and other areas near these cities.
(2) Central Florida Division - provides natural and propane gas to customers in Sanford, Deland, Deltona, DeBary, Orange City, Lake Mary, Winter Springs, New Smyrna Beach, Edgewater, Longwood, Port Orange and other areas near these cities.
(3) Northwest Florida Division - provides electricity to customers in Marianna, Bristol, Altha, Cottondale, Malone, Alford and other areas near these cities.
(4) Northeast Florida Division - provides electricity and propane gas to customers in Fernandina Beach, Jacksonville, Callahan, Yulee and other areas near these cities.
(5) West Florida Division - provides propane gas to customers in Dunnellon, Inglis, Crystal River, Inverness, Brooksville and other areas near these cities.

Business Environment

Natural and propane gas are some of the most popular forms of energy today. Gas is used for heating, cooling, cooking, backup generation and decorative lighting by businesses and homeowners and in many other ways by various industries. Natural gas is also used in combination with other fuels to improve environmental performance and decrease pollution in the generation of electricity.

Natural and propane gas have seen increased demand in Florida as a result of the recent hurricanes and the popularity of generators. Generators themselves do not impact usage significantly for a region; however, gas appliances have been added as a result of generator popularity, and that does increase gas usage. Prices of natural and propane gas

have decreased during 2006 due in part to the absence of a hurricane affecting the Gulf of Mexico.

As a result of historically high natural gas costs in 2005, alternatives such as coal and nuclear power for generation of electricity have seen increased interest. Our sales in the electric segment have not been impacted by higher electricity costs due to our long-term favorable fixed price contracts for purchasing electricity. However, our long-term contract ended at the end of 2006 for our Northeast division and our long-term contract will end at the end of 2007 for our Northwest division. We now have new contracts in place with pricing much closer to current market price. Our electric prices are expected to significantly increase. Although this will not directly impact our income from operations because increased fuel costs are passed through to the customer, this may impact the number of units sold and decrease income from operations as a result of less usage.

Because of the hurricanes in 2004 and 2005, the electric industry in Florida has seen increased interest in improving reliability of electric services during and after hurricanes. Regulators have been researching the issue and have introduced new storm preparedness requirements to improve electric reliability with storm preparedness rules regarding pole inspections, strengthened design specifications for wind loading, vegetation management practices and installation of underground facilities for electric distribution and transmission systems. We are seeking rate relief and implementation for these new requirements in 2007.

Business Segments
We are organized in three operating and reporting segments: natural gas, electric and propane gas. We are also involved in limited merchandise sales and other services within our natural gas and propane gas areas to complement these segments. For information concerning revenues, operating income and identifiable assets of each of our segments, see Note 13 in Notes to Consolidated Financial Statements.

Natural Gas
Natural gas is primarily composed of methane, which is a colorless, odorless fuel that burns cleaner than many other traditional fossil fuels. Odorant is added to enable easy detection of a gas leak.

We provide natural gas to customers in our South and Central Florida divisions. The vast majority of the natural gas we distribute is purchased in the Gulf Coast region, both onshore and offshore.

We use Florida Gas Transmission (FGT) as our natural gas pipeline in peninsular Florida. FGT is under the jurisdiction of the Federal Energy Regulatory Commission (FERC). We use gas marketers and producers to procure all gas supplies for our markets. We use Florida City Gas and Indiantown Gas Company to provide wholesale gas transportation services in areas distant from our interconnections with FGT. We pass all fuel costs on to our customers. We also transport natural gas for customers who purchase their own gas supplies and arrange for pipeline transportation. Our operating results are not adversely affected if our customers purchase gas from third parties because we do not profit on the fuel portion of sales.

Our natural gas revenues are affected by the rates charged to customers, supply costs for natural gas purchased for resale, economic conditions in our service areas and weather.

Although the FPSC permits us to pass through to customers the increase in price for our gas supply, higher rates may cause customers to purchase less natural gas.

Our current portfolio of natural gas customers is reasonably diverse, with the largest customer using natural gas for the generation of electricity. We are not dependent on any single natural gas customer for over ten percent of our total natural gas revenues.

The FPSC approved joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We plan to transport natural gas through Indiantown's system to new developments. In the early phase, Indiantown Gas Company will provide operational and customer service related work. We also began construction in the Indiantown area to install natural gas mains in the first phase of a development for approximately 100 homes. Two more new developments are slated to break ground in 2007 for construction of approximately 1,000 homes.

Electric
We provide electricity to our customers in our Northwest and Northeast Florida divisions. Wholesale electricity is purchased from two suppliers; Gulf Power Company and JEA (formerly Jacksonville Electric Authority). In 1996, we executed ten-year fixed-price purchased power contracts with both suppliers. Gulf Power Company provides electric power to the Northwest division and JEA provides electric power to the Northeast division. These long-term contracts provided our customers with the lowest consumer electric rates in Florida.

During 2006 we completed negotiations and executed final contracts for the supply of electricity in our Northeast division from JEA beginning January 1, 2007 and our Northwest division from Gulf Power Company beginning in January 1, 2008. We are seeking approval of the contract with Gulf Power Company from the FPSC in 2007. We expect that rates charged to our customers will significantly increase when the new contracts become effective in 2007 and 2008 because the prices are closer to market price. We are unable to estimate what impact higher rates could have on electric consumption, but electricity usage could decrease.

The Northwest and Northeast divisions experience a variety of weather patterns. Hot summers and cold winters produce year-round electric sales that normally do not have highly seasonal fluctuations. None of the electric segment's customers represent more than ten percent of our total electric revenues.

The electric utility industry has not been deregulated in the state of Florida. All customers within a given service or franchise area purchase from a single electricity provider in that area.

Propane Gas
We provide propane gas to customers in our Northeast, West, Central and South Florida divisions and can purchase our propane gas supply from several different wholesale companies. Propane gas is delivered to Florida by barges and railcars to terminals in Tampa and Ft. Lauderdale, and through the Dixie Pipeline terminus at Alma and Albany, Georgia. Propane gas is also delivered by transport to our facilities and directly to a customer's premise. We believe that the propane gas supply infrastructure is adequate to meet the needs of the industry in Florida for the foreseeable future.

Propane gas is not as affected by environmental regulations as other petroleum products. However, propane gas is a hazardous material and as such is subject to strict code enforcement and safety requirements.

As with natural gas, the sales volume of propane gas is affected by the season and the weather. Typically, Florida has a tourist season that coincides with the winter months. The propane gas segment's sales volumes and revenues are closely balanced between residential and commercial customers. We employ two strategies to become less weather dependent, concentrating on the forklift propane gas cylinder exchange market and marketing propane gas appliances not used for heating air. We believe that water heaters and forklift cylinder exchange accounts are good ways to become less weather reliant. None of the propane gas segment's customers represent more than ten percent of our total propane gas sales volume or revenues.

Strategy
Our strategy is to leverage our expertise in the natural gas, electric and propane gas distribution business to assist us in consistently meeting our customer's expectations. Our core focus is to build mutually beneficial relationships with builders, developers and customers with high-energy usage requirements. Included in our strategy is a plan to enhance our future success by expanding our service territory into new areas with high growth potential.

Competition
We do not face substantial competition in our electric divisions. This is because no other competitor can currently provide the same energy in our areas due to FPSC regulations and territorial agreements between utilities. In addition, natural gas as an alternative fuel is only available in a small area served by our electric divisions. Although our natural gas segment operates with the same types of guidelines, there is competition in our natural gas segment from electric utilities. Normally each home will have electricity as a base fuel and natural gas as an alternative source of energy used for cooking and heating. Electricity competes with natural gas, in large part based on the cost of fuel. Our propane gas segment is unregulated and faces competition from other suppliers of propane gas as well as alternative energy source suppliers. Competition in the propane gas segment is primarily based on price and service.

Rates and Regulation
The natural gas and electric segments are highly regulated by the FPSC. The FPSC has the authority to regulate our rates, conditions of service, issuance of securities and certain other matters affecting our natural gas and electric operations. As a result, FPSC regulation has a significant effect on our results of operations. The FPSC approves rates that are intended to permit a specified rate of return on investment. Our rate tariffs allow the cost of natural gas and electricity to be passed through to customers. Increases in the operating expenses of the regulated segments may require us to request increases in the rates charged to our customers. The FPSC has granted us the flexibility of automatically passing on increased expenses for certain fuel costs to customers. Other operational expenses, such as pension and medical expenses require us to petition the FPSC for rate increases. The FPSC is likely to grant rate increases to offset increased expenditures necessary for business operations. We successfully petitioned for an electric rate increase, which became effective on March 17, 2004, and for a natural gas rate increase that went into effect on November 18, 2004. We are currently seeking electric

rate relief in 2007 for the recent storm preparedness requirements implemented to improve reliability of electric utility systems.

We are subject to federal and state regulation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies.

Prior to the widespread availability of natural gas, we manufactured gas for sale to our customers or purchased utility assets from other companies that manufactured gas. The process for manufacturing gas produced by-products and residuals such as coal tar. The remnants of these residuals are sometimes found at former gas manufacturing sites. These sites face environmental regulation from various agencies including the FDEP and EPA on necessary cleanup and restoration.

Franchises
We hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Generally, these franchises have terms ranging from 10 to 30 years and terminate on varying dates. We are currently in negotiations with certain municipalities for new service areas within our current operating divisions, and renewals of existing franchises. We continue to provide services to these municipalities and do not anticipate any interruption in our service.

Employees
As of January 18, 2007, we had 362 employees, of which 9 were part-time and 2 were temporary. Of these employees, 175 were covered under union contracts with two labor unions, the Internal Brotherhood of Electric Workers and the International Chemical Workers Union. We believe that our labor relations with employees are good.

Available Information
We file periodic reports including our Form 10-Qs, Form 10-Ks, and Form 8-Ks with the Securities and Exchange Commission (SEC). The most recent copies of Form 10-Qs and Form 10-Ks as well as a copy of our Code of Ethics Policy can be obtained through our website (http://www.fpuc.com).

Item 1A. Risk Factors

A substantial portion of our revenues and, to a large extent, our profitability, depends upon rates determined by the FPSC.

FPSC regulates many aspects of our natural gas and electric operating segments, including the retail rates that we may charge customers for natural gas and electric service. Our retail rates are set by the FPSC using a cost-of-service approach that takes into account our historical operating expenses, our fixed obligations and recovery of our capital investments, including potentially stranded obligations. Using this approach, the FPSC sets rates at a level calculated to recover such costs, adjusted to reflect known and measurable changes, and a permitted return on investment. Any rate adjustments to recover increased costs or to otherwise improve our profitability must be obtained through a petition filed with the FPSC, which is referred to as a rate case. The rates permitted by the FPSC in rate cases will determine a substantial portion of our revenues for succeeding periods and may have a material impact on our consolidated earnings, cash flows and

financial position, as well as our ability to maintain our common stock dividend at current levels or to increase our dividend in the future.

Some of our natural gas and electric service costs may not be fully recovered through retail rates.

Our natural gas and electric service retail rates, once established by the FPSC, remain fixed until changed in a subsequent rate case. We may at any time elect to file a rate case to request a change in our rates or intervening parties may request that the FPSC review our rates for possible adjustment, subject to any limitations that may have been ordered by the FPSC. Earnings could be reduced to the extent that our operating costs increase more than our revenues during the period between rate cases, which may occur because of maintenance and repair of plants, fuel and purchased power expenses, employee or labor costs, inflation or other factors. In addition, even if we decide to file rate cases, our requests for rate adjustments in such rate cases may be rejected. Other parties to a rate case or the FPSC staff may contend that our current rates, or rates proposed in a rate case, are excessive and our petition for rate adjustments may be denied on that or another basis.

Our segments are sensitive to variations in weather.

Our segments are affected by variations in general weather conditions and unusually severe weather. We forecast energy sales on the basis of normal weather, which represents a long-term historical average. Significant variations from normal weather could have a material impact on energy sales. Unusual weather, such as hurricanes, could also adversely affect operating costs and sales.

Our natural gas and propane gas customers use gas primarily for heating purposes. As a result, our natural gas and propane gas sales peak in the winter and are more weather sensitive than electricity sales, which peak in both summer and winter periods. Mild winter weather in Florida can be expected to negatively impact results from our natural gas and propane gas operations. Severe weather conditions could also interrupt or slow down service and increase the operating costs of all our segments.

We operate in an increasingly competitive industry, which may affect our future earnings.

Natural Gas
The natural gas distribution industry has been subject to competitive forces for several years. We receive our supply of natural gas at thirteen city gate stations connected to an interstate pipeline system owned by FGT and one gate station connected to an intrastate pipeline owned by Florida City Gas Company. Gulfstream Natural Gas System currently also serves peninsular Florida with interstate natural gas transmission service; however we cannot predict if this system will be extended to areas near our existing facilities and how it could affect our natural gas operations.

Electric
The U.S. electric power industry has been undergoing restructuring. There is competition in wholesale power sales on a national level. Some states have mandated or encouraged competition at the retail level. While there is active wholesale competition in Florida, the retail electric business has remained substantially free from direct competition. Changes

in the competitive environment occasioned by legislation, regulation, market conditions or initiatives of other electric power providers, particularly with respect to retail competition, could adversely affect our financial condition and results of operations. To the extent competitive pressures increase and the pricing and sale of electricity assumes more of the characteristics of a commodity business, the economics of our electric operating segment may come under increasing pressure. In addition, regulatory changes may increase access to electricity transmission grids by utility and non-utility purchasers and sellers of electricity, thus potentially resulting in a significant number of additional competitors.

Propane Gas
Our propane gas business is our only non-regulated business segment. Because the propane gas business is not regulated, we face significant competition in this segment. Our propane gas business competes directly with other distributors of propane gas, and other sources of energy including natural gas and electric. We may encounter increased competition in the propane gas business in the future. Our inability to compete effectively in the propane gas business, whether on the basis of price, customer service, alternative energy sources or otherwise, could have a material adverse effect on our financial condition and results of operations.

Our business could be adversely affected if our supply of natural gas is interrupted.

FGT's pipeline system transports all of our natural gas. FGT is owned by Citrus Corporation, which is jointly owned by Cross Country Energy Corporation and El Paso Corporation. Our ability to receive our normal supply of natural gas could be adversely affected by an interruption in FGT's service.

General economic conditions may adversely affect our segments.

Our segments are affected by general economic conditions. The consumption of the energy we supply is directly tied to the economy. A downturn in the economy in our local areas of operations, as well as on the state, national and international levels, could adversely affect the performance of our segments. Changes in political climate, including terrorist activities, could further negatively impact our performance. If tourism is down, then the demand for the energy we supply is reduced.

Commodity price changes may affect the operating costs and competitive position of our segments.

Our segments are sensitive to changes in coal, gas, oil and other commodity prices. If we are unable to increase the rates we charge to customers to reflect increases in these commodity prices, our margins and earnings will be lowered. If increased prices for any of these commodities persist for substantial periods, our competitive position could be adversely affected by customers who switch to cheaper energy sources. Further, natural gas prices have been increasingly volatile and, accordingly, the earnings from our natural gas operations are increasingly difficult to predict.

We could incur material expenses as a result of our obligations to comply with existing and new environmental laws and regulations.

We are subject to environmental regulations in connection with the ongoing conduct of our business and to civil and criminal liability for failure to comply with these regulations. In addition, new environmental laws and regulations, or new interpretations of existing laws and regulations, affecting our operations or facilities may be adopted which may cause us to incur additional material expenses.

We are subject to federal and state legislation with respect to soil, groundwater, employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the EPA and other federal and state agencies. We may incur material future expenditures in order to comply with these existing environmental laws and regulations.

We rely on a limited number of natural gas and electric suppliers, the loss of which could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under several contracts having expiration dates from 2007 to 2023 transport our natural gas to us. These contracts have provisions, which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2007 and 2017. We have renegotiated a new contract for the one that is set to expire in 2007 with the same supplier for electric service beginning in 2008 which we are currently awaiting approval for from the FPSC. If we were to lose any of these contracts, we might not be able to replace the corresponding energy source on acceptable terms, if at all. In addition, in the event of the expiration of the contracts, we might not be able to renew them on favorable terms, if at all. As a result, the loss of any of these suppliers, the terminations of any of these supply contracts or the non-renewal of any of these supply contracts before or upon their expiration could have material adverse effects on our financial condition and results of operations.

New supply contracts could result in substantial increases to our prices, and could materially adversely affect our financial condition and results of operations.

Two pipeline suppliers under firm contracts having expiration dates from 2007 to 2023 transport our natural gas to us. All of these contracts have provisions which allow us to extend the terms ranging from 2020 to 2032. Our electric services are provided by two suppliers under contracts, which expire in 2007 and 2017.

The recent renewal of the electricity supply contract that was terminated in 2006 and the one that will expire in 2007 will result in the cost of electricity more than doubling over existing prices. Extensions or renewals of our natural gas contracts could result in the cost of natural gas increasing. Although these increases are currently passed through to our customers, these could have a significant impact on our financial condition and results of operations due to decreased consumption or if costs cannot be passed through in the future.

Fluctuation in prices under long-term purchase and transportation commitments may have an adverse effect on our financial condition and results of operations.

To ensure a reliable supply of electricity and natural gas at competitive prices, we have entered into purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2023. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices.

As of December 31, 2006, we have firm purchase and transportation commitments adequate to supply our expected sales requirements for electricity with contracts that will expire in 2017. Our contract in the Northeast division of the electric segment began January 1, 2007 and expires on December 31, 2017. We have a contract with a supplier for the Northwest division beginning January 1, 2008 and expiring December 31, 2017. We are currently seeking approval with the FPSC for the Northwest division contract. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division.

Our natural gas pipeline transportation contracts expire in parts in 2010, 2015 and 2023. We are committed to pay demand or similar fixed charges monthly through 2023 related to the natural gas pipeline transportation agreements. Significant fluctuation in prices under these long-term purchase and transportation commitments may have a material adverse effect on our financial condition and results of operations.

Problems with operations could materially adversely impact us.

We are subject to various operational risks, including accidents, outages, equipment breakdowns or failures, or operations below expected levels of performance or efficiency. Problems such as the breakdown or failure of transmission lines, pipelines or other equipment or processes and interruptions in service which would result in performance below affected levels of output or efficiency, particularly if extending for prolonged periods of time, would have a material adverse effect on our financial condition and results of operations.

We are vulnerable to interest rate changes and may not have access to capital at favorable rates, if at all.

Changes in interest rates can affect our cost of borrowing on our line of credit, on refinancing of debt maturities and on incremental borrowing to fund new investments. Because our stock is not widely held and has a low trading volume, we may not be able to access the equity market or may be limited in the amount of equity financing. If we are unable to obtain equity or debt financing on terms satisfactory to us, our ability to fund capital expenditures and other commitments will be impaired. Moreover, even if available, the cost of such financing could reduce our margins and materially adversely affect our results of operations.

Failure to effectively and efficiently manage our growth, as well as changes in our business strategies, could have a negative impact on our performance.

An essential part of our business strategy is to grow our businesses. Much of our growth depends on our ability to find attractive development opportunities and to obtain the necessary financing for them. Our outlook is based on our expectation that we will be successful in finding and capitalizing on development opportunities, but our efforts may not be successful. Our failure to effectively and efficiently manage our growth, as well as changes in our business strategies, may have a material adverse effect on our financial

condition and results of operations. If we grow our business with acquisitions there is a risk the acquisition will not have a positive effect on our financial condition.

Our ability to pay dividends on our common stock is limited.

We cannot guaranty that we will continue to pay dividends at our current annual dividend rate or at all. In particular, our ability to pay dividends in the future will depend upon, among other things, our future earnings, our cash requirements and our debt covenants.

Provisions in our certificate of reincorporation, certain agreements, and the Florida Business Corporation Act may inhibit a takeover, which could adversely affect the value of our common stock.

Our certificate of reincorporation as well as provisions of the Florida Business Corporation Act (FBCA), contain provisions that could delay or prevent a change of control in our management that shareholders might consider favorable and may prevent them from receiving a takeover premium for their shares.

Our certificate of reincorporation contains provisions that make it more difficult to obtain control of our company through transactions, which have not received the approval of our board of directors. These provisions include supermajority voting requirements for certain transactions with affiliated persons, staggering the terms of the members of our board of directors, and certain procedural requirements relating to shareholder meetings and amendments to our certificate of reincorporation or bylaws.

In addition, Florida has enacted legislation that may deter or frustrate takeovers of Florida corporations. Subject to certain exceptions, the "Control Share Acquisitions" section of the FBCA generally provides that shares acquired in excess of certain specified thresholds, beginning at 20% of a corporation's outstanding voting shares, will not possess any voting rights unless such voting rights are approved by a majority vote of the corporation's disinterested shareholders.

The "Affiliated Transactions" section of the FBCA generally requires majority approval by disinterested directors or supermajority approval by disinterested shareholders of certain specified transactions (such as mergers, consolidations, sales of assets, issuance or transfer of shares or reclassifications of securities) between a corporation and a holder of more than 10% of the outstanding shares of the corporation, or any affiliate of such shareholder.

Finally, we have agreements with three of our executive officers that provide for significant payments to those executives upon a change in control under certain circumstances. The existence of these contracts may make an acquisition of our company less attractive to a possible buyer.

Conflict or turmoil in oil producing countries could impact future prices for commodities including natural gas, propane gas and electricity, and increases in these prices could materially affect our financial condition and results of operations.

Worldwide turmoil could cause the cost of crude oil and its associated products to rise on

concerns of the conflicts interfering with the production of crude oil. If these conflicts are large, escalate or spread, the impact to the cost of all fuel related commodities could increase substantially. These increases could materially adversely affect our financial condition and results of operations.

Item 1B. Unresolved Staff Comments

None

Item 2. Properties

We have natural gas, electric and propane gas utility related properties. These properties include transmission, distribution, storage and general facilities at various locations in our service areas. We do not have generating facilities. We maintain property that is adequate for our current operations and we expand our existing facilities as required by growth or other operational needs.

We own natural gas mains that distribute gas through 1,558 miles of pipe located in Central and South Florida. Additionally, we have adequate gate stations in each distribution system.

In the electric segment, we own 22 miles of electric transmission lines located in Northeast Florida and 1,082 miles of electric distribution lines located in Northeast and Northwest Florida. The distribution lines are installed both under and above ground with many of the coastal locations having under ground facilities. All transmission lines are installed above ground. Additionally, we own various substations and regulator stations that are used in our operations.

Our propane gas segment has bulk storage facilities and tank installations on the customers' premises. We also have 16 community gas systems that distribute propane gas to customers in a specific area. These systems are subject to the Federal Department of Transportation Office of Pipeline Safety Regulations.

We own office and warehouse facilities in Northwest, Northeast, Central, West and South Florida, which are used for our operations and materials storage by the natural gas, electric, and propane gas segments. We also have various easements and other assets located throughout our service areas that are utilized by all of our operations.

We also own a three-story building in West Palm Beach, where our corporate headquarters is located.

All of our property is subject to a lien collateralizing our funded indebtedness under our Mortgage Indenture as discussed in Note 1-I in Notes to Consolidated Financial Statements.

Item 3. Legal Proceedings

In our operations, we currently use or have used several contamination sites that have pending or threatened environmental litigation. We are in the process of investigating and assessing this litigation. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover losses or expenses incurred as a result of this

litigation. We believe all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the combined sum of any insurance proceeds received and any rate relief granted.

West Palm Beach Site
We are currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property we own in West Palm Beach, Florida. We previously operated a gasification plant at this site. We entered into a Consent Order with the FDEP effective April 8, 1991. This requires us to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. We have submitted numerous reports to FDEP describing the results of soil and groundwater sampling conducted at the site. We completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant performed a feasibility study to evaluate appropriate remedies for the site. The feasibility study was transmitted to FDEP on November 30, 2006.

The feasibility study evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the feasibility study ranged from a low of \$2.8 million to a high of \$54.6 million. Based on the likely acceptability of proven remedial technologies described in the feasibility study and implemented at similar sites, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from \$4.6 million to \$17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA) or some combination of these remedies. The feasibility study proposed a remedy of superficial soil excavation, and installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from \$4.6 million to \$9.9 million.

Prior to FDEP's approval of a final remedy for the site, we are unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately \$4.8 million to \$18 million.

Sanford Site
We own a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to our acquisition of the property. Following discovery of soil and groundwater impacts on the property, we have participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, we executed an Administrative Order on Consent (AOC) with the four former owners and operators (Group) and the United States Environmental Protection Agency (EPA) that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RI/FS AOC and RI/FS Participation Agreement is now complete and we have no further obligations under either document.

In late September 2006, EPA sent us a Special Notice Letter, notifying us of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the other Group members and us sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended Record of Decision (ROD) for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, we, along with the Group, submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1 through OU3.

In January, we, along with the other members of the Group signed a Third Participation Agreement, which provides for funding the remediation work specified in the RODs for OU1 through OU3 and supercedes and replaces the Second Participation Agreement. Our share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13 million or $650,000. At present, it is not anticipated that the total cost of remediation will exceed $13 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13 million. In any such event, we do not expect our share of such additional costs to be greater than 5% and our share of such additional costs may be less than 5%.

Our future legal costs and expenses and our share future remediation expenses for this site are currently projected to be approximately $710,000.

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Pensacola Site
We are the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that we were one of several responsible parties for any environmental impacts associated with the former gasification plant site, we entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. Our share of these costs is less than $2,000 annually or a total cost of $27,000.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to us in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, we have not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, we are unable to determine whether additional fieldwork or site remediation will be required by EPA and, if so, the scope or costs of such work.

Key West Site

From 1927-1938, we owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the current site owner and us and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified us that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished disposition is recommended." FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 31, 2006, we have received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such work. In 1999, we received an estimate from our consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, our share would be approximately $83,000.

Item 4. Submission of Matters to a Vote of Security Holders

None

Executive Officers of the Registrant

The following sets forth certain information about the executive officers of the Company as of February 17, 2007.

Name	Age	Position	Date
John T. English	63	Chairman of the Board	2006 - Present
		Chief Executive Officer	1998 - Present
		President	1997 - Present
		Chief Operating Officer	1997 - 2000
Charles L. Stein	57	Senior Vice President	1997 - Present
		Chief Operating Officer	2001 - Present
George M. Bachman	47	Corporate Secretary	2004 - Present
		Chief Financial Officer	2001 - Present
		Treasurer	2001 - Present

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Mr. English was Senior Vice President from 1993 preceding his appointment as President and Chief Operating Officer.

Mr. Stein was Vice President from 1993 preceding his appointment as Senior Vice President.

Mr. Bachman was Controller from 1996 preceding his appointment as Chief Financial Officer and Treasurer.

Each of these executive officers has an employment agreement for a three-year term, which can be renewed at the Board Meeting preceding the expiration of the agreement subject to his earlier resignation or removal. There are no family relationships among any of the executive officers and directors of the Company.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Quarterly Stock Prices and Dividends Paid

Our common shares are traded on the American Stock Exchange under the symbol FPU. The quarterly dividends declared and the reported last sale price range per share of our common stock for the most recent two years were as follows:

	2006			2005		
	Stock Prices		Dividends	Stock Prices *		Dividends
Quarter ended	Low	High	Declared	Low	High	Declared*
March 31	$13.25	$14.50	$0.1033	$11.47	$13.49	$0.1000
June 30	11.86	14.40	0.1075	11.45	12.67	0.1033
September 30	12.61	14.42	0.1075	12.67	16.84	0.1033
December 31	13.10	14.05	0.1075	13.46	16.44	0.1033

* On July 25, 2005 we issued a three for two stock split in the form of a stock dividend to our shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split.

As of February 16, 2007, there were approximately 3,900 holders of record of our common shares.

We intend to continue to pay quarterly cash dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon future earnings, cash flow, financial condition, capital requirements and other factors. Our Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9 million of retained earnings were free of such restriction and therefore available for the payment of dividends.

Securities Authorized for Issuance under Equity Compensation Plans

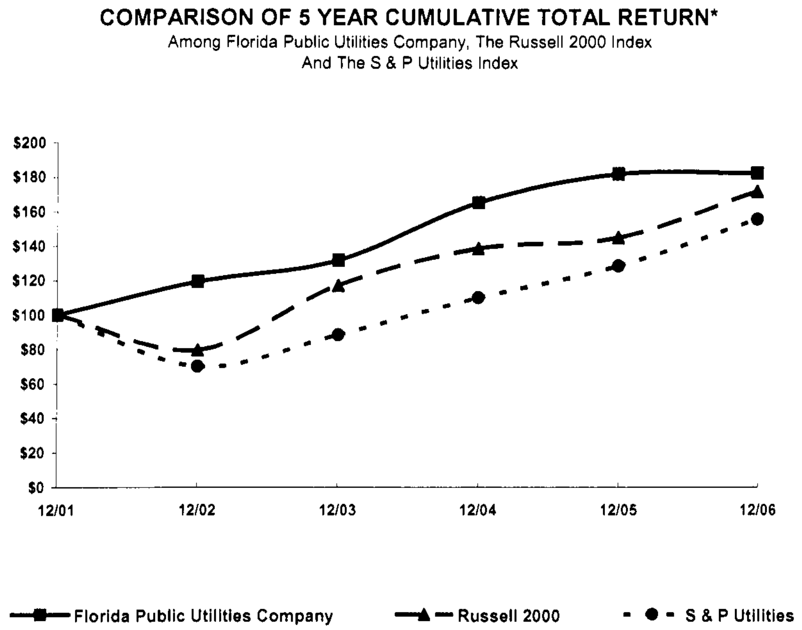
Equity Compensation Plan Information

Plan Category	Number of Securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	72,749*
Equity compensation plans not approved by security holders	-
Total	72,749

* This includes 20,714 shares for the Non-Employee Director Compensation Plan. This plan was adopted by the Board of Directors on March 18, 2005 and was approved at the 2005 meeting of shareholders. This also includes 52,035 shares for the Employee Stock Purchase Plan.

PERFORMANCE GRAPH

The following graph compares the yearly percentage change and the cumulative total of shareholder return on the Company's common stock with the cumulative return on the Russell 2000 Index (Russell 2000) and Standard & Poor's Utilities Index (S&P Utilities) for the last five calendar years. These comparisons assume the investment of $100 in the Company's common stock and each of the indices on January 1, 2001 and the reinvestment of dividends. The stock price performance shown in the graph below should not be considered indicative of



* $100 invested on 12/31/01 in stock or index-including reinvestment of dividends. Fiscal year ending December 31.

future stock performance.

	12/01	12/02	12/03	12/04	12/05	12/06
Florida Public Utilities Company	100.00	119.25	131.72	165.01	181.67	182.09
Russell 2000	100.00	79.52	117.09	138.55	144.86	171.47
S & P Utilities	100.00	70.01	88.39	109.85	128.35	155.29

Item 6. Selected Financial Data

(Dollars in thousands, except per share data)

Years Ended December 31,	2006	2005	2004	2003	2002
Revenues	$ 134,235	$ 130,023	$ 110,039	$ 102,723	$ 88,461
Gross profit	$ 48,264	$ 47,219	$ 40,689	$ 37,733	$ 34,929
Earnings:					
Continuing operations	$ 4,264	$ 4,248	$ 3,594	$ 2,522	$ 2,761
Discontinued operations (1)	-	-	-	9,901	602
Net income	$ 4,264	$ 4,248	$ 3,594	$ 12,423	$ 3,363
Earnings per common share (basic and diluted):					
Continuing operations	$ 0.71	$ 0.71	$ 0.60	$ 0.43	$ 0.47
Discontinued operations (1)	-	-	-	1.69	0.10
Total	$ 0.71	$ 0.71	$ 0.60	$ 2.12	$ 0.57
Dividends declared per common share	$ 0.43	$ 0.41	$ 0.40	$ 0.39	$ 0.38
Total assets	$ 181,155	$ 182,666	$ 170,503	$ 160,944	$ 148,487
Utility plant – net	$ 129,211	$ 123,061	$ 117,191	$ 107,942	$ 103,357
Current debt	$ 3,466	$ 9,558	$ 5,825	$ 2,278	$ 19,183
Long-term debt	$ 50,702	$ 50,620	$ 50,538	$ 50,454	$ 50,367
Common shareholders' equity	$ 47,624	$ 45,503	$ 43,213	$ 41,463	$ 30,883

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Note to the Selected Financial Data:

(1) On December 3, 2002, FPU entered into an agreement to sell the assets of its water utility system to the City of Fernandina Beach. The transaction closed on March 27, 2003. Revenues, Gross profit and Utility plant-net do not include discontinued operations.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation

RESULTS OF OPERATIONS

General
Effects of seasonal weather conditions, the timing of rate increases, fluctuations in demand due to the cost of fuel passed on to customers and the migration of winter residents and tourists to Florida during the winter season all have an impact on income.

Revenues and Gross Profit Summary
Revenues include cost recovery revenues. The FPSC allows cost recovery revenues to directly recover costs of fuel, conservation and revenue-based taxes in our natural gas and electric segments. Revenues collected for these expenses have no effect on results of operations and fluctuations could distort the relationship of revenues between periods. Gross profit is defined as gross operating revenues less fuel, conservation and revenue-based taxes that are passed directly through to customers. Because gross profit eliminates these cost recovery revenues, we believe it provides a more meaningful basis for evaluating utility revenues. The following summary compares gross profit between periods and units sold in One thousand Dekatherm (MDth) (gas) and Megawatt Hour (MWH) (electric).

Revenues and Gross Profit

(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Natural Gas			
Revenues	$70,981	$69,094	$55,962
Cost of fuel and other pass through costs	43,909	42,815	34,232
Gross Profit	$27,072	$26,279	$21,730
Units sold: (MDth)	6,230	6,224	6,124
Electric			
Revenues	$48,527	$47,450	$42,910
Cost of fuel and other pass through costs	34,259	33,352	29,732
Gross Profit	$14,268	$14,098	$13,178
Units sold: (MWH)	849,124	814,353	766,349
Propane Gas			
Revenues	$14,727	$13,479	$11,167
Cost of fuel and other pass through costs	7,803	6,637	5,386
Gross Profit	$ 6,924	$6,842	$5,781
Units sold: (MDth)	621	640	614
Consolidated			
Revenues	$134,235	$130,023	$110,039
Cost of fuel and other pass through costs	85,971	82,804	69,350
Gross Profit	$ 48,264	$ 47,219	$ 40,689

Natural Gas
Natural gas revenues increased $1.9 million, or 3% in 2006 over 2005 primarily due to increased revenue collected for taxes passed directly through to customers. A change in legislature regarding the calculation of Gross Receipts tax became effective January 1, 2006, and along with an increase to overall revenues, increased these taxes paid by our

customers by approximately $500,000. Franchise fee revenues also increased by $500,000 due to increased rates and area expansion.

Natural gas gross profit increased by $793,000, or 3% in 2006 over 2005. We had higher revenue and gross profit in 2006 compared to 2005 primarily due to billed revenue not exceeding the FPSC allowable earnings as much as in the prior year. In 2006 we reduced billed revenues and gross profit by our estimate of over-earnings of $230,000 for the year. Our estimate for 2005 was recorded at $700,000 in 2005 and we reduced that estimate in 2006 by $50,000 to $650,000. The combined effect of this was to increase our revenues and gross profit over the prior year by approximately $500,000. Other factors contributing to the increase in revenues and gross profit were 2% customer growth and storm surcharge revenues, which became effective November 2005. The revenues and gross profit increases were slightly offset by the loss of approximately $100,000 of revenue from two customers who went off-line for several months to do maintenance work.

Natural gas revenues increased $13.1 million in 2005 over 2004 primarily due to an $8.6 million increase in the cost of fuel and other costs that were passed through to customers. The cost of natural gas increased significantly over prior years, partially as a result of hurricanes and their impact on supplies. Gross profit increased $4.5 million, or 21%, primarily as a result of rate relief effective in November 2004, normal customer growth and a 2% increase in units sold. Offsetting these increases was the estimated over-earnings for 2005 of $700,000, which reduced revenues and gross profit.

Electric

Electric revenues increased $1.1 million in 2006 over 2005. Cost of fuel and other costs that were passed through to customers contributed approximately $900,000 of the increase. Gross profit increased $170,000 or 1% in 2006 over 2005. The increase in gross profit was primarily due to a slight increase in customer growth and units sold.

Electric revenues increased $4.5 million in 2005 over 2004. Cost of fuel and other costs that were passed through to customers contributed $3.6 million of the increase. Gross profit increased $920,000 or 7% in 2005 over 2004. The increase in gross profit was primarily due to a 6% increase in units sold along with the rate increases granted in March 2004. A large distribution center was built in our Northwest division and increased revenues by approximately $700,000 and gross profit by approximately $91,000 in 2005 over 2004.

Propane Gas

Propane revenues increased $1.2 million, or 9% and gross profit increased $82,000 or 1% in 2006 compared to 2005. Revenues increased primarily due to rising fuel costs. Although customers increased by 5% in 2006, the usage per customer declined by 8% contributing to a decrease of 3% in units sold. Warmer weather was the primary reason for this decrease in usage per customer in 2006 compared to 2005. The increase in gross profit was minimal when compared to last year primarily due to pre-buy gains of $383,000 realized in 2005 but not in 2006.

Propane revenues increased $2.3 million and gross profit increased $1.1 million or 18% in 2005 compared to 2004. The Company realized gains of approximately $383,000 as a result of buying propane supplies before market price increases. The remaining increase

of 12% from the previous year resulted from propane unit sales increasing 4% due primarily to a 13% growth in residential bulk customers and units sold.

Operating Expenses

Operating expenses include operation, maintenance, depreciation, amortization and taxes other than income taxes, and exclude fuel costs, conservation and taxes based on revenues that are directly passed through to customers and recovered in revenues.

Operating Expenses
(Dollars in thousands)

	Year Ended December 31,		
	2006	2005	2004
Natural gas	$ 20,954	$ 20,230	$ 16,752
Electric	11,131	10,596	9,825
Propane gas	5,850	5,756	5,126
Total Operating Expenses	$ 37,935	$ 36,582	$ 31,703

Natural Gas

Natural gas operating expenses increased $724,000, or 4%, in 2006 as compared with 2005. Outside of the normal inflationary impacts on our expenses, customer account expenses increased by $237,000 as a result of our customer service focus initiated in 2005 based on our strategic plan. We continued the focus on this area and increased the number of employees in an effort to respond more effectively to customers. Bad debt provision increased $49,000 over the prior year primarily due to increasing revenues, aging accounts receivable on several major accounts, and the slowing housing economy. We increased our collection efforts in the fourth quarter of 2006 and will continue to do so in 2007.

In 2006 we had additional increases of $90,000 to sales expense resulting from initiatives to boost sales by increasing sales staff. Depreciation expense increased $137,000 principally due to construction of mains and new meters to distribute gas to a growing number of new developments in South Florida and increasing capacity requirements for existing customers.

Natural gas operating expenses increased $3.5 million or 21%, in 2005 as compared with 2004. Amortization expense increased $1 million. The bare steel replacement program and recovery of future environmental costs approved in our 2004 natural gas rate proceeding were the primary reasons for this increase. We are currently under a 50-year program to replace all bare steel mains and service lines with coated steel and polyethylene lines. We have received approval to recover the funds necessary to replace these mains and services over the 50-year period. Pursuant to an FPSC mandate, we accrue an amortization expense as an offset to the revenues received, and record a contribution, reducing the related construction expenditures. The FPSC also approved recovery of our expected environmental liability over a 20-year period.

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Customer account expense increased $373,000 in 2005 as compared to 2004 primarily due to increased payroll expenses for additional staffing and facility and equipment upgrades. There were also increased bad debt provisions as a result of the increases in accounts receivable due to general and fuel rate increases. The purchase of additional safety equipment, tools, hardware and office furniture contributed to a $942,000 increase in other operating expense. Other items affecting expenses included a research marketing study to provide us with data to better serve our customers and additional payroll

expenses relating to hurricane preparedness and wage increases. Maintenance expense increased by $208,000 primarily due to maintenance expenditures in Central Florida for cleaning and painting a distribution regulator and gate stations and the purchase of maintenance related safety equipment and tools.

Electric
Electric operating expenses increased $535,000, or 5%, in 2006 as compared with 2005. As a result of our efforts to inform and educate our electric customers about the expected 2007 and 2008 fuel rate increases in upcoming bills, sales expense increased by $120,000. Customer account expenses increased $106,000 in 2006 over the prior year mainly due to increased bad debt provisions due to higher sales and slower housing economy. Depreciation expense increased $202,000 largely due to major construction work done in the latter part of 2005 and the beginning of 2006. This included the rebuilding of a transmission sub-station, the rebuilding of an entire distribution sub-station with two transformers and the replacement of a failed sub-distribution station transformer. Additional significant work on transformers is expected in 2008.

Electric operating expenses increased $771,000, or 8%, in 2005 as compared with 2004. As we continued to focus on improving service reliability, we increased maintenance expense by $397,000 for additional tree trimming and the use of a temporary mobile substation while a new transformer was purchased and put into service. Depreciation expense increased $100,000 due to normal increases in plant assets. In 2005, other operating expenses increased $114,000 due to a shift from work on capital assets to operational needs along with personnel raises.

Propane Gas
Propane gas operating expenses increased $94,000, or 2%, in 2006 as compared with 2005. Depreciation expense increased $99,000 for the addition of plant assets including a propane gas delivery system that will increase the efficiency of our deliveries and improve our overall customer satisfaction. Aging accounts receivable, slowing housing economy and increasing revenues contributed to an increase in our bad debt expense over the prior year.

Propane gas operating expenses increased $630,000, or 12%, in 2005 as compared with 2004. As we continued to focus on increasing our propane gas business, other operating costs increased $467,000. We placed additional emphasis in the sales area, which resulted in signing up new housing developments that will utilize propane gas. We incurred increased expenditures for piping homes, delivering propane gas, implementing a new delivery system and increasing commission payments. This increased effort in our sales area contributed to an increase of 150 customers and 4% overall units sold in our propane gas segment.

Administrative Expenses
Administrative expenses increased $177,000, or 2%, in 2006 over 2005. These expenses generally are related to all of our operating segments. To continue to adequately support our internal and external customers, we increased staffing in our administrative areas. Payroll increases of $322,000 related to an increased number of employees, annual pay raises and normal inflationary impacts. In 2006, we discontinued eligibility to our defined benefit pension plan for new employees and replaced the defined benefit pension plan with a 401K-match plan for new employees. Although this change will take time to reduce pension expense, we did experience a reduction of $107,000 in our pension expenses in

2006. Medical costs increased $120,000 over the prior year and these costs are expected to continue to rise.

Regulatory storm surcharge expenses approved in our 2005 natural gas petition increased natural gas expenses by $180,000.

Administrative expenses increased $996,000, or 13%, in 2005 over 2004. Pension expense increased $274,000 due to our estimate that the return on the pension's assets will not keep pace with growing pension liabilities. Medical insurance premiums continue to rise, increasing $130,000 in 2005. Compliance costs related to Sarbanes-Oxley and internal control requirements, as well as audit fees, increased outside services expenses by $156,000. With the impact from our focus on hurricane preparations and the 2005 hurricanes, our safety expense increased by $235,000. A portion of this increase related to compensation for an additional safety employee and costs for a new safety incentive program.

Total Other Income and Deductions
Other income and deductions include revenues and expenses from sales and installation, service of merchandise, gains or losses on disposal of property, interest expense and other income and expenses. The largest components of this section are merchandise sales, services income and interest expenses. Our service activities include the installation of merchandise and other contract work. Interest expense consists of interest on bonds, short-term borrowings and customer deposits.

Merchandise and Services Revenue and Expenses
Although merchandise and services revenue decreased by approximately $268,000 in 2006, the overall profitability in this area increased by $325,000 compared to 2005. This was primarily a result of significant strategic changes made by management. These changes included revising the product markup structure, increasing installation fees and increasing employee training. We experienced a revenue decrease due to lower demand for merchandise as a result of a quiet hurricane season and the slow down of new construction projects in our areas due to the downturn in the housing market.

Merchandise and services revenues and expenses increased in 2005 from 2004 but profitability decreased $114,000. We experienced an increase in revenues and cost of sales primarily due to an increased demand for electric to gas conversions and installations of customer owned propane gas tanks to supply back-up generators. We had increased expenses from sub-contractors that were not passed on to customers in sales prices.

Interest Expenses
In 2005, total interest expense increased $106,000. Interest on short-term debt increased $37,000. This was due to the increase in the average outstanding loan balance on the line of credit and higher interest rates. Interest on customer deposits increased $48,000 due to increased customer deposits primarily as a result of additional deposits required after implementing increased rates in our natural gas operation.

Other
Other revenues increased $51,000 compared to 2005 due to additional interest income associated with the sale of the water assets.

Income Taxes

Income tax expense decreased in 2006 over the normal tax rate on net income by $67,000. This decrease was due to tax return adjustments related to the regulatory deferred tax liabilities.

Income tax expense decreased in 2005 over the normal tax rate on net income by $43,000. Tax return adjustments related to the sale of our water assets and the regulatory deferred tax liabilities decreased expenses by $118,000. We had an offsetting increase of $75,000 related to our IRS audit of the 2002 and 2003 income tax returns.

Liquidity and Capital Resources

Summary of Primary Sources and Uses of Cash

(Dollars in thousands)

	Year Ended December 31, 2006	2005	2004
Sources of Cash:			
Operating activities, including working capital changes	$20,090	$10,213	$11,673
Net proceeds on short-term debt	-	3,733	3,547
Other sources of cash	1,179	1,214	648
Uses of Cash:			
Construction expenditures	13,116	12,441	13,731
Dividends paid	2,551	2,448	2,368
Net payment on short-term debt	6,092	-	-
Other uses of cash	121	75	129
Net (use) source of cash	$ (611)	$ 196	$ (360)

Cash Flows

Operating Activities

Net cash flow provided by continuing operating activities increased in 2006 by approximately $10 million compared to 2005. Fuel and other pass through costs accounted for $6.5 million of the increase. This increase resulted from the collection of the prior year's under-recoveries of $3.4 million and over-recoveries of $3.1 million in 2006. Amounts over-recovered will be refunded to customers in subsequent calendar years. Lower fuel costs during the latter part of the year in our natural gas segment contributed to a decrease in receivables and increase in cash of $3 million. The lower fuel costs and timing of payments to our major fuel suppliers resulted in a decrease to operating cash of $1 million. Income taxes paid increased by approximately $600,000 primarily due to the tax effect of the collection of prior year's fuel under-recoveries.

Net cash flow provided by continuing operating activities decreased in 2005 by approximately $1.5 million compared to 2004. Payments for fuel exceeded the amount collected from customers by an additional $3.1 million in 2005. The under-recovery of fuel costs is collected in the following calendar year. Income tax payments increased approximately $1.5 million, primarily as a result of less tax depreciation and higher income. The deduction for tax depreciation was higher in 2004 as a result of bonus depreciation, resulting in lower taxes in that year. We also received a refund in 2004 relating to the deferral of the gain on our water assets sale.

Offsetting the decreases to 2005 cash flow was additional cash received from rate increases in our natural gas segment. The rate increases also contributed to an increase to accounts receivable of $4 million. Accounts payable increased $3.3 million in 2005 primarily due to the increased cost of fuel in our natural gas segment.

Investing Activities
Capital expenditures increased in 2006 compared to 2005 by approximately $700,000. The increase in 2006 included expenditures for transportation equipment in our electric segment for approximately $400,000, vehicles in our natural gas segment above 2005 levels of approximately $600,000, and various other typical capital expenditures. Offsetting total 2006 increases was a $663,000 transformer replacement in 2005.

Capital expenditures decreased in 2005 compared to 2004 by approximately $1.3 million. In 2004, there were large projects to rebuild two substations in our electric segment and additional propane community gas systems costing approximately $3.3 million. In 2005 such expenditures were lower and consisted of the purchase of a transformer in our electric segment for $663,000, a new natural gas mapping system to track our assets used in serving our customers for approximately $300,000, a propane delivery system for approximately $300,000, additional propane community gas systems for approximately $300,000 and other various capital expenditures.

Financing Activities
Short-term borrowings decreased by $6 million in 2006. Over-recovery of fuel costs provided a large source of cash during 2006 as well as the recovery of the prior year's under-recovery of fuel costs in 2006, reducing the need for short-term borrowings.

Although additional sources of cash were provided by our rate increases and lower construction expenditures in 2005, the additional expenditures from the under-recovery of fuel costs and additional income taxes increased our short-term debt. Short-term borrowings increased in 2005 over 2004 by approximately $3.7 million.

Capital Resources
We currently have a $12 million line of credit, which expires on July 1, 2008. Upon 30 days notice by us we can increase the line of credit to a maximum of $20 million. The line of credit contains affirmative and negative covenants that, if violated, would give the bank the right to accelerate the due date of the loan to be immediately payable. The covenants include certain financial ratios. All ratios are currently met and management believes we are in full compliance with all covenants and anticipates continued compliance. We reserve $1 million of the line of credit to cover expenses for any major storm repairs in our electric segment and an additional $250,000 for a letter of credit insuring propane gas facilities. As of December 31, 2006, the amount borrowed on the line of credit was $3.5 million. The line of credit, long-term debt and preferred stock as of December 31, 2006 comprised 53% of total capitalization and debt.

In prior years we periodically paid off short-term borrowings under lines of credit using the net proceeds from the sale of long-term debt or equity securities. We may use similar types of proceeds in the future to pay off short-term borrowings, dependent on the amount borrowed from the line of credit, prevailing market conditions for debt and equity, the impact to our financial covenants and the effect on income.

Our 1942 Indenture of Mortgage and Deed of Trust, which is a mortgage on all real and personal property, permits the issuance of additional bonds based upon a calculation of unencumbered net real and personal property. At December 31, 2006, such calculation would permit the issuance of approximately $39.3 million of additional bonds.

On November 30, 2006 we received approval from the FPSC to issue and sell or exchange an additional amount of $45 million in any combination of long-term debt, short-term notes and equity securities and/or to assume liabilities or obligations as guarantor, endorser or surety during calendar year 2007. We will seek approval from the FPSC in 2007 for any possible financing in 2008.

We have $3.4 million in invested funds for payment of future environmental costs. We expect to use some of these funds in 2007.

Capital Requirements
Portions of our business are seasonal and dependent upon weather conditions in Florida. This factor affects the sale of electricity and gas and impacts the cash provided by operations. Construction costs also impact cash requirements throughout the year. Cash needs for operations and construction are met partially through short-term borrowings from our line of credit.

Capital expenditures are expected to be higher in 2007 compared to 2006 by approximately $3.9 million. The primary reason for the expected increase in expenditures is the anticipated purchase of land for a new South Florida division office. The current division office is on environmentally impacted property, which requires relocating the office to allow for clean up of the property. It is not possible to rebuild at the current location since the property has been rezoned with a residential designation. The estimated cost of land is $3.8 million. We are planning to build and complete this new facility in the next five years. We do not have any commitments for capital expenditures in 2007 other than vehicles of approximately $102,000.

Cash requirements will increase significantly in the future due to environmental clean up costs, sinking fund payments on long-term debt and pension contributions. Environmental clean up is forecast to require payments of approximately $600,000 in 2007, with remaining payments, which could total approximately $13.1 million, beginning in 2008. Annual long-term debt sinking fund payments of approximately $1.4 million will begin in 2008 and will continue for eleven years. Based on current projections, we will make voluntary contributions in our defined benefit pension plan of $250,000 in 2007 and $500,000 in 2008. Required contributions will begin in 2009 and are forecast to be approximately $2 million in 2009 and 2010.

Based on our current expectations for cash needs, including the possible land purchase and related South Florida office construction, we may choose to consider an equity or debt financing in 2008 to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time. In addition, if we experience significant environmental expenditures in the next two or three years it is possible we may need to raise additional funds. If interest rates remain favorable we may consider re-financing one of our mortgage bonds. If refinancing is deemed beneficial, we may re-issue the bond for additional principal. There can be no assurance, however, that equity or debt transaction financing will be available on favorable terms or at all when we make the decision to proceed with a financing transaction.

Outlook

Pension and Insurance Expenses

Insurance costs have been increasing and are expected to continue to increase while we expect pension costs to decrease. Pension expenses decreased $107,000 in 2006 and our actuarial estimates show pension expense decreasing by $142,000 in 2007. Insurance expenses including Medical, Liability and Workers' Compensation increased $70,000 in 2006 and are expected to increase further in 2007.

The regulated segments received rate relief for some of the historical pension and insurance increases in 2003 and 2004. Increases beyond those experienced through 2005, which are allocated to the regulated segments, may require requesting future rate relief. The propane gas segment may recover these expenses by increasing rates, depending on market conditions in the propane gas industry and the ability to remain competitive.

Due to significant cost increases for our defined benefit pension plan over the past several years and with expectations that these cost increases will continue in the years ahead, we discontinued eligibility to our pension plan for all new hires.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service.

Electric Power Supply Contracts

Contracts with our two electric suppliers were originally set to expire on December 31, 2007. Those contracts provided electricity to our customers at rates much lower than market rates. As part of our negotiations, we agreed to end the current contract terms for our Northeast division on December 31, 2006 and executed an amended contract to begin January 1, 2007 and expire December 31, 2017. Although the contract rates will increase for 2007, this enabled us to obtain lower rates for the longer term of the contract than would have been available if we had not revised the contract. The savings are passed through to our customers without profit to us.

We executed a contract for the provider of electricity in our Northwest division in December 2006 and are seeking approval of this contract and its related terms and conditions from the FPSC on or before July 1, 2007. If the FPSC does not approve this contract, we may need to seek an alternative supplier or new contract with this same supplier for the purchase of electricity in the Northwest division. This contract will be for the purchase of electricity beginning January 1, 2008. We anticipate that contract will result in rates closer to market, which could cause our customers' bills to double over existing prices in the next several years.

We are unable to estimate what impact, if any, the higher rates could have on electric consumption.

Propane Gas

We are currently reviewing the possibility of hedging activities in 2007 to help mitigate the risk of price changes for our cost of propane gas. We are unable to determine the impact this activity will have on our future operating income.

We used advance purchase agreements made in the normal course of procuring propane gas supplies in past years. These agreements resulted in a loss of gross profit of approximately $5,000 in 2006 and additional gross profit of approximately $383,000 in 2005 and $242,000 in 2004.

Over-earnings-Natural Gas Segment
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We currently estimate over-earnings in 2006 of $230,000 and in 2005 of $650,000. We revised our prior year's 2005 estimate of $700,000 during 2006. These liabilities have been included in an over-earnings liability on our balance sheet, with the potential of rate refunds to customers. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

Our 2005 and 2006 estimates of our over-earnings liabilities could change upon the FPSC finalization and review of our earnings in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

In 2007 we requested that the 2005 natural gas over-earnings be used to provide additional funds to our regulatory liability – storm reserve and reduce the costs currently being recovered from our customers through a storm surcharge. If the FPSC approves this disposition, we will end the storm surcharge in 2007.

Electric Customers
A large commercial customer in our electric division closed its operations in late 2006. As a result we anticipate annual revenues to be reduced by approximately $300,000 and annual gross profit to be reduced by approximately $50,000.

A large distribution center was built in our Northwest division in 2004 and a second facility was added in 2006. A third distribution facility is expected to be added by the end of 2007. Additional industrial and commercial development is planned for this general area, which should increase load significantly. Additional gross profit is anticipated in the future to increase between $30,000 and $50,000 as a result of the additional developments.

Natural Gas Customers

Two natural gas customers went off-line for approximately six months in 2006 due to lower production, market slow down and maintenance work on their facilities. We anticipate that they will not be fully operational until mid-2007. The decreased revenue and gross profit is estimated to be $100,000 in 2007.

Indiantown Gas Agreement

The FPSC approved our joint transportation and territorial agreements with Indiantown Gas Company in October 2006. We began construction in the Indiantown area to install natural gas mains in the first phase of this development, for approximately 100 homes. Two more developments are slated for construction of approximately 1,000 homes in 2007.

Storm Preparedness Expenses
Regulators continue to focus on hurricane preparedness and storm recovery issues for utility companies. Newly mandated storm preparedness initiatives could impact our operating expenses and capital expenditures beginning in 2007. The initial forecasts of these annual expenditures are approximately $700,000. It is possible that additional regulation and rules will be mandated regarding storm related expenditures over the next several years. We requested that the FPSC allow us to recover the cost of the newly mandated storm preparedness initiatives and to defer these storm-related expenditures until we receive recovery through a rate increase. If approved, both the recovery and expenditures may occur by mid-2007. If the FPSC does not approve our request, we plan to file a rate proceeding in 2007 as an alternative option for recovery of these expenditures.

Land Purchase
We are currently reviewing multiple sites for the new South Florida division office. We expect to purchase land for the new South Florida division office during 2007.

Contractual Obligations

Table of Contractual Obligations
(Dollars in thousands)

Payments due by period:	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Long-term Debt Obligations	$52,500	$ -	$2,818	$2,818	$46,864
Long-term Debt Interest	63,904	3,949	7,623	7,074	45,258
Operating Lease Obligations	352	151	163	38	-
Natural Gas and Propane Gas Purchase Obligations	64,904	37,768	16,244	4,568	6,324
Electric Purchase Obligations	[illegible]	53	98	91	[illegible]
Other Purchase Obligations	2,682	940	1,726	14	2
Total	$184,[illegible]	$42,861	$28,672	$14,603	$98,[illegible]

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Long-term Debt Obligations
The Long-term debt obligations are principal amounts.

Long-term Debt Interest
The Long-term debt interest represents the interest obligation on our Mortgage Bonds.

Operating Lease Obligations
Our total operating lease obligation is $352,000. We are leasing property from the City of Fernandina Beach in our Northeast division. The total obligation for the duration of this lease is about $107,000 over the next five years. We lease our appliance showroom in the same division for approximately $35,000 annually. We also have other operating lease agreements with various terms and expiration dates.

Purchase Obligations

A purchase order is considered an obligation if it is associated with a contract or is authorizing a specific purchase of material. The Other Purchase Obligation amount presented above represents the amount of open orders.

Pension, Medical Postretirement and Other Obligations
Our pension plan continues to meet all funding requirements under ERISA regulations; however, under current actuarial assumptions, contributions may be required as early as 2009. Current projections indicate that we will make voluntary contributions of $250,000 in 2007, $500,000 in 2008 and make required contributions of approximately $2 million in 2009 and 2010, decreasing to under $1 million in 2011. These payments are not included in the Contractual Obligations table.

Environmental clean up is anticipated to require approximately $600,000 in 2007, the remainder to be paid in following years. These payments are not included in the Contractual Obligations table.

We have medical postretirement payments relating to retiree medical insurance. These payments are not included in the Contractual Obligations table. Estimated future payments are described in Note 12 in the Notes to Consolidated Financial Statements.

Dividends
We have historically paid dividends. It is our intent to continue to pay quarterly dividends for the foreseeable future. Our dividend policy is reviewed on an ongoing basis by our Board of Directors and is dependent upon our future earnings, cash flow, financial condition, capital requirements and other factors.

Other

Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48
In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings, and case law and determined that the Company has no material uncertain tax positions. Additionally, the IRS concluded an audit of the 2002 and 2003 tax years in September of 2005.

In February of 2007, the IRS informed us that it selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings as the result of the impending IRS audit.

Based on the aforementioned, we believe that the adoption of FASB Interpretation No. 48 will not have a material impact on our financial condition or results of operations.

Financial Accounting Standard No. 157
In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, that is, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard No. 158
In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 requires the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

The Company uses December 31 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company currently uses this date as the measurement date, and has used it for all periods presented.

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The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on the non-regulated portion of the liability has been recorded as a deferred income tax asset. As an offset, the regulatory portion of this liability has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining expense for recording the liability has been included in other comprehensive income. The fair value of retirement plan assets and obligations are subject to change based on market fluctuations. The table below summarizes the effects to our financial statements.

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FASB 158 Implementation Summary
(Dollars in thousands)

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$ -	$829	$829
Liabilities and Equity:			

Accumulated other comprehensive income/(loss)	-	(146)	(146)
Other accruals and payables	2,034	151	2,185
Long term medical and pension reserve	3,819	912	4,731
Deferred income taxes	16,224	(88)	16,136

Staff Accounting Bulletin No. 108

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes an assessment from both an income statement and a balance sheet focus. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

Critical Accounting Policies and Estimates

Regulatory Accounting

We prepare our financial statements in accordance with the provisions of SFAS No. 71 "Accounting for the Effects of Certain Types of Regulation" and it is our most critical accounting policy. In general, SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. As a result, a regulated utility may defer recognition of a cost (a regulatory asset) or recognize an obligation (a regulatory liability) if it is probable that, through the rate making process, there will be a corresponding increase or decrease in revenues or expenses. SFAS No. 71 does not apply to our unregulated propane gas operations.

Use of Estimates

We are required to use estimates in preparing our financial statements so they will be in compliance with accounting principles generally accepted in the United States of America. Actual results could differ from these estimates. We believe that the accruals for potential liabilities are adequate. The estimates in our financial statements included the accrual for pensions, environmental liabilities, over-earnings liability, unbilled revenues, allowances for doubtful accounts, uninsured liability claims and the regulatory deferred income tax and deferred income liabilities.

- Pension and post retirement benefits-An actuary calculates the estimated pension liability in accordance with FASB 87, FASB 88 as amended by FASB 132 and FASB 158.
- Environmental liabilities-These liabilities are subject to certain unknown future events. The Company reviews the environmental issues regularly with the geologists performing the feasibility studies and their legal counsel specializing in manufactured gas plant issues and negotiates with the environmental regulators and the other participating parties to determine the adequacy of the estimated liability for environmental reserves.

Deleted: ***Financial Accounting Standard No. 154¶***
In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We adopted SFAS No. 154 as of January 1, 2006; however, we did not have any impact to our financial statements in 2006 as a result of this adoption.¶

Deleted: ***Financial Accounting Standard Board Interpretation No. 47¶***
In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. We adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This was disclosed in a footnote until December 31, 2003, when the estimated cost of removal from accumulated depreciation was reclassified to a regulatory liability for the obligation.¶
¶
This Interpretation addresses the legal obligation to retire an asset when the timing and (or) met[... [1]

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- Over-earnings liability-This liability is subject to regulatory review and possible disallowance of some expenses in determining the amount of over-earnings.
- Unbilled revenues-Unbilled revenue is estimated with certain assumptions including unaccounted for units and the use of current month sales to estimate unbilled sales.
- Allowances for doubtful accounts- This liability is estimated based on historical information and trended current economic conditions, certain assumptions, and is subject to unknown future events. Actual results could differ from our estimates.
- Uninsured liability claims-We are self-insured for the first $250,000 of each general and auto liability claim and accrue for estimated losses occurring from both asserted and unasserted claims. The estimate for unasserted claims arising from unreported incidents is based on an analysis of historical claims data and judgment.
- Regulatory deferred income tax and deferred income tax liabilities-These liabilities are estimated based on historical data and are subject to finalization of our income tax return. Actual results could differ from our estimates.

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Revenue Recognition

We bill utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. We accrue estimated revenue for gas and electric customers for consumption used but not yet billed for in an accounting period. Determination of unbilled revenue relies on the use of estimates and historical data. We believe that the estimates for unbilled revenue materially reflect the unbilled gross profit for our customers for units used but not yet billed in the current period.

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Any earnings in excess of this maximum amount are accrued for as an over-earnings liability and revenues are reduced for this same amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves or reducing any depreciation reserve deficiency.

Effects of Inflation

Our tariffs for natural gas and electric operations provide for fuel clauses that adjust annually for changes in the cost of fuel. Increases in other utility costs and expenses not offset by increases in revenues or reductions in other expenses could have an adverse effect on earnings due to the time lag associated with obtaining regulatory approval to recover such increased costs and expenses, the uncertainty of whether regulatory commissions will allow full recovery of such increased costs and expenses and any effect on unregulated propane gas operations.

Environmental Matters

We currently use or have used in the past, several contamination sites that are currently involved in pending or threatened environmental litigation as discussed in Note 10-"Contingencies" in the Notes to Consolidated Financial Statements. We intend to vigorously defend our rights in this litigation. We have insurance and rate relief to cover

any expected losses or expenses. We believe that the aggregate of all future contamination assessment and remedial costs, legal fees and other related expenses would not exceed the insurance proceeds received and any rate relief granted. The final 2004 natural gas rate relief granted by the FPSC provided future recovery of $8.9 million for environmental liabilities. The remaining balance to be recovered from customers through future recovery is included on the balance sheet as "Other regulatory assets-environmental".

Off-Balance Sheet Arrangements
We do not have any off-balance sheet arrangements.

Forward-Looking Statements (Cautionary Statement)
This report contains forward-looking statements including those relating to the following expectations:

- Based on our current expectations for cash needs, including cash needs relating to the possible land purchase and related construction, we may choose to consider an equity or debt financing in 2008 to address those cash needs. The need and timing will depend upon operational requirements, environmental expenditures, pension contributions and construction expenditures and cannot be precisely predicted at this time.
- Pension expenses will continue to decrease in 2007.
- Other insurance costs will increase in 2007.
- Our anticipation of continued compliance in the foreseeable future with our line of credit covenants.
- Our expectation that cash requirements will increase significantly in the future due to environmental clean-up costs, sinking fund payment on long-term debt and pension contributions.
- Electric storm related expenditures may be necessary beginning in mid-2007 and the total cost may be significant. We may receive recovery for these expenditures.
- Propane gas hedging activity may occur in 2007.
- The fuel supply contract in our Northwest Florida division beginning January 1, 2008 will be approved by the FPSC in 2007 and will be effective for the purchase of fuel supply beginning in 2008.
- Our 2005 and 2006 over-earnings liabilities in natural gas will materialize as estimated after the FPSC reviews and audits.
- We expect to have higher fuel costs for 2007, 2008 and beyond.
- The development in Indiantown will occur as estimated.
- The purchase of land for our new natural gas and propane gas division office will occur in 2007.
- The FPSC will allow our natural gas over-earnings to fund a future storm reserve and reduce our current regulatory asset related to historic storm costs and discontinue the related natural gas storm surcharge in 2007.
-
- The commercial and industrial growth will occur as expected in our Northwest division providing increases in our revenues and gross profit.
- The two customers that went off-line in 2006 will be fully operational by mid-2007.

Deleted: We have increased our focus on collection efforts of bad debt and we expect our bad debt expense to return to normal levels in 2007 and beyond.

These statements involve certain risks and uncertainties. Actual results may differ materially from what is expressed in such forward-looking statements. Important factors

that could cause actual results to differ materially from those expressed by the forward-looking statements include, but are not limited to, those set forth above in "Risk Factors".

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

All financial instruments held by us were entered into for purposes other than for trading. We have market risk exposure only from the potential loss in fair value resulting from changes in interest rates. We have no material exposure relating to commodity prices because under our regulatory segments, we are currently fully compensated for the actual costs of commodities (natural gas and electricity) used in our operations. Any commodity price increases for propane gas are normally passed through monthly to propane gas customers as the fuel charge portion of their rate.

None of our gas or electric contracts are accounted for using the fair value method of accounting. While some of our contracts meet the definition of a derivative, we have designated these contracts as "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

Beginning in 2007 we plan, on a rolling four-quarter basis, to purchase a "cap" on approximately one-third of our forecast propane gas volume purchases and pre-buy or hedge with a swap one-third of our forecast anticipated propane gas purchases. The remaining one-third will fluctuate with the market price. Our energy strategy allows us to participate in two-thirds of price declines but only one-third of price increases. As of December 31, 2006, we have not entered into any hedging activities. When we do enter into hedging activities, we will determine whether they meet the definition of normal sales and purchases and if not, we will determine whether we can use hedge accounting.

We have no exposure to equity risk, as we do not hold any equity instruments. Our exposure to interest rate risk is limited to investments held for environmental costs, the water sale long term receivable and short-term borrowings on the line of credit. The investments held for environmental costs are short-term fixed income debt securities whose carrying amounts are not materially different than fair value. The short-term borrowings were $3.5 million at the end of December 2006. Therefore, we do not believe we have material market risk exposure related to these instruments. The indentures governing our two first mortgage bond series outstanding contain "make-whole" provisions, which are pre-payment penalties that charge for lost interest, which render refinancing impracticable.

Our non-interest bearing long-term receivable from the sale of the water operations was discounted at 4.34%. A hypothetical 0.5% (50 basis points) increase in the interest rate used would change the current fair value from $6 million to $5.9 million.

In 2006, a hypothetical 0.5% (50 basis points) decrease in the long-term interest rate on $52.5 million debt excluding unamortized debt discount would change the fair value from $63 million to $66.9 million.

Changes in short-term interest rates could have an effect on income depending on the balance borrowed on the variable rate line of credit. We had short-term debt of $3.5 million on December 31, 2006 and $9.6 million on December 31, 2005. A hypothetical 1% increase in interest rates would have resulted in a decrease in annual earnings for 2006 by $35,000 and for 2005 by $96,000, based on year-end borrowings.

Item 8. Financial Statements and Supplementary Data

CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share data)

	Years Ended December 31		
	2006	**2005**	**2004**
Revenues			
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910
Propane gas	14,727	13,479	11,167
Total revenues	134,235	130,023	110,039
Cost of Fuel and Other Pass Through Costs	85,971	82,804	69,350
Gross Profit	48,264	47,219	40,689
Operating Expenses			
Operation	23,724	22,881	20,068
Maintenance	3,484	3,566	2,982
Depreciation and amortization	7,742	7,266	5,900
Taxes other than income taxes	2,985	2,869	2,753
Total operating expenses	37,935	36,582	31,703
Operating Income	10,329	10,637	8,986
Other Income and (Deductions)			
Merchandise and service revenue	4,322	4,590	3,366
Merchandise and service expenses	(4,071)	(4,664)	(3,326)
Other income	620	569	625
Other deductions	(33)	(29)	20
Interest expense on long-term debt	(3,949)	(3,949)	(3,949)
Interest expense on short-term borrowings	(108)	(79)	(42)
Customer deposits and other interest expense	(551)	(540)	(471)
Total other deductions - net	(3,770)	(4,102)	(3,777)
Earnings Before Income Taxes	6,559	6,535	5,209
Income Taxes	(2,295)	(2,287)	(1,615)
Net Income	4,264	4,248	3,594
Preferred Stock Dividends	29	29	29
Earnings for Common Stock	$ 4,235	$ 4,219	$ 3,565
Earnings Per Common Share (basic and diluted)	$ .71	$ .71	$ .60
Dividends Declared Per Common Share	$ .43	$ .41	$ .40
Average Shares Outstanding	5,993,589	5,952,684	5,908,220

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in thousands)

	Years Ended December 31		
	2006	2005	2004
Net income	$ 4,264	$ 4,248	$ 3,594
Other comprehensive income/(loss), net:			
Retirement plans adjustment	(234)	-	-
Deferred income taxes benefit	88	-	-
Comprehensive income	$ 4,118	$ 4,248	$ 3,594

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See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

		December 31,	
ASSETS		**2006**	**2005**
Utility Plant			
Natural gas	$	95,393	$ 89,835
Electric		72,776	70,084
Propane gas		17,153	15,500
Common		3,646	3,859
Total		188,968	179,278
Less accumulated depreciation		59,757	56,217
Net utility plant		129,211	123,061
Current Assets			
Cash		84	695
Accounts receivable		12,199	15,780
Notes receivable		298	299
Allowance for uncollectible accounts		(429)	(272)
Unbilled receivables		1,957	1,918
Inventories (at average or unit cost)		4,120	3,781
Prepaid expenses		962	951
Income tax prepayments		98	1,159
Under-recovery of fuel costs		862	3,375
Total current assets		20,151	27,686
Other Assets			
Investments held for environmental costs		3,364	3,258
Other regulatory assets – storm reserve		270	452
Other regulatory assets – environmental		8,284	8,868
Other regulatory assets – retirement plans		829	-
Long-term receivables and other investments		5,740	5,794
Deferred charges		6,496	6,751
Goodwill		2,405	2,405
Intangible assets (net)		4,405	4,391
Total other assets		31,793	31,919
Total	$	181,155	$ 182,666

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See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	December 31,	
CAPITALIZATION AND LIABILITIES	**2006**	**2005**
Capitalization		
Common shareholders' equity	$ 47,624	$ 45,503
Preferred stock	600	600
Long-term debt	50,702	50,620
Total capitalization	98,926	96,723
Current Liabilities		
Line of credit	3,466	9,558
Accounts payable	10,279	13,166
Insurance accrued	181	296
Interest accrued	789	1,014
Other accruals and payables	2,185	1,984
Taxes accrued	1,277	1,512
Deferred income tax	579	1,066
Over-earnings liability	880	700
Over-recovery of fuel costs	3,656	-
Over-recovery of conservation	355	24
Customer deposits	9,608	8,851
Total current liabilities	33,255	38,171
Other Liabilities		
Deferred income taxes	16,136	17,568
Unamortized investment tax credits	335	411
Environmental liability	13,753	14,001
Regulatory liability – cost of removal	8,800	8,256
Regulatory tax liabilities	876	991
Long-term medical and pension reserve	4,731	2,663
Customer advances for construction	2,707	2,346
Regulatory liability – storm reserve	1,636	1,536
Total other liabilities	48,974	47,772
Total	$ 181,155	$ 182,666

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See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CAPITALIZATION
(Dollars in thousands)

	December 31, 2006	December 31, 2005
Common Shareholders' Equity		
Common stock, $1.50 par value, authorized 10,000,000 shares; issued 6,166,648 shares in 2006; issued 6,152,676 shares in 2005	$ 9,250	$ 9,229
Paid-in capital	6,054	5,998
Retained earnings	35,308	33,625
Accumulated other comprehensive income/(loss), retirement plan adjustment, net of income tax benefit	(146)	-
Treasury stock - at cost (160,349 shares in 2006, 188,994 shares in 2005)	(2,842)	(3,349)
Total common shareholders' equity	47,624	45,503
Preferred Stock		
4 ¾% Series A, $100 par value, redemption price $106, authorized and outstanding 6,000 shares	600	600
4 ¾% Series B Cumulative Preferred, $100 par value, redemption price $101, authorized 5,000 and none issued	-	-
$1.12 Convertible Preference, $20 par value, redemption price $22, authorized 32,500 and none issued	-	-
Total preferred stock	600	600
Long-Term Debt		
First mortgage bonds series		
9.57 % due 2018	10,000	10,000
10.03 % due 2018	5,500	5,500
9.08 % due 2022	8,000	8,000
4.90 % due 2031	14,000	14,000
6.85 % due 2031	15,000	15,000
Unamortized debt discount	(1,798)	(1,880)
Total long-term debt	50,702	50,620
Total Capitalization	$ 98,926	$ 96,723

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY
(Dollars in thousands)

	Common Stock						
	Shares Issued	Aggregate Par Value	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)	Treasury Shares Cost	Treasury Shares
Balances as of December 31, 2003	6,097,478	$9,146	$5,632	$30,638	$ -	$(3,953)	223,062
Net income	-	-	-	3,594	-	-	-
Dividends	-	-	-	(2,383)	-	-	-
Stock plans	32,619	49	174	-	-	316	(17,821)
Balances as of December 31, 2004	6,130,097	9,195	5,806	31,849	-	(3,637)	205,241
Net income	-	-	-	4,248	-	-	-
Dividends	-	-	-	(2,472)	-	-	-
Stock plans	22,579	34	192	-	-	288	(16,247)
Balances as of December 31, 2005	6,152,676	9,229	5,998	33,625		(3,349)	188,994
Net income	-	-	-	4,264	-	-	-
Other comprehensive loss, retirement plans adjustment, net of tax	-	-	-	-	(146)	-	-
Dividends	-	-	-	(2,581)	-	-	-
Stock plans	13,972	21	56	-	-	507	(28,645)
Balances as of December 31, 2006	6,166,648	$9,250	$6,054	$35,308	$(146)	$(2,842)	160,349

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)

	Years Ended December 31,		
	2006	2005	2004
Cash Flows from Operating Activities:			
Net income	$ 4,264	$ 4,248	$ 3,594
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation and amortization	7,742	7,266	5,900
Deferred income taxes	(1,946)	(153)	2,470
Bad debt expense	623	359	409
Investment tax credits	(75)	(81)	(83)
Other	805	751	121
Interest income from sale of non-utility property	(252)	(192)	(271)
Compensation expense from the issuance of stock	88	58	91
Effects of changes in:			
Receivables	3,115	(4,513)	(1,688)
Unbilled receivables	(39)	367	(612)
Inventories and prepayments	711	(495)	2,746
Accounts payable and accruals	(1,128)	5,560	1,131
Over (under) recovery of fuel and other pass through costs	6,500	(3,171)	(1,991)
Area expansion program deferred costs	238	109	(372)
Environmental liability	584	429	(586)
Other	(1,140)	(329)	814
Net cash provided by operating activities	20,090	10,213	11,673
Cash Flows from Investing Activities:			
Construction expenditures	(13,116)	(12,441)	(13,731)
Customer advances received for construction	361	454	144
Purchase of long-term investments	(106)	(75)	(34)
Proceeds received on notes receivable	321	304	57
Issuance of notes receivable	-	-	(95)
Other	(15)	-	-
Net cash used in investing activities	(12,555)	(11,758)	(13,659)
Cash Flows from Financing Activities:			
Net change in short-term borrowings	(6,092)	3,733	3,547
Proceeds from common stock plans	497	456	447
Dividends paid	(2,551)	(2,448)	(2,368)
Net cash provided by (used in) financing activities	(8,146)	1,741	1,626
Net Increase (Decrease) in Cash	(611)	196	(360)
Cash at Beginning of Year	695	499	859
Cash at End of Year	$ 84	$ 695	$ 499
Supplemental Cash Flow Information			
Cash was paid during the years as follows:			
Interest	$ 4,777	$ 4,469	$ 4,357
Income taxes	$ 3,298	$ 2,698	$ 1,215

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting and Reporting Policies

A. General

The Company is an operating public utility engaged principally in the purchase, transmission, distribution and sale of electricity and in the purchase, transmission, distribution, sale and transportation of natural gas. The Company is subject to the jurisdiction of the FPSC with respect to its natural gas and electric operations. The suppliers of electric power to the Northwest Florida division and of natural gas to the natural gas divisions are subject to the jurisdiction of the FERC. The Northeast Florida division is supplied most of its electric power by a municipality which is exempt from FERC and FPSC regulation. The Company also distributes propane gas through a non-regulated subsidiary.

B. Basis of Presentation

The consolidated financial statements include the accounts of Florida Public Utilities Company (FPU) and its wholly owned subsidiary, Flo-Gas Corporation. All significant intercompany balances and transactions have been eliminated. The Company's accounting policies and practices conform to accounting principles generally accepted in the United States of America (GAAP) as applied to regulated public utilities and are in accordance with the accounting requirements and rate-making practices of the FPSC and in accordance to the rule requirements of the Securities and Exchange Commission (SEC).

C. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Some of these estimates include the accruals for pensions, allowances, environmental liabilities, liability reserves, unbilled revenue, regulatory deferred tax liabilities and over-earnings liability. Actual results may differ from these estimates and assumptions.

D. Reclassifications

Certain amounts in the prior years' financial statements have been reclassified to conform to the 2006 presentation.

E. Regulation

The financial statements are prepared in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 71 – "Accounting for the Effects of Certain Types of Regulation". SFAS No. 71 recognizes that accounting for rate-regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. A regulated utility may defer recognition of a cost (a regulatory asset) or show recognition of an obligation (a regulatory liability) if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in revenues. The Company has recognized certain regulatory assets and liabilities in the consolidated balance sheets. The Company believes that the FPSC will continue to allow recovery of

such items through rates. In the event that a portion of the Company's operations are no longer subject to the provisions of SFAS No. 71, the Company would be required to write-off related regulatory assets and liabilities that are not specifically recoverable through regulated rates. In addition, the Company would be required to determine if an impairment related to other assets exists, including plant, and write-down the assets, if impaired, to their fair value.

Summary of Regulatory Assets and Liabilities
(Dollars in thousands)

	2006	2005
Assets		
Deferred development costs (1)	$ 3,952	$ 4,190
Unamortized fuel related regulatory costs (6)	48	24
Environmental assets (2)	8,284	8,868
Storm Reserve assets (3)	270	452
Deferred retirement plan costs (5)	829	-
Unamortized Rate Case expense	368	541
Under-recovery of fuel costs	862	3,375
Unamortized piping and conversion costs (1)	1,521	1,587
Unamortized loss on reacquired debt (1)	209	227
Total Regulatory Assets	$16,343	$19,264
Liabilities		
Tax liabilities	$ 876	$ 991
Cost of removal	8,800	8,256
Storm reserve liabilities	1,636	1,536
Over-recovery of fuel costs	3,656	-
Over-recovery of conservation	355	24
Over-earnings liability (4)	880	700
Total Regulatory Liabilities	$16,203	$11,507

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(1) Deferred development costs, unamortized piping and conversion costs, and unamortized loss on reacquired debt are included in deferred charges in the consolidated balance sheets.

(2) The Company has included the amount due from customers as a regulatory asset for environmental costs. The FPSC authorized recovery of these environmenatl costs from customers over 20 years.

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(3) The FPSC has authorized the Company to recover storm damages incurred in 2004 in their natural gas operations. Recovery of these costs from customers over 30 months began November 2005.

(4) The Company originally estimated the 2005 over-earnings for regulated natural gas operations at $700,000. In 2006 the estimate was reduced to $650,000. The Company has estimated 2006 over-earnings for regulated natural gas operations of $230,000. The Company has recorded these liabilities which reduced revenues. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

(5) The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in a regulatory asset for the portion of the loss of $829,000 to be recovered in future rate proceedings.

(6) The Company has deferred certain regulatory fuel related costs and as of January 2006 has been amortizing these over five years according to a FPSC order in the November 2005 fuel hearings.

The base revenue rates for regulated segments are determined by the FPSC and remain constant until a request for an increase is filed and approved by the FPSC or the FPSC orders the Company to reduce their rates. For the Company to recover increased costs from the effects of inflation and construction expenditures for regulated segments, a request for an increase in base revenues would be required. Separate filings would be required for the electric and natural gas segments. The Company is currently seeking rate relief for electric storm preparedness initiatives required in 2007.

F. Derivatives

None of the Company's gas or electric contracts are accounted for using the fair value method of accounting. All material contracts that meet the definition of derivative instruments are considered "normal purchases and sales" under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities".

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G. Revenue Recognition

The Company's revenues consist of base revenues, fuel adjustment charges, conservation charges and the pass-through of certain governmental imposed taxes based on revenues.

The FPSC approves base revenue rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. Fuel adjustment charges, conservation charges and the pass-through of certain governmental imposed taxes based on revenues are approved by the FPSC to allow recovery of fuel, conservation and revenue based taxes from the Company's customers. Any over or under-recovery of these expense items are deferred and subsequently refunded or collected in the following period.

Annually, any earnings in excess of this maximum amount permitted in the base rates are accrued for as an over-earnings liability and revenues are reduced an equivalent amount. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations. The FPSC determines the disposition of any over-earnings with alternatives that include refunding to customers, funding storm damage or environmental reserves, or reducing any depreciation reserve deficiency.

The Company bills utility customers on a monthly cycle basis; however, the billing cycle periods for most customers do not coincide with the accounting periods used for financial reporting. The Company accrues estimated revenue for gas and electric customers on usage not yet billed for the accounting period. Determination of unbilled revenue relies on the use of estimates, fuel purchases and historical data.

H. Allowance for Doubtful Accounts

The Company records an allowance for doubtful accounts based on historical information and trended current economic conditions. The following is a summary of the activity in Allowance for Doubtful Accounts for the years ending December 31:

Allowance for Doubtful Accounts				
	Balance at Beginning of Year	Write-offs	Provisions to Bad Debt Expense	Balance at End of Year
2004	$ 180,000	320,000	409,000	$ 269,000
2005	$ 269,000	292,000	295,000	$ 272,000
2006	$ 272,000	350,000	507,000	$ 429,000

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I. Utility Plant and Depreciation

Utility plant is stated at original cost. The propane gas utility plant that has been acquired in acquisitions was stated at fair market value when acquired. Additions to utility plant include contracted services, direct labor, transportation and materials for additions. Units of property are removed from utility plant when retired. Maintenance and repairs of property and replacement and renewal of items determined not to be units of property are charged to operating expenses. Substantially all of the utility plant and the shares of Flo-Gas Corporation collateralize the Company's first mortgage bonds.

Utility Plant
(Dollars in thousands)

Plant Classification	Annual Composite Depreciation Rate	2006	2005
Land		$ 1,130	$ 1,124
Buildings	2.0% to 4.9%	6,991	6,862
Distribution	2.0% to 8.6%	158,010	147,580
Transmission	2.2% to 3.8%	6,878	6,799
Equipment	2.0% to 20.0%	12,700	11,534
Furniture and Fixtures	4.8% to 20.0%	392	369
Work-in-Progress		2,867	5,010
		$ 188,968	$ 179,278

Depreciation for the Company's regulated segments is computed using the composite straight-line method at rates prescribed by the FPSC for financial accounting purposes. Propane gas depreciation is computed using a composite straight-line method at an average rate based on estimated average life of approximately 20-30 years. Such rates are based on estimated service lives of the various classes of property. Depreciation provisions on average depreciable property approximate 3.9% in 2006, 3.9% in 2005 and 3.6% in 2004.

J. Impact of Recent Accounting Standards

Financial Accounting Standard Board Interpretation No. 48

In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). The interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. This interpretation is effective for calendar years beginning January 1, 2007.

We have performed an analysis of tax positions taken and expected to be taken on the tax returns and assessed the technical merits of each tax position by relying on legislation, statutes, common legislative intent, regulations, rulings and case law and determined that the Company has no material uncertain tax positions. Additionally, the IRS concluded an audit of the 2002 and 2003 tax years in September of 2005.

In February of 2007, the IRS informed us that it selected our 2003 and 2004 tax years for examination. As our tax positions have remained consistent with those from the previously audited tax years, we are not expecting any material adverse findings as the result of the impending IRS audit.

Based on the aforementioned, we believe that the adoption of FASB Interpretation No. 48 will not have a material impact on our financial condition or results of operations.

Financial Accounting Standard No. 157
In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement clarifies fair value as the market value received to sell an asset or paid to transfer a liability, that is, the exit value, and applies to any assets or liabilities that require recurring determination of fair value. The measurement includes any applicable risk factors and does not include any adjustment for volume. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within. The Company expects to adopt SFAS No. 157 effective January 1, 2008. The Company does not believe adoption of this Statement will have a material impact on our financial condition or results of operation.

Financial Accounting Standard No. 158
In September 2006, the FASB issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Statement 158 requires the Company to show the funded status of its pension and retiree health care plans as a prepaid asset or accrued liability, and to show the net deferred and unrecognized gains and losses related to the retirement plans, net of tax, as part of accumulated other comprehensive income in shareholders' equity. Previously, the net deferred and unrecognized gains and losses were netted in the prepaid asset or accrued liability recorded for the retirement plans. The Company adopted the recognition provisions of Statement 158, as required, at December 31, 2006.

The Company uses December 31 as the measurement date to measure the assets and obligations of its retirement plans. Statement 158 will also require the Company to use December 31 as the measurement date no later than fiscal years ending after December 15, 2008. The Company currently uses this date as the measurement date, and has used it for all periods presented.

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans. The tax on the non-regulated portion of this liability has been recorded as a deferred income tax asset. As an offset, the regulatory portion of this liability has been deferred as a regulatory asset-retirement plans to be recovered in future rate proceedings and the remaining expense from recording the liability has been included in other comprehensive income. The fair value of retirement plan assets and obligations are subject to change based on market fluctuations. The table below summarizes the effects to our financial statements.

FASB 158 Implementation Summary
(Dollars in thousands)

	December 31, 2006		
	Before Application of SFAS 158	Adjustment	After Application of SFAS 158
Assets:			
Other regulatory assets- retirement plans	$ -	$829	$829
Liabilities and Equity:			
Accumulated other comprehensive income/(loss)	-	(146)	(146)
Other accruals and payables	2,034	151	2,185
Long term medical and pension reserve	3,819	912	4,731
Deferred income taxes	16,224	(88)	16,136

Staff Accounting Bulletin No. 108

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108 "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements". SAB 108 requires that public companies utilize a "dual-approach" to assessing the quantitative effects of financial misstatements. This dual approach includes an assessment from both an income statement and a balance sheet focus. The guidance in SAB 108 must be applied to annual financial statements for fiscal years ending after November 15, 2006. The Company has adopted SAB No.108 and there has not been any impact on our consolidated financial position or results of operations as the result of this adoption.

2. **Goodwill and Intangible Assets**
In accordance with SFAS No. 142, "Goodwill and Other Intangible Assets", the Company does not amortize goodwill or intangibles with indefinite lives. The Company periodically tests the applicable reporting segments, natural gas and propane gas, for

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Deleted: ***Financial Accounting Standard No. 154¶***
In May 2005, the FASB issued Statement No. 154, "Accounting Changes and Error Corrections". This Statement applies to all voluntary changes in accounting principle and requires retrospective application to prior period financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effects of the change. This Statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We adopted SFAS No. 154 as of January 1, 2006; however, we did not have any impact to our financial statements in 2006 as a result of this adoption.¶

Deleted: ***Financial Accounting Standard Board Interpretation No. 47¶***
In March 2005, the FASB issued Interpretation No. 47, "An Interpretation of FASB Statement No. 143". SFAS No. 143, "Accounting for Asset Retirement Obligations", requires that the fair value of an asset retirement obligation be recognized at the time those obligations are incurred. Upon initial recognition of a legal liability, costs are capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. SFAS No. 143 also requires that components of previously recorded depreciation related to the cost of removal of assets upon retirement, whether legal asset retirement obligations or not, be removed from a company's accumulated depreciation reserve. The Company adopted the provisions of the Statement as of January 1, 2003, as prescribed by the FPSC. Under FPSC guidelines, the estimated cost of removal expenses for normal retirements related to regulated fixed assets were reserved through the depreciation expense and accumulated reserves. This w ... [2]

impairment. In the event a segment becomes impaired, the Company would write down the associated goodwill and intangible assets to fair value. The impairment tests performed in 2005 and 2006 showed no impairment for either reporting segment.

Goodwill associated with the Company's acquisitions is identified as a separate line item on the consolidated balance sheet and consists of $500,000 in the natural gas segment and $1.9 million in the propane gas segment.

Intangible assets associated with the Company's acquisitions and software have been identified as a separate line item on the balance sheet. Summaries of those intangible assets at December 31 are as follows:

Intangible Assets
(Dollars in thousands)

		2006	2005
Customer distribution rights	(Indefinite life)	$ 1,900	$ 1,900
Customer relationships	(Indefinite life)	900	900
Software	(Five to nine year life)	3,122	2,971
Non-compete agreement	(Five year life)	-	35
Accumulated amortization		(1,517)	(1,415)
Total intangible assets, net of amortization		$4,405	$ 4,391

The 2006 amortization expense of computer software is approximately $300,000. The Company expects the amortization expense of computer software to be approximately $300,000 annually over the next five years, with the current level of software investment. The non-compete agreements expired in 2006.

3. *Over-earnings-Natural Gas*
The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. The Company has agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

The Company estimated 2005 over-earnings for regulated natural gas operations of $700,000. The 2005 over-earnings estimate was revised in 2006 to be $650,000. The Company estimated 2006 over-earnings for regulated natural gas operations of $230,000. These liabilities have been included in the over-earnings liability on the Company's balance sheet. The calculations supporting these liabilities are complex and involve a variety of projections and estimates before the ultimate settlement of such obligations.

The Company feels the estimates of the 2005 and 2006 over-earnings liabilities are accurate, but the amounts could change upon the FPSC finalization and review of earnings expected in 2007 and 2008. The FPSC determines the disposition of over-earnings with alternatives that include refunding to customers, increasing storm damage or environmental reserves or reducing any depreciation reserve deficiency.

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4. *Storm Reserves*
As of December 31, 2006, the electric segment storm reserve was approximately $1.6 million. Since the last order on the 1999 disposition of electric over-earnings, the FPSC has allowed the Company the flexibility of automatically applying the electric over-earnings to the storm

damage reserves each year since 1999 and allowing additional storm damage accruals up to a cap of $2.9 million. In 2006, 2005 and 2004 there were no electric over-earnings and accordingly no additional over-earnings amounts were added to the storm damage reserves.

In October 2005, the FPSC approved recovery of 2004 natural gas segment storm costs plus interest and revenue taxes over a 30-month period beginning November 2005. The Company deferred storm costs as a regulatory asset due from customers on the balance sheet. As of December 31, 2006, the unrecovered amount of natural gas regulatory asset relating to storm costs was $270,000.

The Company has requested that the FPSC allow 2005 over-earnings in natural gas to be used to recover the regulatory asset -storm and discontinue this storm surcharge. As part of this same request, the Company has also asked the FPSC to allow any excess over-earnings amount to provide additional funds for the "regulatory liability- storm reserve" for natural gas. We expect the FPSC to rule on this request during 2007.

In 2005, the FPSC approved applying 2002 natural gas over-earnings of $118,000 to the storm reserve to cover future storm costs.

5. Income Taxes

Deferred income taxes are provided on all significant temporary differences between the financial statements and tax basis of assets and liabilities at currently enacted tax rates. Investment tax credits have been deferred and are amortized based upon the average useful life of the related property in accordance with the rate treatment.

A. Income Taxes related to Deferred Gain on Water Sale

On March 27, 2003, the Company sold substantially all of its assets of the water division to the City of Fernandina Beach. The sale was made pursuant to a "threat of condemnation" during the fourth quarter of 2002. For tax purposes the Company elected to defer the gain on the sale of the assets pursuant to Code Section 1033 of the Internal Revenue Code of 1986 (IRC). Section 1033 allows non-recognition of gain if property is disposed as a result of threat of condemnation and property that is similar or related in service or use is purchased to replace the disposed property. To qualify, the replacement property must be purchased within the replacement period, which begins on the earlier of date of disposition (March 27, 2003) or date of threat of condemnation (December 31, 2002) and ending two years after the close of the year of sale (December 31, 2005). For real property, the replacement period is extended to three years (December 31, 2006).

The Company purchased property that is similar or related in service or use within the replacement periods with the exception of the intangible assets. During the IRS audit in 2005, the IRS disallowed a portion, approximately $900,000 of the deferral relating to the intangible assets, since replacement was no longer expected.

A $2.9 million estimated tax payment was made in 2003 related to the gain on the sale of the water division. It was subsequently determined that the income tax would be deferred. The Company applied for a refund and received $3.9 million in July 2004, which included other estimated tax overpayments.

B. Provision for Income Taxes

The provision (benefit) for income taxes consists of the following:

(Dollars in thousands)	Years ended December 31, 2006	2005	2004
Current payable			
Federal	$ 3,652	$ 2,150	$ (566)
State	664	370	(96)
Current – net	4,316	2,520	(662)
Deferred			
Federal	(1,674)	(143)	2,003
State	(272)	(9)	358
Deferred – net	(1,946)	(152)	2,361
Investment tax credit	(75)	(81)	(84)
Total income taxes	$ 2,295	$ 2,287	$ 1,615

C. Effective Tax Rate Reconciliation

The difference between the effective income tax rate and the statutory federal income tax rate applied to pretax income is of continuing operations accounted for as follows:

(Dollars in thousands)	Years ended December 31, 2006	2005	2004
Federal income tax at statutory rate (34%)	$ 2,230	$ 2,222	$ 1,771
State income tax, net of federal benefit (5.5%)	238	237	189
Investment tax credit	(75)	(81)	(84)
Tax exempt interest	(85)	(71)	(94)
Other	(13)	(20)	(167)
Total provision for income taxes	$ 2,295	$ 2,287	$ 1,615

D. Deferred Income Taxes

Temporary timing differences which produce deferred income taxes in the accompanying consolidated balance sheets are as follows:

(Dollars in thousands)	Years ended December 31, 2006	2005
Deferred tax assets:		
Environmental	$ 2,063	$ 1,932
Self insurance	774	731
Storm reserve liability	509	408
Vacation pay	357	320
Other deferred credits	15	61
Allowance for uncollectible accounts receivable	162	103
General liability	68	111
Rate refund	331	263
Pension	698	286
Under/over-recovery of conservation costs	134	9

Other	37	37
Total deferred tax assets	5,148	4,261
Deferred tax liabilities:		
Utility plant related	20,274	20,319
Deductible intangibles	696	577
Under-recovery of fuel costs	643	1,704
Rate case expense	138	204
Loss on reacquired debt	79	85
Other	33	6
Total deferred tax liabilities	21,863	22,895
Net deferred income taxes liabilities	$ 16,715	$ 18,634

Deferred tax liabilities included in the consolidated balance sheets are as follows:

(Dollars in thousands)	2006	2005
Deferred income tax – current	$ 579	$ 1,066
Deferred income tax – long term	16,136	17,568
Net deferred income tax liabilities	$ 16,715	$ 18,634

E. IRS Audit

The IRS has informed us that it has selected our 2003 and 2004 tax returns for examination. Management does not expect any material adjustments from the audit but the effects, if any, that result from the final resolution of this IRS audit will be recorded when they become known and estimable. The Company expects the audit will be completed before the end of 2007.

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The IRS completed an audit in 2005 of the Company's 2002 and 2003 federal income tax returns. The audit resulted in a current income tax payable amount of $361,000 due to adjustments to depreciation, reserve accounts and recognition of a portion of the water sale gain that was previously deferred. This amount was partially offset by $285,000 in deferred tax liabilities previously established.

6. Capitalization

A. Stock Dividend

On July 25, 2005 a three-for-two stock split in the form of a stock dividend was issued to the shareholders of record on July 15, 2005. All common share information has been restated to reflect the stock split for all periods presented.

B. Common Shares Reserved

The Company has 3,833,352 authorized but unissued shares and 160,349 treasury shares as of December 31, 2006. The Company has reserved the following common shares for issuance as of December 31, 2006:

Dividend Reinvestment Plan	54,071
Employee Stock Purchase Plan	52,035
Board Compensation Plan	20,714

C. Preferred Stock

The Company has 6,000 shares of 4 ¾% Series A preferred stock $100 par value authorized for issuance of which 6,000 were issued and outstanding at December 31, 2006. The Company also has 5,000, 4 ¾% Series B preferred stock $100 par value authorized for issuance none of which has been issued.

The Company also has 32,500, $1.12 Convertible Preference stock, $20 par value and $22 redemption price, authorized for issuance none of which has been issued.

D. Dividend Restriction

The Company's Fifteenth Supplemental Indenture of Mortgage and Deed of Trust restricts the amount that is available for cash dividends. At December 31, 2006, approximately $9 million of retained earnings were free of such restriction and therefore available for the payment of dividends. The line of credit agreement contains covenants that, if violated, could restrict or prevent the payment of dividends. At December 31, 2006 the Company is not in violation of these covenants.

E. Treasury Shares

In prior years, common shares resulting from stock dividends have been allocated to common shares held as treasury shares. Treasury shares are not eligible to receive such allocations. Some of these treasury shares were subsequently reissued, resulting in an overstatement of additional paid-in capital. Accordingly, the Company has restated all periods presented to reflect the correct number of treasury shares and the value of treasury shares and additional paid-in capital at each year-end. As the adjustment is a reallocation of amounts between treasury stock and additional paid-in capital, there is no effect on net income, earnings per common share or total stockholders' equity in any period presented.

F. Employee Stock Purchase Plan

The Company's Employee Stock Purchase Plan offers common stock at a discount to qualified employees.

G. Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan is offered to all Company shareholders and allows the shareholder to reinvest dividends received and purchase additional shares without a fee.

7. Long-term Debt

The Company issued its Fourteenth Series of FPU's First Mortgage Bond on September 27, 2001 in the aggregate principal amount of $15 million as security for the 6.85% Secured Insured Quarterly Notes, due October 1, 2031 (IQ Notes). Interest on the pledged bond accrues at the annual rate of 6.85% payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year beginning January 1, 2002.

The Company issued $14 million of Palm Beach County municipal bonds (Industrial Development Revenue Bonds) on November 14, 2001 to finance development in the area. The interest rate on the thirty-year callable bonds is 4.90%. The bond proceeds were restricted and held in trust until construction expenditures were actually incurred by the

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Company. In 2002 the remaining $8 million was drawn from the restricted funds held by the trustee.

In 1992, the Company issued its First Mortgage Bond 9.08% Series in the amount of $8 million. The thirty-year bond is due in June 2022.

The Company issued two of its Twelfth Series First Mortgage bond series on May 1, 1988; the 9.57% Series due 2018 in the amount of $10 million and 10.03% Series due 2018 in the amount of $5.5 million. These two issuances require sinking fund payments of $909,000 and $500,000 respectively, beginning in 2008.

Long-term debt on the balance sheet has been reduced for unamortized debt discount. The unamortized debt discount at December 31 included in long-term debt on the balance sheet is $1.8 million in 2006 and $1.9 million in 2005.

Annual Maturities of Long-Term Debt
(Dollars in thousands)

	Total	2007	2008	2009	2010	2011	Thereafter
Long-term Debt	$52,500	-	$1,409	$1,409	$1,409	$1,409	$ 46,864

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8. Notes Payable

In 2004, FPU entered into an amended and restated loan agreement that allows the Company to increase the line of credit upon 30 days notice by the Company to a maximum of $20 million. In 2006 the agreement was renewed with an expiration date of July 1, 2008. We have not exercised our option to increase the line of credit limit which is currently at $12 million with an outstanding balance of $3.5 million and a remaining amount available of $8.5 million. The Company reserves $1 million of the line of credit to cover expenses for any major storm repairs in its Northwest Florida division. An additional $250,000 of the line of credit is reserved for a 'letter of credit' insuring our propane facilities.

The average interest rates for the line of credit were as follows as of December 31:

Year	Rate
2006	6.2%
2005	5.3%
2004	3.3%

9. Fair Value of Financial Instruments

The carrying amounts reported in the balance sheet for investments held in escrow for environmental costs, notes payable, taxes accrued and other accrued liabilities approximate fair value. The fair value of long-term debt excluding the unamortized debt discount is estimated by discounting the future cash flows of each issuance at rates currently offered to the Company for similar debt instruments of comparable maturities. The values at December 31 are shown below.

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2006	2005

In thousands	Carrying Amounts	Approximate Fair Value	Carrying Amounts	Approximate Fair Value
Long-term debt	$ 52,500	$63,000	$52,500	$ 63,000

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10. Contingencies

Environmental

The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. Except as discussed below, the Company does not expect to incur material future expenditures for compliance with existing environmental laws and regulations.

(Dollars in thousands)

Site	Range From	Range To
West Palm Beach	$ 4,801	$ 18,027
Sanford	710	710
Pensacola and Other	110	110
Total	$ 5,621	$ 18,847

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The Company currently has $13.8 million reserved as an environmental liability. The FPSC approved up to $14 million for total recovery from insurance and rates based on the original 2005 projections as a basis for rate recovery. The Company has recovered a total of $5.5 million from insurance and rate recovery, net of costs incurred to date. The remaining balance of $8.3 million is recorded as a regulatory asset. On October 18, 2004 the FPSC approved recovery of $9.1 million for environmental liabilities (the remaining amount to be recovered is $8.3 million and is included on the balance sheet as "Other regulatory assets – environmental"). The amortization of this recovery and reduction to the regulatory asset began on January 1, 2005. The majority of environmental cash expenditures are expected to be incurred before 2010, but may continue for another 10 years.

West Palm Beach Site

The Company is currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property owned by it in West Palm Beach, Florida upon which the Company previously operated a gasification plant. The Company entered into a Consent Order with the FDEP effective April 8, 1991, that requires the Company to delineate the extent of soil and groundwater impacts associated with the prior operation of the gasification plant and to remediate such soil and groundwater impacts, if necessary. The Company completed the delineation of soil and groundwater impacts at the site in October 2006. An engineering consultant was retained to perform a feasibility study to evaluate appropriate remedies for the site. The feasibility study was transmitted to FDEP on November 30, 2006.

The feasibility study evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. The total costs for the remedies evaluated in the feasibility study ranged from a low of $2.8 million to a high of $54.6 million. Based on the likely acceptability of proven remedial

technologies described in the feasibility study and implemented at similar sites, consulting/remediation costs to address the impacts now characterized at the West Palm Beach site are projected to range from $4.6 million to $17.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone (PBZ), monitored natural attenuation of dissolved impacts in groundwater (MNA) or some combination of these remedies. The feasibility study proposed a remedy of superficial soil excavation, and installation of a hanging barrier wall with PBZ and MNA, the cost of which is projected to range from $4.6 million to $9.9 million.

Prior to FDEP's approval of a final remedy for the site, the Company is unable to determine, to a reasonable degree of certainty, the complete extent or cost of remedial action that may be required. As of December 31, 2006, and subject to the limitations described above, remediation costs (including attorneys' fees and costs) for this site are projected to range from approximately $4.8 million to $18 million.

Sanford Site
The Company owns a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to its acquisition of the property. Following discovery of soil and groundwater impacts on the property, the Company has participated with four former owners and operators of the gasification plant in the funding of numerous investigations of the extent of the impacts and the identification of an appropriate remedy. On or about March 25, 1998, the Company executed an Administrative Order on Consent (AOC) with the four former owners and operators (collectively, the Group) and the EPA that obligated the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) and to pay EPA's past and future oversight costs. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998 (WFS Participation Agreement). Work under the RI/FS AOC and RI/FS Participation Agreement is now complete and the Company has no further obligations under either document.

In late September 2006, EPA sent a Special Notice Letter to the Company, notifying the Company of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments), and giving the Company and the other Group members sixty (60) days within which to submit a "good faith offer" to EPA to provide for implementation of the selected remedies. The Special Notice Letter included an Amended Record of Decision (ROD) for OU1 (the ROD for OU1 was amended to account for a significant increase in the volume of off-site soil impacts and a change in the selected remedy), the original ROD for OU2, and a ROD for OU3. The total estimated remediation costs for the Sanford Gasification Plant Site are now projected to be $12.5 million. On November 30, 2006, the Company and the Group submitted to EPA a good faith offer to implement the approved remedies as set forth in the RODs for OU1 through OU3.

In January, the Company along with the other members of the Group signed a Third Participation Agreement, which provides for funding the remediation work specified in the RODs for OU1 through OU3 and supercedes and replaces the Second Participation Agreement. The Company's share of remediation costs under the Third Participation Agreement is set at 5% of a maximum of $13 million, or

$650,000. At present, it is not anticipated that the total cost of remediation will exceed $13 million. If it does, the Group members have agreed to negotiate in good faith to allocate the excess costs at such time that it reasonably appears that the total remediation costs will exceed $13 million. In any such event, the Company does not expect our share of such additional costs to be greater than 5%; and its share of such additional costs may be less than 5%.

The Company's future legal costs and expenses and its share future remediation expenses for this site are currently projected to be approximately $710,000.

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Pensacola Site
The Company is the prior owner/operator of the former Pensacola gasification plant, located in Pensacola, Florida. Following notification on October 5, 1990 that FDEP had determined that the Company was one of several responsible parties for any environmental impacts associated with the former gasification plant site, the Company entered into cost sharing agreements with three other responsible parties providing for the funding of certain contamination assessment activities at the site.

Following field investigations performed on behalf of the responsible parties, on July 16, 1997, FDEP approved a final remedy for the site that provides for annual sampling of selected monitoring wells. Such annual sampling has been undertaken at the site since 1998. The Company's share of these costs is less than $2,000 annually or a total of $27,000.

In March 1999, EPA requested site access in order to undertake an Expanded Site Inspection (ESI). The ESI was completed by EPA's contractor in 1999 and an ESI Report was transmitted to the Company in January 2000. The ESI Report recommends additional work at the site. The responsible parties met with FDEP on February 7, 2000 to discuss EPA's plans for the site. In February 2000, EPA indicated preliminarily that it will defer management of the site to FDEP; however, as of December 31, 2006, the Company has not received any written confirmation from EPA or FDEP regarding this matter. Prior to receipt of EPA's written determination regarding site management, the Company is unable to determine whether additional field work or site remediation will be required by EPA and, if so, the scope or costs of such work.

Key West Site
From 1927 to 1938, the Company owned and operated a gasification plant in Key West, Florida. The plant discontinued operations in the late 1940s; the property on which the plant was located is currently used for a propane gas distribution business. In March 1993, a Preliminary Contamination Assessment Report (PCAR) was prepared by a consultant jointly retained by the Company and the current site owner and was delivered to FDEP. The PCAR reported that very limited soil and groundwater impacts were present at the site. By letter dated December 20, 1993, FDEP notified the Company that the site did not warrant further "CERCLA consideration and a Site Evaluation Accomplished disposition is recommended." FDEP then referred the matter to its Marathon office for consideration of whether additional work would be required by FDEP's district office under Florida law. As of December 31, 2006, the Company has received no further communication from FDEP with respect to the site. At this time, we are unable to determine whether additional fieldwork will be required by FDEP and, if so, the scope or costs of such

work. In 1999, the Company received an estimate from its consultant that additional costs to assess and remediate the reported impacts would be approximately $166,000. Assuming the current owner shared in such costs according to the allocation agreed upon by the parties for the PCAR, the Company's share would be approximately $83,000.

11. Commitments

A. General

To ensure a reliable supply of electric and natural gas at competitive prices, the Company has entered into long-term purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2015. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices. At December 31, 2006, the Company has firm purchase and transportation commitments adequate to supply its expected future sales requirements. The Company is committed to pay demand or similar fixed charges of approximately $37.8 million during 2007 related to gas purchase agreements. Substantially all costs incurred under the electric and gas purchase agreements are recoverable from customers through fuel adjustment clause mechanisms.

B. Operating Leases

The Company's total operating lease obligation is $352,000. The Company is leasing property from the City of Fernandina Beach in our Northeast division. The Company is in the process of renegotiating the terms of this lease and it may be able to terminate this lease at an earlier date. The Company leases an appliance showroom in the same division for approximately $35,000 annually. The Company also has other operating lease agreements with various terms and expiration dates. The following table shows the approximate future obligations under noncancelable agreements.

	2007	2008	2009	2010	2011
Operating Lease Obligations	$151,000	$116,000	$47,000	$38,000	-

12. Employee Benefit Plans

The actuarial valuation of the retirement plan obligations has been completed and the recognition provisions of Statement 158 at December 31, 2006 resulted in an additional liability for retirement plans, pension plan and retirees medical plan. See Footnote 1J, Impact of Recent Accounting Standards, Financial Accounting Standard 158 for a summary of the impact to our financial statements.

A. Pension Plan

The Company sponsors a qualified defined benefit pension plan for non-union employees that were hired before January 1, 2005 and for unionized employees that work under one of the six Company union contracts and were hired before their respective contract dates in 2005.

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The following tables provide a reconciliation of the changes in the plan's benefit obligations and fair value of assets over the 3-year period ending December 31, 2006 and a statement of the funded status as of December 31, of all three years:

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Benefit Obligations and Funded Status

		Years Ended December 31, 2006	2005	2004
(1)	Change in Projected Benefit Obligation			
(a)	Projected Benefit Obligation at the Beginning of the Year	$36,349,925	$34,926,383	$31,540,942
(b)	Service Cost	1,225,495	1,195,723	1,084,564
(c)	Interest Cost	2,160,719	2,000,099	1,940,122
(d)	Actuarial (Gain) or Loss	541,865	(842,777)	1,708,132
(e)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
(f)	Change in Plan Provisions	-	584,838	-
(g)	Curtailment	(97,858)	-	
(h)	Projected Benefit Obligation at the End of the Year	$38,650,888	$36,349,925	$34,926,38
(i)	Accumulated Benefit Obligation at the End of the Year	$33,693,860	$31,966,513	$30,518,393
(2)	Change in Plan Assets			
(a)	Fair Value of Plan Assets at the Beginning of the Year	$32,936,666	$32,385,214	$31,081,063
(b)	Actual Return on Plan Assets	3,977,806	2,065,793	2,651,528
(c)	Benefits Paid	(1,529,258)	(1,514,341)	(1,347,377)
(d)	Employer Contributions	250,000	-	-
(e)	Fair Value of Assets at the End of the Year	$35,635,214	$32,936,666	$32,385,21
(3)	Funded Status: (2)(e) - (1)(h)	$(3,015,674)	$(3,413,259)	$(2,541,16
(4)	Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
(a)	Prepaid (Accrued) Benefit Cost	$(1,760,785)	$(721,333)	$725,619
(b)	Net Asset (liability)	$(1,760,785)	$(721,333)	$725,61
(c)	Charge to Accumulated Other Comprehensive Income:			
(5)	Adjustments Caused by Applying FAS 158			
(a)	Increase in Net Asset (Liability): (3) – (4)(b)	$(1,254,889)	N/A	N/
(b)	Increase in Charge to Accumulated Other Comprehensive Income:	276,076	N/A	N/
(c)	Increase in Charge to Regulatory Asset retirement plans	978,813	N/A	N/A
(d)	Subtotal of Adjustments: (a)+(b)+(c)		N/A	N/
(6)	Amount Recognized in Statement of Financial Position After applying FAS 158			

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(a)	Net Asset (Liability): (4)(i) + (5)(a)	$(3,015,674)	$(721,333)	$725,61
(b)	Charge to Accumulated Other Comprehensive Income: (4)(c) + (5)(b)	$276,076	-	
(c)	Regulatory Asset-Retirement Plans (5)(c)	$978,813	-	

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(7)	Net Asset (Liability) Recognized in the Statement of Financial Position After applying FAS 158			
(a)	Noncurrent Assets	-	N/A	N/A
(b)	(Current Liabilities)	-	N/A	N/A
(c)	(Noncurrent Liabilities)	$(3,015,674)	N/A	N/A
(d)	Total Net Asset (Liability): (a) + (b) + (c)	$(3,015,674)	N/A	N/A
(8)	Amount Recognized in Accumulated Other Comprehensive Income And Regulatory Asset - Retirement Plans After applying FAS 158			
(a)	Transition Obligation (Asset)	-	N/A	N/A
(b)	Prior Service Cost (Credit)	$3,992,489	N/A	N/A
(c)	Net (Gain) or Loss	(2,737,600)	N/A	N/A
(d)	Total	$1,254,889	N/A	N/A
(9)	Weighted Average Assumption at End of Year			
(a)	Discount Rate	6.00%	5.90%	5.75%
(b)	Rate of Compensation Increase	3.25%	3.15%	3.00%
(c)	Mortality	GAM 83	GAM 83	GAM 83

The following table provides the components of net periodic benefit cost for the plans for fiscal years 2006, 2005 and 2004:

Net Periodic Pension Costs

		Years Ended December 31,		
		2006	2005	2004
(1)	Service Cost	$1,225,495	$1,195,723	$1,084,564
(2)	Interest Cost	2,160,719	2,000,099	1,940,122
(3)	Expected Return on Plan Assets	(2,736,019)	(2,485,985)	(2,591,099)
(4)	Amortization of Transition Obligation/(Asset)	-	-	-
(5)	Amortization of Prior Service Cost	737,115	737,115	698,211
(6)	Amortization of Net (Gain) or Loss	-	-	-
(7)	Total FAS 87 Net Periodic Pension Cost	$1,387,310	$1,446,952	$1,131,798
(8)	FAS 88 Charges / (Credits)			
(a)	Curtailment	(97,858)	-	
(b)	Total	(97,858)	-	
(9)	Total Net Periodic Pension Cost and Comprehensive Income	$1,289,452	$1,446,952	$1,131,798

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(10)	Weighted Average Assumptions			
(a)	Discount Rate at Beginning of the Period	5.90%	5.75%	6.25%
(b)	Expected Return on Plan Assets	8.50%	8.50%	8.50%
(c)	Rate of Compensation Increase	3.15%	3.00%	3.50%

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Plan Assets

		Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets				
(a)	Equity Securities	40%-60%	68%	67%	69%
(b)	Debt Securities	25%-40%	30%	32%	30%
(c)	Real Estate	5%-15%	0%	0%	0%
(d)	Other	5%-15%	2%	1%	1%
(e)	Total		100%	100%	100%

Expected Return on Plan Assets

The expected rate of return on plan assets is 8.5%. The Company expects 8.5% to fall within the 40 to 50 percentile range of returns on investment portfolios with asset diversification similar to that of the Pension Plan's target asset allocation.

Investment Policy and Strategy

The Company has established and maintains an investment policy designed to achieve a long-term rate of return, including investment income and appreciation, sufficient to meet the actuarial requirements of the Pension Plan. The Company seeks to accomplish its return objectives by investing in a diversified portfolio of equity, fixed income and cash securities seeking a balance of growth and stability as well as an adequate level of liquidity for pension distributions as they fall due. Plan assets are constrained such that no more than 10% of the portfolio will be invested in any one issue.

Cash Flows

(1)	Expected Contributions for Fiscal Year Ending December 31, 2007	
	(a) Expected Employer Contributions	$250,000
	(b) Expected Employee Contributions	-
(2)	Estimated Future Benefit Payments Reflecting Expected Future Service for the years ending December 31,	
	(a) 2007	$1,756,069
	(b) 2008	$1,839,843
	(c) 2009	$1,975,656
	(d) 2010	$2,092,003
	(e) 2011	$2,182,628
	(f) 2012 – 2016	$13,040,794
(3)	Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07	-

Other Accounting Items

		Years Ended December 31,		
		2006	2005	2004
(1)	Market-Related Value of Assets as of the Beginning of fiscal year	$32,936,666	$30,016,761	$31,222,154
(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	$ 0	$ 0	$ 0
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	10.80	10.95	10.95
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

B. Medical Plan

The Company sponsors a postretirement medical program. The medical plan is contributory with participants' contributions adjusted annually. The following tables provide required financial disclosures over the three-year period ended December 31, 2006:

Benefit Obligations and Funded Status

			Fiscal Year Ending		
			12/31/2006	12/31/2005	12/31/20
(1)		Change in Accumulated Postretirement Benefit Obligation			
	(a)	Accumulated Postretirement Benefit Obligation at the Beginning of the Year	$2,343,583	$1,925,254	$1,807
	(b)	Service Cost	59,982	100,054	70
	(c)	Interest Cost	105,483	127,312	106
	(d)	Actuarial (Gain) or Loss	(568,755)	282,812	32
	(e)	Benefits Paid	(117,459)	(135,166)	(119
	(f)	Change in Plan Provisions	-	-	
	(g)	Plan Participant's Contributions	42,519	43,317	27
	(h)	Accumulated Postretirement Benefit Obligation at the End of the Year	$1,865,353	$2,343,583	$1,925
(2)		Change in Plan Assets			
	(a)	Fair Value of Plan Assets at the Beginning of the Year	$ 0	$ 0	

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	(b)	Benefits Paid	(117,459)	(135,166)	(119
	(c)	Employer Contributions	74,940	91,849	91
	(d)	Plan Participant's Contributions	42,519	43,317	27
	(e)	Fair Value of Assets at the End of the Year	$ 0	$ 0	
(3)		Net Amount Recognized			
	(a)	Funded Status: (2)(e) - (1)(l)	$(1,865,353)	$(2,343,583)	$(1,925
(4)		Amounts Recognized in the Statement of Financial Position Before Applying FAS 158			
	(a)	Prepaid (Accrued) Benefit Cost	(2,057,833)	(1,942,393)	(1,763
	(b)	(Additional Liability due to an Unfunded ABO)	-	-	
	(c)	Intangible Asset	-	-	
	(d)	Net Asset (Liability): (a) + (b) + (c)	($2,057,833)	$(1,942,393)	$(1,763
	(e)	Charged to Accumulated Other Comprehensive Income:	-	-	
(5)		Adjustments Caused by Applying FAS 158			
	(a)	Increase in Net Asset (Liability): (3) – (4)(d)	192,480	N/A	
	(b)	Increase in charge to Accumulated Other Comprehensive Income:	(42,346)	N/A	
	(c)	Increase in charge to Regulatory Asset-retirement plans	(150,134)	N/A	
	(d)	Subtotal of Adjustments: (a) + (b) + (c)		N/A	
(6)		Amounts Recognized in the Statement of Financial Position After applying FAS 158			
	(a)	Net Asset (Liability): (4)(d) +(5)(a)	(1,865,353)	(1,942,393)	(1,763
	(b)	Charge to Accumulated Other Comprehensive Income: (4)(e) + (5)(b)	(42,346)	-	
	(c)	Charge to Regulatory Asset-Retirement Plans (5)(c)	(150,134)	-	
(7)		Net Asset (Liability) Recognized in the Statement of Financial Position After Applying FAS 158			
	(a)	Noncurrent Assets	-	N/A	N/A
	(b)	(Current Liabilities)	(150,589)	N/A	N/A
	(c)	(Noncurrent Liabilities)	(1,714,764)	N/A	N/A
	(d)	Total Net Asset (Liability): (a) + (b) + (c)	$(1,865,353)	N/A	N/A
(8)		Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Asset After Applying FAS 158			
	(a)	Transition Obligation (Asset)	-	N/A	N/A
	(b)	Prior Service Cost (Credit)	-	N/A	N/A
	(c)	Net (Gain) or Loss	(192,480)	N/A	N/A
	(d)	Total	$(192,480)	N/A	N/A
(9)		Weighted Average Assumptions at the End of the Year			
	(a)	Discount Rate	6.00%	5.90%	5.75%
	(b)	Rate of Compensation Increase	N/A	N/A	N/A
	(c)	Mortality	GAM 83	GAM 83	GAM 83
(10)		Assumed Health Care Cost Trend Rates			
	(a)	Health Care Cost Trend Rate Assumed for Next Year	11.50%	9.00%	10.00%
	(b)	Ultimate Rate	5.00%	5.00%	5.00%
	(c)	Year that the Ultimate Rate is Reached	2014	2010	2010

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Net Periodic Postretirement Benefit Cost

		Years ended December 31,		
		2006	2005	2004
(1)	Service Cost	$59,982	$100,054	$70,300
(2)	Interest Cost	105,483	127,312	106,079
(3)	Amortization of Transition Obligation/(Asset)	42,896	42,896	42,896
(4)	Amortization of Prior Service Cost	-	-	-
(5)	Amortization of Net (Gain) or Loss	(17,981)	-	(8,666)
(6)	Total Net Periodic Benefit Cost	$190,380	$270,262	$210,609
(7)	Weighted Average Assumptions			
	(a) Discount Rate	5.90%	5.75%	6.25%
	(b) Expected Return on Plan Assets	N/A	N/A	N/A
	(c) Rate of Compensation Increase	N/A	N/A	N/A
(8)	Assumed Health Care Cost Trend Rates			
	(a) Health Care Cost Trend Rate Assumed for Current Year	12.50%	10.00%	12.00%
	(b) Ultimate Rate	5.00%	5.00%	5.00%
	(c) Year that the Ultimate Rate is Reached	2014	2010	2010

Expected Amortizations

		Years ended December 31,		
		2007	2006	2005
(1)	Expected Amortization of Transition Obligation (Asset)	-	N/A	N/A

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(2)	Expected Amortization of Prior Service Cost (Credit)	-	N/A	N/A
(3)	Expected Amortization of Net Loss (Gain)	$(536)	N/A	N/A

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(9)	Impact of One-Percentage-Point Change in Assumed Health Care Cost Trend Rates	**Increase**	**Decrease**
(a)	Effect on Service Cost + Interest Cost	$20,533	$(17,812)
(b)	Effect on Postretirement Benefit Obligation	$203,809	$(179,005)

Plan Assets

		Target Allocation 2007	Percentage of Plan Assets at December 31 2006	2005	2004
(1)	Plan Assets				
(a)	Equity Securities	N/A	N/A	N/A	N/A
(b)	Debt Securities	N/A	N/A	N/A	N/A
(c)	Real Estate	N/A	N/A	N/A	N/A
(d)	Other	N/A	N/A	N/A	N/A
(e)	Total	N/A	N/A	N/A	N/A

Cash Flows

(1) Expected Contributions for Fiscal Year Ending 12/31/2007

(a)	Expected Employer Contributions	$150,589
(b)	Expected Employee Contributions	$48,832

(2) Estimated Future Benefit Payments Reflecting Expected Future Service for the Fiscal Year(s) Ending

		Total	Medicare Part-D Reimbursement	Employee	Employer
(a)	12/31/2007	$199,421	$0	$48,832	$150,589
(b)	12/31/2008	$143,659	$8,266	$36,130	$99,263
(c)	12/31/2009	$146,580	$8,749	$36,535	$101,296
(d)	12/31/2010	$160,560	$9,504	$41,759	$109,297
(e)	12/31/2011	$199,681	$10,062	$51,049	$138,570
(f)	12/31/2012 – 12/31/2016	$1,407,957	$61,062	$350,375	$996,520

(3) Amount of Plan Assets Expected to be Returned to the Employer in the Fiscal Year Ending 12/31/07 — $0

Other Accounting Items

		Years Ended December 31, 2006	2005	2004
(1)	Market-Related Value of Assets	N/A	N/A	N/A

(2)	Amount of Future Annual Benefits of Plan Participants Covered by Insurance Contracts Issued by the Employer or Related Parties	-	-	-
(3)	Alternative Amortization Methods Used to Amortize			
	(a) Prior Service Cost	Straight Line	Straight Line	Straight Line
	(b) Unrecognized Net (Gain) or Loss	Straight Line	Straight Line	Straight Line
(4)	Average Future Service	11.10	13.35	12.48
(5)	Employer Commitments to Make Future Plan Amendments (that Serve as the Basis for the Employer's Accounting for the Plan)	None	None	None
(6)	Description of Special or Contractual Termination Benefits Recognized During the Period	N/A	N/A	N/A
(7)	Cost of Benefits Described in (6)	N/A	N/A	N/A
(8)	Explanation of Any Significant Change in Benefit Obligation or Plan Assets not Otherwise Apparent in the Above Disclosures	N/A	N/A	N/A
(9)	Measurement Date Used	December 31, 2006	December 31, 2005	December 31, 2004

Voluntary Prescription Drug Coverage

Legislation enacted in December 2003 provides for the addition of voluntary prescription drug coverage under Medicare starting in 2006. The legislation also provides for a 28% tax-free subsidy for each qualified covered retiree's drug cost between certain thresholds if the employer's coverage is at least actuarially equivalent to the standard Medicare drug benefit. Based on the final regulations issued by the Centers for Medicare and Medicaid Services on January 21, 2005, we determined our prescription drug coverage of the Postretirement Medical Benefits plan to be actuarially equivalent to Medicare Part D.

Discount Rate Assumption

The discount rate assumption used to determine the postretirement benefit obligations is based on current yield rates in the double A bond market. The current year's discount rate was selected using a method that matches projected payouts from the plan with a zero-coupon double A bond yield curve. This yield curve was constructed from the underlying bond price and yield data collected as of the plan's measurement date and is represented by a series of annualized, individual discount rates with durations ranging from six months to thirty years. Each discount rate in the curve was derived from an equal weighting of the double A or higher bond universe, apportioned into distinct maturity groups. These individual discount rates are then converted into a single equivalent discount rate, which is then used for FAS discount purposes. To assure that the resulting rates can be achieved by a postretirement benefit plan, only bonds that satisfy certain criteria and are expected to remain available through the period of maturity of the plan benefits are used to develop the discount rate. Prior years' discount rate assumptions were set based on investment yields available on double A, long-term corporate bonds.

Actuarial Equivalent

In determining "Actuarial Equivalence," our plan's actuary, Aon Consulting, proprietary prescription drug pricing tool, Aon Rx, was used. This tool allowed us to determine the estimated Per Member Per Month (PMPM) prescription drug cost

for both the Company plan and the Medicare plan. The two PMPM's were adjusted for monthly retiree contributions. We assumed that 60% of the monthly combined medical and prescription drug retiree contribution for the Company plan applies towards prescription drugs.

Deleted: Because the subsidy is the same regardless of the cost sharing structure unless the plan is not "Actuarial Equivalent", in general a plan that has higher cost sharing would reduce their annual cost as a percentage greater than a plan would that has lower cost sharing.

C. Health Plan

In December 2003, the Company became fully insured for its employee and retiree's medical insurance. Net health care benefits paid by the Company for active employees were approximately $1.7 million in 2006, $1.6 million in 2005 and $1.5 million in 2004, excluding administrative and stop-loss insurance.

D. 401K Plan

The Company has discontinued eligibility to the defined benefit pension plan for all new hires, and replaced it with a new 401K match.

For new hires not eligible for the defined benefit pension plan, we established an employer match to the employee's contribution to their 401K plans. It provided for a company match of 50% for each dollar contributed by the employee, up to 6% of their salary, for a Company contribution of up to 3%. Beginning in 2007, for non-union employees the plan was enhanced to provide a company match of 100% for the first 2% of an employee's contribution, and a match of 50% for the next 4% of an employee's contribution, for a total company match of up to 4%. This new enhanced match will be negotiated with our six union contracts during 2007, to be effective on their respective contract date within 2007. The employees are eligible for the company match after six months of continuous service, with vesting of 100% after three years of continuous service. The expenses incurred in 2005 and 2006 relating to the Company's 401K plan are not material.

E. Employee Stock Purchase Plan

The Company offers an employee stock purchase plan to substantially all of its employees. The plan offers a 15% discount on the Company's stock at market price fixed six months prior to the date of purchase. The recorded stock compensation expense relating to the Company's employee stock purchase plan is not material.

13. Segment Information

The Company is organized into two regulated business segments: natural gas and electric, and one non-regulated business segment, propane gas. There are no material inter-segment sales or transfers.

Identifiable assets are those assets used in the Company's operations in each business segment. Common assets are principally cash and overnight investments, deferred tax assets and common plant.

Business segment information for 2006, 2005 and 2004 is summarized as follows:

(Dollars in thousands)	2006	2005	2004
Revenues			
Natural gas	$ 70,981	$ 69,094	$ 55,962
Electric	48,527	47,450	42,910

Propane gas	14,727	13,479	11,167
Consolidated	$ 134,235	$ 130,023	$ 110,039
Operating income, excluding income tax			
Natural gas	$ 6,118	$ 6,049	$ 4,978
Electric	3,137	3,502	3,353
Propane gas	1,074	1,086	655
Consolidated	$ 10,329	$ 10,637	$ 8,986
Identifiable assets			
Natural gas	$ 93,689	$ 96,106	$ 87,729
Electric	52,251	51,317	48,687
Propane gas	19,239	19,567	15,731
Common	15,976	15,676	18,356
Consolidated	$ 181,155	$ 182,666	$ 170,503
Depreciation and amortization			
Natural gas	$ 4,095	$ 3,928	$ 2,752
Electric	2,610	2,404	2,323
Propane gas	720	621	560
Common	317	313	265
Consolidated	$ 7,742	$ 7,266	$ 5,900
Construction expenditures			
Natural gas	$ 7,643	$ 6,357	$ 5,314
Electric	3,184	3,775	6,793
Propane gas	1,885	2,133	1,339
Common	404	176	285
Consolidated	$ 13,116	$ 12,441	$ 13,731
Income tax expense			
Natural gas	$ 1,336	$ 1,283	$ 843
Electric	577	666	565
Propane gas	136	245	130
Common	246	93	77
Consolidated	$ 2,295	$ 2,287	$ 1,615

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14. Quarterly Financial Data (Unaudited)

The quarterly financial data presented below reflects the influence of seasonal weather conditions, the timing of rate increases and the migration of winter residents and tourists to Central and South Florida during the winter season. Significant increases in the fourth quarter of 2005 expenses relate to the performance of previously delayed expenditures from previous quarters.

(Dollars in thousands, except per share amounts):	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2006				
Revenues	$ 43,348	$ 29,878	$ 29,415	$ 31,594
Gross profit	$ 14,135	$ 11,402	$ 10,867	$ 11,860
Operating income	$ 4,528	$ 2,065	$ 1,488	$ 2,248
Earnings before income taxes	$ 3,507	$ 1,162	$ 609	$ 1,281

Net Income	$	2,221	$	738	$	475	$	830
Earnings per common share (basic and diluted):								
Continuing operations	$	0.37	$	0.12	$	0.08	$	0.14
2005								
Revenues	$	35,438	$	28,329	$	29,190	$	37,066
Gross profit	$	13,619	$	10,963	$	10,374	$	12,263
Operating income	$	4,684	$	2,215	$	1,578	$	2,160
Earnings before income taxes	$	3,711	$	1,205	$	573	$	1,046
Net Income	$	2,353	$	851	$	260	$	784
Earnings per common share (basic and diluted):								
Continuing operations	$	0.40	$	0.14	$	0.04	$	0.13

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Directors and Shareholders of FPU:

We have audited the accompanying consolidated balance sheets and statements of capitalization of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation as of December 31, 2006 and 2005 and the related consolidated statements of income, comprehensive income, common shareholders' equity and cash flows for each of the three years in the period ended December 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedules, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

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In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Florida Public Utilities Company and its wholly-owned subsidiary, Flo-Gas Corporation at December 31, 2006 and 2005, and the results of its operation and its cash flows for each of the three years in the period ended December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

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BDO Seidman, LLP
Certified Public Accountants
West Palm Beach, Florida
March 13, 2007

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2006, our disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended December 31, 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None

PART III

Item 10. Directors and Executive Officers of the Registrant

Information required by this item concerning directors and nominees of the Registrant will be included under the caption "Information About Nominees and Continuing Directors" in the Registrant's Proxy Statement for the 2007 Annual Meeting of Shareholders (the "2007 Proxy Statement") and is incorporated by reference herein. Information required by this item regarding the Audit Committee will be included under the caption "Board of Directors and Committees" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding the Code of Ethics will be included under the caption "Code of Ethics" in the 2007 Proxy Statement and is incorporated by reference herein. Information required by this Item regarding compliance with Section 16(a) of the Exchange Act will be set forth in the 2007 Proxy Statement under "Section 16(a) Beneficial Ownership Reporting Compliance" and is incorporated by reference herein. Information required by this Item concerning executive officers is set out in Part I of this Form 10-K, above.

Item 11. Executive Compensation

Information required by this Item concerning executive compensation is included under the captions "Board of Directors and Committees", "Executive Compensation", and "Compensation Committee Interlocks and Inside Participation" in the 2007 Proxy Statement is incorporated by reference herein.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required by this Item concerning the security ownership of certain of the Registrant's beneficial owners and management is included under the caption "Security Ownership of Management and Certain Beneficial Owners" in the 2007 Proxy Statement and is incorporated by reference herein. See Item 5 above for equity compensation plan information, which is incorporated by reference herein.

Item 13. Certain Relationships and Related Transactions

None.

Item 14. Principal Accountant Fees and Services

Information required by this Item is set forth in the Registrant's 2007 Proxy Statement under the caption "Principal Accountant Fees and Services" and is incorporated by reference herein.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of this report:

(1) Financial Statements
The following consolidated financial statements of the Company are included herein and in the Registrant's 2006 Annual Report to Shareholders:

Consolidated Statements of Income
Consolidated Statements of Comprehensive Income
Consolidated Balance Sheets
Consolidated Statements of Capitalization
Consolidated Statements of Common Shareholders' Equity
Consolidated Statements of Cash Flows
Notes to Consolidated Financial Statements
Report of Independent Registered Public Accounting Firm

(2) Financial Statement Schedules
The following valuation and qualifying accounts table is included in Note 1.H. herein and in the Registrant's 2006 Annual Report to Shareholders:

Allowance for Doubtful Accounts

(3) Exhibits

3(i)	Amended Articles of Incorporation (Incorporated herein by reference as Exhibit 3(i) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)
3(ii)	Amended By-Laws (Incorporated herein by reference as Exhibit 3(ii) to FPU's quarterly report on Form 10-Q for the period ended June 30, 2002. SEC File No. 1-10608)
4(a)	Indenture of Mortgage and Deed of Trust of FPU dated as of September 1, 1942 (Incorporated by reference herein to Exhibit 7-A to Registration No. 2-6087)
4(b)	Fourteenth Supplemental Indenture dated September 1, 2001. (Incorporated by reference to exhibit 4(b) on FPU's annual report on Form 10-K for the year ended December 31, 2001)
4(c)	Fifteenth Supplemental Indenture dated November 1, 2001. (Incorporated by reference to exhibit 4(c) on FPU's annual report on Form 10-K for the year ended December 31, 2001)

10(a) First Amendment to Amended and Restated Loan Agreement and Promissory Note between FPU and Bank of America dated August 25, 2006. (Incorporated by reference to exhibit 10(2) on FPU's Form 10-Q for third quarter ending September 30, 2006, File No. 001-10608)

10(b) Contract for the transportation of natural gas between FPU and the City of Lake Worth dated March 25, 1992 (Incorporated by reference to exhibit 10(f) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(c) Contract for the purchase of electric power between FPU and Jacksonville Electric Authority dated January 29, 1996. (Incorporated by reference to exhibit 10(h) on FPU's annual report on Form 10-K for the year ended December 31, 2000)

10(d) Contract for the purchase of electric power between FPU and Gulf Power Company effective November 21, 1996. (Incorporated by reference to exhibit 10(i) on FPU's annual report on Form 10-K for the year ended December 31, 2000)

10(e) Contract for the purchase of as-available capacity and energy between FPU and Container Corporation of America dated September 19, 1985 (Incorporated by reference to exhibit 10(i) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(f) Contract for the sale of electric service between FPU and Container Corporation of America dated August 26, 1982 (Incorporated by reference to exhibit 10(j) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(g) Contract for the sale of electric service between FPU and ITT Rayonier Inc. Dated April 1, 1982 (Incorporated by reference to exhibit 10(k) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(h) Form of Stock Purchase and Sale Agreement between FPU and three persons who, upon termination of two trusts, will become the record and beneficial owners of an aggregate of 313,554 common shares of the Registrant (Incorporated by reference to exhibit 10(p) on FPU's Form S-2 for July 1992, File No. 0-1055)

10(i) Contract for the sale of certain assets comprising FPU's water utility business to the City of Fernandina Beach dated December 3, 2002. (Incorporated by reference to exhibit 10(o) on FPU's annual report on Form 10-K for the year ended December 31, 2002)

10(j) Transportation agreement between FPU and the City of Lake Worth (Incorporated by reference to exhibit 99.2 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)

10(k) A Mutual Release agreement, as of March 31, 2003, by and between FPU, Lake Worth Generation, LLC, The City of Lake Worth, and The AES Corporation. (Incorporated by reference to exhibit 99.3 on FPU's Form 8-K filed April 4, 2003, File No. 001-10608)

10(l)	Amended and Restated loan agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(n) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(m)	Security agreement between FPU and Bank of America, N.A. dated October 29, 2004. (Incorporated by reference as exhibit 10(o) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(n) #	Non-Employee Director Compensation Plan, approved by Board of Directors on March 18, 2005. (Incorporated by reference as exhibit 10(p) on FPU's annual report on Form 10-K for the year ended December 31, 2004)
10(o)	Amendment to Electric Service Contract by and between JEA and FPU dated September 25, 2006, effective January 1, 2007. (Incorporated by reference as Exhibit 10.1 to our Form 10-Q, for the quarter ending September 30, 2006, File No. 001-10608)
10(p) #	Employment Agreement between the Company and John T. English dated March 31, 2006 (Incorporated by reference as Exhibit 10.1 to our Form 8-K, filed on March 31, 2006)
10(q) #	Employment Agreement between the Company and Charles L. Stein dated March 31, 2006 (Incorporated by reference as Exhibit 10.2 to our Form 8-K, filed on March 31, 2006)
10(r) #	Employment Agreement between the Company and George M. Bachman dated March 31, 2006 (Incorporated by reference as Exhibit 10.3 to our Form 8-K, filed on March 31, 2006)
10(s) *	Contract for the Agreement for Generation Services by and between FPU and Gulf Power Company dated December 28, 2006, effective January 1, 2008
14	Ethics Policy (Incorporated by reference to exhibit 99.3 on FPU's Form 10-K, filed March 30, 2004 File No. 001-10608)
16	Change in certifying accountants (Incorporated herein by reference as exhibit 16 to FPU's current report on Form 8-K, filed April 18, 2003)
21	Subsidiary of the registrant (Incorporated by reference to exhibit 21 on FPU's annual report on Form 10-K, for the year ended December 31, 2000)
23	Independent Registered Public Accounting Firm's Consent BDO Seidman LLP
31.1	Certification of Principal Executive Officer (302)
31.2	Certification of Principal Financial Officer (302)

32	Certification of Principal Executive Officer and Principal Financial Officer (906)

# Denotes management contract or compensatory plan or arrangement

* Confidential treatment is being requested for a portion of this agreement