


FLORIDA PUBLIC
UTILITIES

MR 3/26/08
DECLASSIFIED

CONFIDENTIAL

undktd

March 11, 2008

Mr. John Slemkewicz
Supervisor Electric & Gas Accounting
Florida Public Service Commission
2540 Shumard Blvd.
Tallahassee, Florida 32399-0950

Dear Mr. Slemkewicz:

Subject: Earnings Surveillance Report

Enclosed is the earnings surveillance report (Schedules 1 through 5) for our Consolidated Electric divisions and Consolidated Gas divisions, for the twelve months ended December 31, 2007.

Per the final order PSC-99-0954-PAA-EI, also enclosed are the revised schedules for ITC amortization, flow-back of excess deferred income taxes (EDIT), and a summary of the transactions in our storm reserves for both the Marianna and Fernandina Beach electric divisions for 2007.

If you have any questions, or need additional information, please let me know.

Sincerely,

Cheryl M. Martin

Cheryl M. Martin
Controller

cdy

Cc: Bachman, George (Sch 1 only)
English, Jack (Sch 1 only)
Office of Public Counsel - Shreve (all)
Schneidermann, Marc (all Nat gas)
Stein, Chuck (all)
Cutshaw, Mark (Electric only)
Myers, Don (Electric only)
SJ 45-69 (all)

DOCUMENT-NUMBER-DATE

MR
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FPSC-COMMISSION CLERK



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MESSER CAPARELLO & SELF, P.A.

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Attorneys At Law

www.lawfla.com

March 19, 2008

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BY HAND DELIVERY

Ann Cole, Director
The Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

080000

Dear Ms. Cole:

Attached in a confidential folder is a copy of the 2007 Surveillance Report for Florida Public Utilities Company ("FPUC"). The Company requests that this document be treated as confidential on a temporary basis.

FPUC is a publicly traded company subject to the regulations of the Securities and Exchange Commission ("SEC") among other agencies. FPUC files a Schedule 10-K with the SEC which provides a comprehensive overview of the Company's business and financial condition. The Surveillance Report also contains information of a financial nature concerning the business of FPUC. The Company does not publicly release such information until the 10-K is filed and would therefore request that the surveillance report be treated as confidential on a temporary basis pending the filing of the 10-K which should be filed soon.

Since the entire document is considered confidential there is no redacted or highlighted version.

The Company will notify the Commission when the 10-K is filed at which time the surveillance report may be treated as a public document.

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC _____

or low records

This claim of confidentiality was filed by or on behalf of a "telco" for Confidential DN 02027-08. The document is in locked storage pending advice on handling. To access the material, your name must be on the CASR. If undocketed, your division director must provide written permission before you can access it.

DOCUMENT NUMBER-DATE

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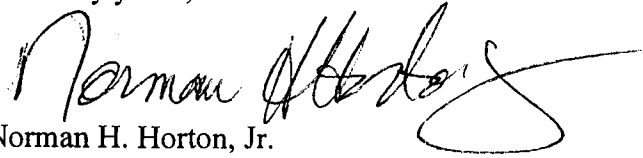
FPSC-COMMISSION CLERK

Ms. Ann Cole
March 19, 2008
Page 2

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,



Norman H. Horton, Jr.

NHH/amb
Enclosures

cc: Ms. Cheryl Martin
Mr. John Slemkewicz

FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED GAS DIVISION
 EARNINGS SURVEILLANCE REPORT SUMMARY
 DECEMBER 2007

SCHEDULE 1

	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
I. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$3,902,177	80,848	\$3,983,025	\$0	\$3,983,025
AVERAGE RATE BASE	\$63,193,157	(2,672,316)	\$60,520,841	3,316,088	\$63,836,929
AVERAGE RATE OF RETURN	6.17%		6.58%		6.24%
II. YEAR END RATE BASE (JURISDICTIONAL)					
	\$67,867,003	(3,129,320)	\$64,737,683	1,545,470	\$66,283,153
III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)			IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)		
LOW	7.72%		A. INCLUDING FLEX RATE REVENUES		7.16%
MIDPOINT	8.09%		B. EXCLUDING FLEX RATE REVENUES		7.16%
HIGH	8.46%				

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

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

Cheryl M. Martin, Controller
 (Name & Title)

Cheryl M. Martin
 (Signature)

3/14/08
 (Date)

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED GAS DIVISIONS
AVERAGE RATE OF RETURN
RATE BASE
DECEMBER 2007**

**SCHEDULE 2
PAGE 1 OF 2**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	<u>PLANT IN SERVICE</u>	<u>ACCUMULATED DEPRECIATION & AMORTIZATION*</u>	<u>NET PLANT IN SERVICE</u>	<u>PROPERTY HELD FOR FUTURE USE</u>	<u>CONSTRUCTION WORK IN PROGRESS</u>	<u>NET UTILITY PLANT</u>	<u>WORKING CAPITAL</u>	<u>TOTAL RATE BASE</u>
PER BOOKS	\$102,913,816	\$35,015,980	\$67,897,836		\$2,885,785	\$70,783,621	(\$7,590,464)	\$63,193,157
<u>FPSC ADJUSTMENTS:</u>								
NONUTILITY PLANT RATE REFUND ADJ - 2006 O/E	(820,604)	(254,284)	(566,320)			(566,320)	35,810	(566,320) 35,810
SFNG ACQUISITION GOOD WILL RATE REFUND PENDING - 2005 O/E	(2,544,990)		(2,544,990)			(2,544,990)	469,657	(2,544,990) 469,657
1/2 RATE CASE EXPENSE							(66,473)	(66,473)
TOTAL FPSC ADJUSTMENTS	<u>(3,365,594)</u>	<u>(254,284)</u>	<u>(3,111,310)</u>			<u>(3,111,310)</u>	438,994	<u>(2,672,316)</u>
FPSC ADJUSTED	<u>99,548,222</u>	<u>34,761,696</u>	<u>64,786,526</u>		<u>2,885,785</u>	<u>67,672,311</u>	<u>(7,151,470)</u>	<u>60,520,841</u>
<u>FLEX RATE REVENUES ADJUSTED FOR</u>								
FLEX RATE REVENUES	<u>99,548,222</u>	<u>34,761,696</u>	<u>64,786,526</u>		<u>2,885,785</u>	<u>67,672,311</u>	<u>(7,151,470)</u>	<u>60,520,841</u>
<u>PRO FORMA REVENUE INCREASE AND ANNUALIZATION ADJUSTMENTS:</u>								
REVERSAL OF PGA OVER RECOVERIES							3,316,088	3,316,088
TOTAL PRO FORMA ADJUSTMENTS							<u>3,316,088</u>	<u>3,316,088</u>
PRO FORMA ADJUSTED	<u>\$99,548,222</u>	<u>\$34,761,696</u>	<u>\$64,786,526</u>		<u>\$2,885,785</u>	<u>\$67,672,311</u>	<u>(\$3,835,382)</u>	<u>\$63,836,929</u>

*INCLUDES CUSTOMER ADVANCES FOR CONSTRUCTION

FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED GAS DIVISIONS
 AVERAGE RATE OF RETURN
 INCOME STATEMENT
 DECEMBER 2007

SCHEDULE 2
 PAGE 2 OF 2

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M GAS EXPENSE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
PER BOOKS	\$64,850,009	\$32,319,854	\$17,598,648	\$4,567,428	\$5,716,753	\$1,374,247	(\$589,726)	(\$39,372)		\$60,947,832	\$3,902,177
FPSC ADJUSTMENTS:											
FUEL COST RECOVERIES	(30,017,459)	(32,319,854)			(149,489)	922,644				(31,546,699)	1,529,240
FUEL OVER/UNDER RECOVERIES	(2,277,743)					(857,115)				(857,115)	(1,420,628)
CONSERVATION/UNBUNDLING RECOVERIES	(2,275,547)		(2,292,187)		(12,569)	10,991				(2,293,765)	18,218
INT. & INC. TAX SYNCHRONIZATION						75,694				75,694	(75,694)
NONUTILITY DEPRECIATION EXPENSE				(77,939)		29,328				(48,611)	48,611
RATE REFUND ADJ - 2006 O/E	(46,400)					(17,460)				(17,460)	(28,940)
REMOVAL OF ECONOMIC DEV. EXP. \$											
AEP	(517,361)		(514,774)		(2,587)					(517,361)	
RATE REFUND ADJ - 2005 O/E	16,099					6,058				6,058	10,041
TOTAL FPSC ADJUSTMENTS	(35,118,411)	(32,319,854)	(2,806,961)	(77,939)	(164,645)	170,140				(35,199,259)	80,848
FPSC ADJUSTED	29,731,598		14,791,687	4,489,489	5,552,108	1,544,387	(589,726)	(39,372)		25,748,573	3,983,025
FLEX RATE REVENUES											
ADJUSTED FOR											
FLEX RATE REVENUES	29,731,598		14,791,687	4,489,489	5,552,108	1,544,387	(589,726)	(39,372)		25,748,573	3,983,025
PRO FORMA REVENUE INCREASE AND ANNUALIZATION ADJUSTMENTS:											
TOTAL PRO FORMA ADJUSTMENTS											
PRO FORMA ADJUSTED	\$29,731,598		\$14,791,687	\$4,489,489	\$5,552,108	\$1,544,387	(\$589,726)	(\$39,372)		\$25,748,573	\$3,983,025
PER BOOKS											
CURRENT MONTH AMOUNT	\$6,435,052	\$3,437,569	\$1,548,781	\$397,823	\$517,208	(\$300,553)	\$399,364	(\$3,281)		\$5,996,911	\$438,141

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED GAS DIVISIONS
YEAR END RATE OF RETURN
RATE BASE
DECEMBER 2007**

SCHEDULE 3

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION*	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	\$109,244,416	\$36,390,985	\$72,853,431		\$1,313,220	\$74,166,651	(\$6,299,648)	\$67,867,003
<u>FPSC ADJUSTMENTS:</u>								
NONUTILITY PLANT	(820,604)	(254,284)	(566,320)			(566,320)		(566,320)
RATE REFUND ADJ - 2006 O/E							26,325	26,325
SFNG ACQUISITION GOOD WILL	(2,545,010)		(2,545,010)			(2,545,010)		(2,545,010)
RATE REFUND PENDING - 2005 O/E								
1/2 RATE CASE EXPENSE							(44,315)	(44,315)
TOTAL FPSC ADJUSTMENTS	(3,365,614)	(254,284)	(3,111,330)			(3,111,330)	(17,990)	(3,129,320)
FPSC ADJUSTED	\$105,878,802	\$36,136,701	\$69,742,101		\$1,313,220	\$71,055,321	(\$6,317,638)	\$64,737,683
<u>PRO FORMA REVENUE INCREASE AND ANNUALIZATION ADJUSTMENTS:</u>								
REVERSAL OF PGA OVER RECOVERIES							1,545,470	1,545,470
TOTAL PRO FORMA ADJUSTMENTS							1,545,470	1,545,470
PRO FORMA ADJUSTED	\$105,878,802	\$36,136,701	\$69,742,101		\$1,313,220	\$71,055,321	(\$4,772,168)	\$66,283,153

*INCLUDES CUSTOMER ADVANCES FOR CONSTRUCTION

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED GAS DIVISIONS
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
DECEMBER 2007**

SCHEDULE 4

AVERAGE	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MID POINT		HIGH POINT	
				PRORATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	\$24,717,431	281,287	\$24,998,718	(1,306,228)		\$23,692,490	39.15	8.00	3.13	8.00	3.13	8.00	3.13
SHORT TERM DEBT	2,199,151	25,571	2,224,722	(116,246)		2,108,476	3.48	4.14	0.14	4.14	0.14	4.14	0.14
PREFERRED STOCK	291,515	5,115	296,630	(15,499)		281,131	0.46	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	5,627,676		5,627,676			5,627,676	9.30	6.59	0.61	6.59	0.61	6.59	0.61
COMMON EQUITY	23,934,943	(311,973)	23,622,970	(1,234,343)		22,388,627	36.99	10.25	3.79	11.25	4.16	12.25	4.53
DEFERRED INCOME TAXES	6,231,942		6,231,942			6,231,942	10.30						
TAX CREDITS-ZERO COST													
TAX CREDITS-WEIGHTED COST	190,499		190,499			190,499	0.32	8.85	0.03	9.32	0.03	9.78	0.03
TOTAL	\$63,193,157		\$63,193,157	(\$2,672,316)		\$60,520,841	100.00		7.72		8.09		8.46

YEAR END	SYSTEM PER BOOKS	ADJUSTMENT FOR FLO-GAS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MID POINT		HIGH POINT	
				PRORATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	\$25,855,516	199,064	\$26,054,580	(1,433,541)		\$24,621,039	38.03	7.99	3.04	7.99	3.04	7.99	3.04
SHORT TERM DEBT	5,687,531	39,813	5,727,344	(315,123)		5,412,221	8.36	1.67	0.14	1.67	0.14	1.67	0.14
PREFERRED STOCK	307,127		307,127	(16,898)		290,229	0.45	4.75	0.02	4.75	0.02	4.75	0.02
CUSTOMER DEPOSITS	5,679,024		5,679,024			5,679,024	8.77	6.35	0.56	6.35	0.56	6.35	0.56
COMMON EQUITY	25,025,137	(238,877)	24,786,260	(1,363,758)		23,422,502	36.18	10.25	3.71	11.25	4.07	12.25	4.43
DEFERRED INCOME TAXES	5,141,855		5,141,855			5,141,855	7.94						
TAX CREDITS-ZERO COST													
TAX CREDITS-WEIGHTED COST	170,813		170,813			170,813	0.27	8.33	0.02	8.76	0.02	9.20	0.02
TOTAL	\$67,867,003		\$67,867,003	(\$3,129,320)		\$64,737,683	100.00		7.49		7.85		8.21

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED GAS DIVISIONS
EARNED RETURN ON COMMON EQUITY
FPSC ADJUSTED BASIS
DECEMBER 2007**

SCHEDULE 5

**A. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON
COMMON EQUITY INCLUDING FLEX RATE REVENUES**

FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	6.58
LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	(3.13)
SHORT TERM DEBT	(0.14)
PREFERRED STOCK	(0.02)
CUSTOMER DEPOSITS	(0.61)
TAX CREDITS - WEIGHTED COST (MIDPOINT)	(0.03)
 SUBTOTAL	 (3.93)
TOTAL	2.65
DIVIDED BY RECONCILED COMMON EQUITY RATIO	0.3699
JURISDICTIONAL RETURN ON COMMON EQUITY	7.16

**B. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON
COMMON EQUITY EXCLUDING FLEX RATE REVENUES**

NET OPERATING REVENUE EXCLUDING FLEX RATE REVENUES	\$3,983,025
RATE BASE EXCLUDING FLEX RATE REVENUES	\$60,520,841
FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	6.58
LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	(3.13)
SHORT TERM DEBT	(0.14)
PREFERRED STOCK	(0.02)
CUSTOMER DEPOSITS	(0.61)
TAX CREDITS - WEIGHTED COST (MIDPOINT)	(0.03)
 SUBTOTAL	 (3.93)
TOTAL	2.65
DIVIDED BY RECONCILED COMMON EQUITY RATIO	0.3699
JURISDICTIONAL RETURN ON COMMON EQUITY	7.16

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
100.2280.12 - Natural Gas Storm Reserve
Dec-07**

Prepared by: N Bhatia

Date: 02/13/08

Approved by: _____

Date: _____

DATE	Accruals/T ransfers	Storm Charges	Overearnings (JE 5)	Balance
BALANCES				0.00
Jan-07		0.00		0.00
Feb-07		0.00		0.00
Mar-07		0.00		0.00
Apr-07		0.00		0.00
May-07		0.00		0.00
Jun-07		0.00		0.00
Jul-07		0.00		0.00
Aug-07		0.00		0.00
Sep-07		0.00	610,069.25	610,069.25
Oct-07		0.00		610,069.25
Nov-07		0.00	2,704.57	612,773.82
Dec-07		0.00		612,773.82
	<u>0.00</u>	<u>0.00</u>	<u>612,773.82</u>	

Note: \$117,773 of 2002 excess earnings was ordered by the Commission on 10/25/05 to be considered as an offset to future storm restoration costs. The \$117,773 of excess earnings was offset by March 2006, and the balance of March's storm costs were transferred to account 121.1820.31. Future storm costs will be posted to that account.

Sep-07 Per Order # PSC-05-1040-PAA-GU issued 10/25/05, Docket # 070107-GU, staff recommends the the total 2005 excess earnings of \$735,182, including interest should first be used to offset the uncollected remainder of the NG storm surcharge. FPUC should stop collecting the NG storm surcharge in the first illing cycle within a new calendar month 30 days after the order approving this recommended offset becomes final. The remaining amount of the 2005 excess earning should be applied to the storm reserve to cover future storm-related costs.

	<u>09/30/07</u>
2005 Over-earning Balance #2290.1	735,182.00
Less amt. applied to 121.1820.31 Unrecovered Storm Costs	(13,286.00)
Less amt. applied to 121.1820.32 Regulatory Asset Storm reserve (surcharge)	(118,436.86)
Plus Interest for Aug & Sept on Ovr Ern	6,610.11
	<u>610,069.25</u>
November 2007 Final bal. Trnsf	2,704.57
Remainder Trnsf to 2280.12 for NG Storm Reserve to cover future storm-related costs	<u>\$ 612,773.82</u>

**ITC AMORTIZATION FOR JAN. - NOV. OF 2008
AND DECEMBER OF 2007**

	2007			2008 JAN - NOV	2550.1 BAL 11/30/2007	DEC. 07 ACCRUALS	2550.1 BAL. 12/31/2007	BAL. PER ITC SCH	DIFF.
	JAN - NOV	DECEMBER	TOTAL						
FPUC									
MARIANNA	9,185.00	834.85	10,019.85		26,994.53	(834.85)	26,159.68	26,159.68	0.00
FERNANDINA	17,897.00	1,621.12	19,518.12		70,884.35	(1,621.12)	69,263.23	69,263.23	0.00
W.P.B.	28,996.00	2,636.32	31,632.32		136,475.29	(2,636.32)	133,838.97	133,838.97	0.00
CENTRAL FLORIDA	7,095.00	644.58	7,739.58		37,618.48	(644.58)	36,973.90	36,973.90	0.00
FLO-GAS									
W.P.B.	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
CENTRAL FLORIDA	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00

**FLORIDA PUBLIC UTILITIES COMPANY
 AND FLO-GAS CORPORATION
 AMORTIZATION OF I.T.C.
 MARIANNA DIVISION
 UPDATED FOR 2004 RATES**

YEAR	RATE	8%		TOTAL 4, 8, & 10%		TOTAL ITC		YEAR
		YEAR 1985						
		AMORT.	BALANCE	AMORT.	BALANCE	AMORT.	BALANCE	
		68814.82	68814.82	555827.62	555827.62	604107.60	604107.60	
1963	3.00%			0.00	0.00	128.26	10,272.63	1963
1964	3.00%			0.00	0.00	312.03	17,517.74	1964
1965	3.00%			0.00	0.00	538.74	25,086.65	1965
1966	3.00%			0.00	0.00	781.97	31,152.24	1966
1967	3.00%			0.00	0.00	987.40	35,221.03	1967
1968	3.00%			0.00	0.00	1,139.09	39,355.05	1968
1969	3.00%			0.00	0.00	1,297.28	43,095.21	1969
1970	3.00%			0.00	0.00	1,448.40	41,646.81	1970
1971	3.00%			0.00	0.00	1,448.40	40,198.41	1971
1972	3.00%			222.86	26417.82	1,671.28	65,167.83	1972
1973	3.00%			799.22	46439.21	2,247.62	83,740.82	1973
1974	3.00%			1423.84	66177.11	2,872.24	102,030.32	1974
1975	3.00%			2058.69	92224.58	3,507.09	126,629.39	1975
1976	3.00%			2901.87	139855.58	4,350.27	172,811.99	1976
1977	3.48%			5124.72	174144.27	6,804.87	205,420.53	1977
1978	3.48%			6496.31	203499.49	8,176.46	233,095.60	1978
1979	3.48%			7743.94	232822.53	9,424.09	260,738.49	1979
1980	3.48%			9033.87	257485.73	10,714.02	283,721.54	1980
1981	3.48%			10206.53	297274.64	11,886.68	321,830.30	1981
1982	3.48%			11946.37	323954.75	13,626.52	346,830.26	1982
1983	3.48%			13290.57	350425.82	14,970.72	371,621.18	1983
1984	3.48%			14674.28	388427.19	16,354.43	407,942.40	1984
1985	3.64%		68814.82	17266.35	439975.66	19,023.74	457,733.48	1985
1986	3.64%	2504.86	66309.96	19771.21	432799.67	21,528.60	448,800.10	1986
1987	3.64%	2504.86	63805.10	20229.68	412637.31	21,987.07	426,880.35	1987
1988	3.64%	2504.86	61300.24	24358.13	388151.22	26,112.52	400,639.87	1988
1989	3.34%	2298.41	59001.83	20706.61	367415.66	22,461.17	378,149.75	1989
1990	3.34%	2298.41	56703.42	11485.16	355930.50	12,438.72	365,711.03	1990
1991	3.34%	2298.41	54405.01	19884.41	336046.09	21,494.97	344,218.06	1991
1992	3.34%	2298.41	52106.60	18557.91	317488.18	20,170.47	324,045.59	1992
1993	3.34%	2298.41	49808.19	18557.16	298931.02	20,122.73	303,922.86	1993
1994	4.17%	2869.58	46938.61	21958.95	276971.94	23,654.82	280,267.91	1994
1995	4.17%	2869.58	44069.03	23168.65	253803.42	24,452.53	255,815.51	1995
1996	4.17%	2869.58	41199.45	23168.65	230634.77	23,984.67	231,830.84	1996
1997	4.17%	2869.58	38329.87	23168.65	207466.12	23,668.78	208,162.06	1997
1998	4.28%	2945.27	35384.60	23781.19	183684.93	24,008.46	184,153.60	1998
1999	4.28%	2945.27	32439.33	23781.05	159903.88	23,996.65	160,156.95	1999
2000	4.28%	2945.27	29494.06	23393.01	136510.87	23,608.61	136,548.34	2000
2001	4.28%	2945.27	26548.79	22245.21	114265.66	22,282.68	114,265.66	2001
2002	4.28%	2945.27	23603.52	21026.20	93239.46	21,026.20	93,239.46	2002
2003	4.28%	2945.27	20658.25	18903.26	74336.20	18,903.26	74,336.20	2003
2004	3.61%	2484.22	18174.03	14114.63	60221.57	14,114.63	60,221.57	2004
2005	3.61%	2484.22	15689.81	12702.69	47518.88	12,702.69	47,518.88	2005
2006	3.61%	2484.22	13205.59	11339.35	36179.53	11,339.35	36,179.53	2006
2007	3.61%	2484.22	10721.37	10019.86	23159.83	10,019.86	23,159.83	2007
2008	3.61%	2484.22	8237.15	8415.65	17744.03	8,415.65	17,744.03	2008
2009	3.81%	2484.22	5752.93	6800.52	10943.51	6,800.52	10,943.51	2009
2010	3.61%	2986.63	2766.30	5831.30	4367.21	5,831.30	4,367.21	2010
2011	3.61%	2484.22	282.06	3488.29	878.92	3,488.29	878.92	2011
2012	3.61%	282.08	0.00	732.15	146.77	732.15	146.77	2012
2013	3.61%	0.00	0.00	146.77	0.00	146.77	0.00	2013
2014	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2014
2015	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2015
2016	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2016
2017	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2017
2018	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2018
2019	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2019
2020	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2020
2021	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2021
2022	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2022
2023	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2023
2024	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2024
2025	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2025
2026	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2026
2027	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2027

**FLORIDA PUBLIC UTILITIES COMPANY
 AND FLO-GAS CORPORATION
 AMORTIZATION OF I.T.C.
 FERNANDINA BEACH ELECTRIC DIVISION
 UPDATED FOR 1999 RATES**

YEAR	RATE	YEAR 1985		TOTAL 4 8 & 10%		TOTAL ITC		YEAR
		AMORT.	BALANCE	AMORT.	BALANCE	AMORT.	BALANCE	
		70305.80	70305.80	842860.75	842860.75	873719.72	873719.72	
1963	3.00%			0.00	0.00	426.15	16683.47	1963
1964	3.00%			0.00	0.00	513.29	18866.06	1964
1965	3.00%			0.00	0.00	594.17	19818.28	1965
1966	3.00%			0.00	0.00	640.56	20777.00	1966
1967	3.00%			0.00	0.00	688.54	22764.86	1967
1968	3.00%			0.00	0.00	768.83	23938.21	1968
1969	3.00%			0.00	0.00	827.10	25791.77	1969
1970	3.00%			0.00	0.00	907.52	25492.81	1970
1971	3.00%			0.00	0.00	925.78	24567.03	1971
1972	3.00%			124.73	16768.96	1050.51	40410.21	1972
1973	3.00%			506.81	62636.55	1432.59	85352.02	1973
1974	3.00%			1898.04	92720.15	2823.82	114509.84	1974
1975	3.00%			2867.49	116362.60	3783.27	137226.51	1975
1976	3.00%			3652.49	208143.18	4578.27	228081.31	1976
1977	3.35%			7275.62	232666.11	8309.39	251570.47	1977
1978	3.35%			8340.87	263923.84	9374.64	281794.43	1978
1979	3.35%			9667.42	288136.58	10701.19	304973.40	1979
1980	3.35%			10802.41	317748.42	11836.18	333551.47	1980
1981	3.35%			12156.29	355287.16	13190.06	370056.44	1981
1982	3.35%			13821.07	469992.64	14854.84	483728.15	1982
1983	3.35%			18126.71	511976.88	19160.48	524678.62	1983
1984	3.35%			20140.43	582919.60	21174.20	594587.57	1984
1985	3.35%		70305.80	23191.72	630033.68	24225.49	640667.88	1985
1986	3.61%	2538.04	67767.76	27529.71	679825.40	28643.71	689345.60	1986
1987	3.61%	2538.04	65229.72	30321.01	652447.93	31435.01	660854.13	1987
1988	3.61%	2538.04	62691.68	27594.27	624649.60	27102.27	633547.80	1988
1989	3.61%	2538.04	60153.64	30561.92	593997.19	31675.92	601781.39	1989
1990	3.61%	2538.04	57615.80	34712.38	559284.81	35826.38	565955.01	1990
1991	3.61%	2538.04	55077.56	30416.38	528868.43	31530.38	534424.63	1991
1992	3.61%	2538.04	52539.52	30417.38	498451.05	31531.38	502893.25	1992
1993	3.61%	2538.04	50001.48	30310.38	468140.67	31278.06	471615.19	1993
1994	3.61%	1925.29	48076.19	21838.89	437723.27	22392.44	440644.24	1994
1995	3.05%	2144.33	45931.86	25610.11	412113.16	25983.89	414660.35	1995
1996	3.05%	2144.33	43787.53	25611.26	386501.90	25921.59	388738.76	1996
1997	3.05%	2144.33	41643.20	25611.26	360890.64	25872.58	362866.18	1997
1998	3.05%	2144.33	39498.87	25611.26	335279.38	25803.20	337062.98	1998
1999	4.39%	3086.42	36412.45	36866.14	298413.24	37026.94	300036.04	1999
2000	4.39%	3086.42	33326.03	36863.40	261549.84	36890.12	263145.92	2000
2001	4.39%	3086.42	30239.61	36736.99	224812.85	36763.71	226382.21	2001
2002	4.39%	3086.42	27153.19	35472.50	189340.35	35499.22	190882.99	2002
2003	4.39%	3086.42	24066.77	33193.68	156146.67	33220.40	157662.59	2003
2004	3.61%	2538.04	21528.73	26590.81	130555.86	25612.78	132049.81	2004
2005	3.61%	2538.04	18990.69	22263.42	108292.44	22285.39	109764.42	2005
2006	3.61%	2538.04	16452.65	20961.10	87331.34	20983.07	88781.35	2006
2007	3.61%	2538.04	13914.61	19498.15	67455.19	19549.12	69763.25	2007
2008	3.61%	2538.04	11376.57	18090.91	49744.28	18090.91	49744.28	2008
2009	3.61%	2538.04	8838.53	16369.09	33375.19	16369.09	33375.19	2009
2010	3.61%	2538.04	6300.49	12900.72	20474.47	12900.72	20474.47	2010
2011	3.61%	2538.04	3782.45	9445.55	11028.92	9445.55	11028.92	2011
2012	3.61%	2538.04	1224.41	6351.22	4677.70	6351.22	4677.70	2012
2013	3.61%	1224.41	0.00	4008.34	669.36	4008.34	669.36	2013
2014	3.61%	0.00	0.00	669.36	0.00	669.36	0.00	2014
2015	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2015
2016	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2016
2017	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2017
2018	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2018
2019	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2019
2020	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2020
2021	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2021
2022	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2022
2023	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2023
2024	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2024
2025	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2025
2026	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2026
2027	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2027

**FLORIDA PUBLIC UTILITIES COMPANY
 AND FLO-GAS CORPORATION
 AMORTIZATION OF I.T.C.
 WEST PALM BEACH DIVISION
 UPDATED FOR 2005 RATES**

YEAR	RATE	YEAR 1985		TOTAL 4 B & 10%		TOTAL ITC		YEAR
		AMORT.	BALANCE	AMORT.	BALANCE	AMORT.	BALANCE	
		72175.17	72175.17	963253.37	963253.37	1048585.51	1048585.51	
1963	2.00%			0.00	0.00	291.99	24,772.59	1963
1964	2.00%			0.00	0.00	501.29	41,539.70	1964
1965	2.00%			0.00	0.00	846.86	50,246.20	1965
1966	2.00%			0.00	0.00	1,037.72	55,193.96	1966
1967	2.00%			0.00	0.00	1,157.43	64,038.67	1967
1968	2.00%			0.00	0.00	1,357.47	72,474.77	1968
1969	2.00%			0.00	0.00	1,553.34	77,820.30	1969
1970	2.00%			0.00	0.00	1,691.32	76,694.92	1970
1971	2.00%			0.00	0.00	1,706.64	75,188.28	1971
1972	2.00%			221.22	24156.84	1,927.86	97,638.48	1972
1973	2.00%			487.56	38691.19	2,194.20	110,466.19	1973
1974	2.00%			788.00	55180.09	2,494.64	125,228.45	1974
1975	2.00%			1133.14	106534.61	2,839.78	174,896.33	1975
1976	2.00%			2183.29	151253.93	3,889.93	217,909.01	1976
1977	3.06%			4775.65	188718.77	7,386.82	252,760.68	1977
1978	3.06%			8068.15	218596.51	8,679.32	280,029.25	1978
1979	3.06%			7188.17	324147.97	9,779.34	382,969.54	1979
1980	3.06%			10617.39	406425.35	13,228.56	462,635.75	1980
1981	3.06%			13459.97	508462.93	16,071.14	562,062.16	1981
1982	3.12%			17327.40	617842.09	19,989.78	668,778.96	1982
1983	3.12%			21280.64	695271.48	23,943.00	743,545.99	1983
1984	3.12%			24380.39	781207.23	27,022.75	828,819.38	1984
1985	3.12%		72175.17	27801.63	825560.77	30,463.99	868,530.56	1985
1986	2.87%	2071.43	70103.74	27845.36	833569.89	30,094.39	874,070.65	1986
1987	2.87%	2071.43	68032.31	28637.76	804901.83	31,086.79	842,953.56	1987
1988	2.87%	2071.43	65960.88	28678.00	776256.13	31,125.03	811,858.83	1988
1989	2.87%	2071.43	63889.45	28668.06	747588.07	31,117.09	780,741.74	1989
1990	2.87%	2071.43	61818.02	28668.06	718920.01	31,117.09	749,624.65	1990
1991	2.87%	2071.43	59746.59	28668.06	690251.95	31,117.09	718,507.56	1991
1992	2.87%	2071.43	57675.16	28668.06	661583.89	31,117.09	687,390.47	1992
1993	2.87%	2071.43	55603.73	28668.06	632915.83	31,117.09	656,273.38	1993
1994	2.87%	2621.30	52962.43	29217.93	603697.90	31,666.96	624,606.42	1994
1995	4.09%	2951.96	50030.47	40841.62	562856.28	44,331.71	580,274.71	1995
1996	4.09%	2951.96	47078.51	40857.88	521998.40	44,347.97	535,926.74	1996
1997	4.09%	2951.96	44126.55	40854.51	481143.89	44,344.60	491,582.14	1997
1998	4.09%	2951.96	41174.59	40854.51	440289.38	44,344.60	447,237.54	1998
1999	4.09%	2951.96	38222.63	40854.51	399434.87	44,037.68	403,199.86	1999
2000	3.29%	2374.56	35848.07	32871.86	366563.01	34,621.56	368,578.30	2000
2001	3.29%	2374.56	33473.51	32861.20	333701.81	33,985.33	334,592.97	2001
2002	3.29%	2374.56	31098.95	32863.41	300838.40	33,573.81	301,019.16	2002
2003	3.29%	2374.56	28724.39	32863.41	267974.99	33,038.22	267,980.94	2003
2004	3.29%	2374.56	26349.63	32807.05	235167.94	32,813.00	235,167.94	2004
2005	3.61%	2605.52	23744.31	35356.79	199811.15	35,356.79	199,811.15	2005
2006	3.61%	2605.52	21138.79	34339.86	165471.29	34,339.86	165,471.29	2006
2007	3.61%	2605.52	18533.27	31652.32	133838.97	33,457.42	133,838.97	2007
2008	3.61%	2605.52	15927.75	29627.56	104211.41	29,627.56	104,211.41	2008
2009	3.61%	2605.52	13322.23	28023.90	76187.51	28,023.90	76,187.51	2009
2010	3.61%	2605.52	10716.71	24233.01	51954.50	24,233.01	51,954.50	2010
2011	3.61%	2605.52	8111.19	19691.24	32283.26	19,691.24	32,283.26	2011
2012	3.61%	2605.52	5505.87	14782.05	17481.21	14,782.05	17,481.21	2012
2013	3.61%	2605.52	2900.15	9995.89	7485.32	9,995.89	7,485.32	2013
2014	3.61%	2605.52	294.63	5722.87	1762.45	5,722.87	1,762.45	2014
2015	3.61%	294.83	0.00	1581.04	181.41	1,581.04	181.41	2015
2016	3.61%	0.00	0.00	186.82	-5.41	186.82	(5.41)	2016
2017	3.61%	0.00	0.00	32.65	-38.06	32.65	(38.06)	2017
2018	3.61%	0.00	0.00	-46.86	8.80	(46.86)	8.80	2018
2019	3.61%	0.00	0.00	8.80	0.00	8.80	0.00	2019
2020	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2020
2021	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2021
2022	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2022
2023	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2023
2024	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2024
2025	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2025
2026	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2026
2027	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2027

**FLORIDA PUBLIC UTILITIES COMPANY
 AND FLO-GAS CORPORATION
 AMORTIZATION OF I.T.C.
 CENTRAL FLORIDA DIVISION
 UPDATED FOR 2005 RATES**

YEAR	RATE	YEAR 1985		TOTAL 4 8 & 10%		TOTAL ITC		YEAR
		AMORT.	BALANCE	AMORT.	BALANCE	AMORT.	BALANCE	
		14529.61	14529.61	249857.13	249857.13	264492.74	264492.74	
1963	2.00%			0.00	0.00	0.00	0.00	1963
1964	2.00%			0.00	0.00	0.00	0.00	1964
1965	2.00%			0.00	0.00	0.00	3,255.40	1965
1966	2.00%			0.00	0.00	65.11	4,309.19	1966
1967	2.00%			0.00	0.00	87.49	6,272.30	1967
1968	2.00%			0.00	0.00	128.50	7,208.73	1968
1969	2.00%			0.00	0.00	149.80	8,722.03	1969
1970	2.00%			0.00	0.00	183.06	8,538.97	1970
1971	2.00%			0.00	0.00	183.06	8,355.91	1971
1972	2.00%			37.85	2560.03	220.91	10,732.88	1972
1973	2.00%			51.96	12511.47	235.02	20,501.26	1973
1974	2.00%			252.03	17248.04	435.09	25,054.77	1974
1975	2.00%			351.80	24616.55	534.86	32,240.22	1975
1976	2.00%			506.21	29840.18	689.27	37,260.79	1976
1977	3.06%			949.81	39415.09	1,229.90	46,575.61	1977
1978	3.06%			1271.87	48627.87	1,551.96	55,508.30	1978
1979	3.06%			1592.70	57054.66	1,872.79	63,855.00	1979
1980	3.06%			1899.30	85013.61	2,179.39	71,333.86	1980
1981	3.06%			2200.96	72704.50	2,481.05	78,744.66	1981
1982	3.12%			2552.76	96003.19	2,838.34	101,757.77	1982
1983	3.12%			3359.33	114113.79	3,644.91	119,582.79	1983
1984	3.12%			4029.19	133279.24	4,314.77	138,462.66	1984
1985	3.12%		10127.98	4752.88	138654.36	5,038.44	143,552.20	1985
1986	2.87%	290.67	9837.31	4662.70	167786.51	4,925.38	172,421.67	1986
1987	2.87%	290.67	9546.64	5632.61	162130.79	5,895.29	166,503.27	1987
1988	2.87%	290.67	9255.97	5631.95	156495.21	5,894.63	160,605.01	1988
1989	2.87%	290.67	8965.30	5631.85	150863.36	5,894.53	154,710.48	1989
1990	2.87%	290.67	8674.63	5631.85	145231.51	5,894.53	148,815.95	1990
1991	2.87%	290.67	8383.96	5631.85	139599.66	5,894.53	142,921.42	1991
1992	2.87%	290.67	8093.29	5631.85	133967.81	5,894.53	137,026.89	1992
1993	2.87%	290.67	7802.62	5631.85	128335.96	5,894.53	131,132.36	1993
1994	2.87%	290.67	7511.95	5631.85	122704.11	5,894.53	125,237.83	1994
1995	4.09%	414.23	7097.72	8026.18	114877.93	8,400.54	116,837.29	1995
1996	4.09%	414.23	6683.49	8026.13	106651.80	8,400.49	108,436.80	1996
1997	4.09%	414.23	6269.26	8026.13	98625.67	8,400.49	100,036.31	1997
1998	4.09%	414.23	5855.03	8026.13	90599.54	8,400.49	91,635.82	1998
			8396.17		113148.67		114,884.89	
1999	4.09%	594.28	7801.91	10219.29	102929.38	10,817.89	104,067.00	1999
2000	3.29%	478.02	7323.89	8220.14	94709.24	8,701.64	95,365.36	2000
2001	3.29%	478.02	8845.87	8220.14	86489.10	8,608.48	86,756.88	2001
2002	3.29%	478.02	6367.85	8220.14	78268.96	8,436.50	78,320.38	2002
2003	3.29%	478.02	5889.83	8220.14	70048.82	8,271.56	70,048.82	2003
2004	3.29%	478.02	5411.81	8199.49	61849.33	8,199.49	61,849.33	2004
2005	3.61%	524.52	4887.29	8833.44	53015.89	8,833.44	53,015.89	2005
2006	3.81%	524.52	4362.77	8302.41	44713.48	8,302.41	44,713.48	2006
2007	3.81%	524.52	3837.25	7749.53	36974.90	7749.53	36,974.90	2007
2008	3.61%	524.52	3313.73	7213.58	29760.32	7,213.58	29,760.32	2008
2009	3.61%	524.52	2789.21	6638.94	23121.38	6,638.94	23,121.38	2009
2010	3.61%	524.52	2264.69	6013.42	17107.96	6,013.42	17,107.96	2010
2011	3.61%	524.52	1740.17	5248.97	11860.99	5,248.97	11,860.99	2011
2012	3.61%	524.52	1215.65	4538.76	7322.23	4,538.76	7,322.23	2012
2013	3.61%	524.52	691.13	3409.53	3912.70	3,409.53	3,912.70	2013
2014	3.81%	524.52	166.61	2299.84	1612.86	2,299.84	1,612.86	2014
2015	3.81%	166.61	0.00	1465.15	147.71	1,465.15	147.71	2015
2016	3.81%	0.00	0.00	1415.13	-1267.42	1,415.13	(1,267.42)	2016
2017	3.81%	0.00	0.00	-1267.42	0.00	(1,267.42)	0.00	2017
2018	3.81%	0.00	0.00	0.00	0.00	0.00	0.00	2018
2019	3.81%	0.00	0.00	0.00	0.00	0.00	0.00	2019
2020	3.81%	0.00	0.00	0.00	0.00	0.00	0.00	2020
2021	3.81%	0.00	0.00	0.00	0.00	0.00	0.00	2021
2022	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2022
2023	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2023
2024	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2024
2025	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2025
2026	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2026
2027	3.61%	0.00	0.00	0.00	0.00	0.00	0.00	2027