

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Public)	DOCKET NO. 900151-GU
Utilities Company for a rate)	ORDER NO: 23987
Increase.)	ISSUED: 1/15/91
_____)	

Pursuant to Notice, a Prehearing Conference was held on January 3, 1991, before Commissioner Betty Easley, as Prehearing Officer.

APPEARANCES: WILLIAM E. EATON, JR., Esquire, Suite 301 Flagler Court Building, 215 Fifth Street, West Palm Beach, FL 33401
On behalf of Florida Public Utilities Company.

FREDERICK M. BRYANT, Esquire, Moore, Williams, Bryant, Peebles & Gautier, P. A., 306 East College Avenue, P. O. Box 1169, Tallahassee, FL 32302-1169
On behalf of City of Lake Worth Utilities.

ROBERT V. ELIAS, Esquire, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, FL 32399-0863
On behalf of the Commission Staff.

Prentice Pruitt, Esquire, Florida Public Service Commission, Division of Appeals, 101 East Gaines Street, Tallahassee, FL 32399-0861
Counsel to the Commissioners.

PREHEARING ORDERBackground

On July 2, 1990, Florida Public Utilities Company (FPU, FPUC or the Company) filed a petition for a revenue increase of \$2,022,050 per annum, based upon a projected test year ending December 31, 1991. The petition states that this increase should afford the company an opportunity to earn a fair and reasonable rate of return of 9.05%. The Company also filed a separate petition for interim rate relief under Section 366.071, Florida Statutes. On October 4, 1990, the City of Lake Worth was granted permission to intervene in this docket.

On September 19, 1990, Order No. 32516 was issued suspending the request for permanent rate relief and authorizing the Company to collect \$997,055 per annum in interim rate relief. On November 19, 1990, an Order on Prehearing Procedure was entered requiring parties to prefile direct testimony, and to identify witnesses,

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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exhibits and issues. On November 13, 1990, a Notice of Hearing was entered, setting January 3, 1991 as the date for the prehearing conference.

On December 4, 1990, the Company filed supplemental direct testimony to incorporate certain known and measurable changes that had occurred since filing its case. These changes were required primarily to 1) adjust allocation factors to reflect findings on the Commission Staff's audit, 2) to incorporate changes due to Commission Order No. 23399 dated August 23, 1990 that directed rate base treatment different from that anticipated by the Company in its filing for investment related to providing service to the IBIS Country Club development, and 3) to update certain budgeted projections based upon actual data. Based upon the supplemental testimony, the rate relief requested increased to \$2,239,827.

On December 19 and 20, 1990, the Company agreed with Commission Staff to expedite the physical retirement of certain inactive service lines, which increased its projected O & M expense. On January 3, 1991, the Commission Staff filed its recommendation in Docket 900600-GU recommending changes in depreciation rates and service lives of equipment. If approved by the Commission, the recommended changes will increase O & M expense by \$184,593, while increasing accumulated depreciation of plant by \$92,297. Collectively, the result of the changes ordered by the Commission or recommended by Staff in other dockets have increased the need for rate relief to \$2,320,561.

On January 3, 1991, a prehearing conference was held. FPUC indicated agreement with the staff positions on all the issues. The City of Lake Worth changed its positions on issues 17 and 18 to "not at issue". Therefore, all factual issues in this proceedings have been stipulated, and the case will be presented to the panel as a stipulated case. This may obviate the need for the presentation of evidence at hearing. Accordingly, the normal sections of this Prehearing Order concerning Prefiled Testimony; the use of Interrogatories and Depositions; the Order of Witnesses and Exhibits have been excluded.

PARTIES' STATEMENT OF BASIC POSITIONS

FPUC: It is the Company's responsibility to provide reliable, safe service to its customers at the most economical cost possible.

Because of increased utility operating costs, increased plant replacement costs and the need for additional plant investment, the Company's earned rate of return in the historic test year 1989 fell to 5.91% and represents that a return of 5.91% does not provide reasonable compensation to the Company's stockholders and is not sufficient to attract new capital. The Company further calculates

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that present rates and charges would permit the Company an opportunity to earn a return of only 3.26% in 1991.

The Company requests approval to increase its rates by the amount of \$2,239,827 per annum, which amount will allow a return of 9.11% on the allowable rate base.

CITY OF LAKE WORTH: Lake Worth takes no position on all issues.

STAFF: Florida Public Utilities Company has supported the need for a revenue increase of \$2,320,561 in the projected test year. This increase is greater than the company initially requested due to circumstances explained in the case background portion of this order.

POSITIONS OF PARTIES

1. ISSUE: Should an adjustment be made to the Company's projected test year balance of plant in service, accumulated depreciation, and depreciation expense to reflect increases in percentages of common plant allocable to nonutility operations?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. The following adjustments should be made to common plant, accumulated depreciation and depreciation expense:

<u>Account</u>	<u>Plant</u>	<u>Accumulated Depreciation</u>	
		<u>Depreciation</u>	<u>Expense</u>
389	(\$2,583)	N/A	N/A
374	(\$469)	N/A	N/A
375	(\$19,984)	(\$5,919)	(\$500)
390	(\$2,716)	(\$765)	(73)
392	(\$58,577)	(\$26,475)	N/A
Subtotal	(\$84,329)	(\$33,159)	(\$573)
Less: Co. Adj.	(\$77,608)	(\$30,101)	(0)
Net Adjustment	(\$ 6,721)	(\$ 3,058)	(\$573)

2. ISSUE: Contrary to Commission rule 25-7.0461, the Company included certain administrative and general expenses in capitalized construction overhead. Should there be an adjustment reducing plant, accumulated depreciation, and depreciation expenses and increasing administrative and

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general expenses to achieve compliance with the Commission's rule?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. The following adjustments should be made:

<u>Plant</u>	<u>Accum. Depr.</u>	<u>Depr. Exp.</u>	<u>Admin. & Gen. Expense</u>
(\$387,493)	(\$16,763)	(\$13,291)	\$174,484

3. ISSUE: Should Plant in Service and associated accumulated depreciation accounts be reduced to remove inactive service lines that have been inactive for more than five years?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. Plant in Service and Associated Accumulated Depreciation should be reduced. However, the amounts cannot be determined until the Company conducts a study to identify the location and costs of affected lines. The absence of records of terminated accounts will necessitate a physical survey of the Company's distribution system to locate inactive services. Such a study is very time-consuming with Company completion dates projected in 1999. Staff has agreed to allow only five years for completion of the Company's study. To meet this five-year deadline, the Company and Staff have agreed to increase O&M expenses \$68,000 to provide for additional survey crew personnel. The Company further agrees to submit annual progress reports to the Commission.

4. ISSUE: What is the appropriate projected test year working capital allowance? (This is a calculation based on the resolution of any preceding working capital issues.)

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

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STAFF: The appropriate amount of projected test year working capital is \$0.

5. ISSUE: Should depreciation expenses be adjusted to reflect the depreciation rates approved by the Commission in Docket No. 900600-GU relating to the Company's 1990 depreciation study?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. Plant in Service and associated accumulated depreciation should be calculated at rates determined in Docket No. 900600-GU. As recommended in that docket, this will require an increase in depreciation expense of \$184,593 and an increase in accumulated depreciation of \$92,297. These adjustments have been incorporated in the schedules attached to this prehearing statement. It is noted that these adjustments are contingent upon Commission approval of Staff's recommended depreciation rates. If approved, these rates will be incorporated into the current rate case, effective January 1, 1991.

6. ISSUE: What is the appropriate rate base to be used for the projected test year ending December 31, 1991? (This is a calculation based on the resolution of the preceding rate base issues.)

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: \$23,260,599.

7. ISSUE: Should there be an adjustment to remove projected test year salaries associated with open positions that will not be filled until April, 1991 and to remove the salary of a terminated position?

POSITIONS:

FPUC: Agrees with Staff.

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CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. \$27,944 should be removed from projected test year salaries for positions that will not be filled during all or a portion of the test year.

8. ISSUE: Should there be an adjustment to the projected test year medical insurance expense because of the unusually high level of claims paid by the Company in 1989 and 1990?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. Based on past claims experience, the level of expenses paid in 1989 and 1990 is unlikely to recur in 1991. Allowing for a 10% increase over the average of the past five years of expenses results in a figure that is slightly less than the figure originally filed by the Company. Staff recommends a reduction of \$27,942 to return to the original expense figure that was proposed.

9. ISSUE: Should there be an adjustment reducing Account 913 for advertising expenses not considered to be strictly safety or information-related?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. Advertising expenses should be reduced by \$4,590.

10. ISSUE: Should gross receipts taxes be eliminated from base rates and stated as a separate line item on customers' bills?

POSITIONS:

FPUC: Yes.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. In this issue Staff agrees with Company.

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However, an adjustment also needs to be made to remove gross receipts taxes from revenues.

11. ISSUE: What are the appropriate trend factors to be used in deriving the projected test year operating and maintenance expenses?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: The appropriate trend factors to be used to derive the projected test year operating and maintenance expenses are as follows:

<u>FACTOR</u>	<u>HBV + 1</u>	<u>PTY</u>
Payroll	4.50%	4.50%
Customer Growth x Inflation	5.19%	6.10%
Inflation Only	5.50%	5.00%
Customer Growth	-.29%	1.05%

12. ISSUE: Should adjustments be made for the effect of the Company exceeding the O & M benchmark?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. The Company has not justified an increase in distribution account expenses of \$22,241. Therefore, O & M expenses should be reduced by that amount.

13. ISSUE: What is the appropriate amount of rate case amortization expense to be included in the projected test year?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: The appropriate amount of expense is \$48,206, with a

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three year write off. Since the Company's amended filing increased rate case expense to \$56,906, projected test year amortization expense should be decreased by \$2,900.

If a hearing is required, the Company and Staff agree that rate case expense should be increased back to \$56,906, with a resulting increase in projected test year amortization of \$2,900.

14. ISSUE: Should an adjustment be made to the projected test year payroll taxes for the effect of Staff's adjustments to payroll expense?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. Payroll taxes should be reduced by \$2,254 for the effect of a reduction to payroll expenses.

15. ISSUE: Should an adjustment be made to the projected test year operating expenses for the effect of changing the trend factors addressed in Issue 11? (This is a calculation based on the resolution of all operating and maintenance issues above.)

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. By applying these factors, the following adjustments are required due to a change in the inflation rate:

<u>Factor Type</u>	<u>PTY Amount</u>
Inflation	\$5,608

16. ISSUE: Should an adjustment be made for the effect of updating allocation factors that are applied to common expense accounts? The old allocation factors were based on 1987 data. The new allocation factors reflect 1989 data.

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POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. The revised allocation factors result in a \$43,441 reduction of common expenses allocated to the Company's natural gas operations. O & M expenses should be reduced by \$43,441.

17. ISSUE: Are the annual charges proposed by FPU for an allowance for environmental matters justified?

POSITIONS:

FPUC: Yes.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes.

18. ISSUE: Which classes of service should be increased to recover the relief granted?

POSITIONS:

FPUC: Agrees with staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Rates to the various classes should be increased as shown on Staff's Cost of Service Study, Attachment 6.

19. ISSUE: What is the appropriate amount of the projected test year depreciation and amortization expense?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: \$1,523,827.

20. ISSUE: Should adjustments be made to current income taxes and

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interest reconciliation for the effect of changes to the projected test year capital structure and net operating income?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes. The following adjustments should be made for the effect of changes to the projected test year operating income and capital structure:

Current Income Tax Expense:	
State Income Tax	(5,599)
Federal Income Tax	(32,711)
Deferred Income Tax Expense:	
State Income Tax	-0-
Federal Income Tax	-0-
Interest Reconciliation	(6,577)
Total Adjustments	(44,887)

21. ISSUE: What is the appropriate revenue expansion factor to be used in calculating the projected test year revenue deficiency?

POSITIONS:

FPUC: 1.6148984. This expansion factor excludes the gross receipts tax rate.

CITY OF LAKE WORTH: Not at issue.

STAFF: Agrees with Company. Calculation of the factor is shown on Attachment 4.

22. ISSUE: What is the appropriate amount of the projected test year net operating income?

POSITIONS:

FPUC: Agrees with Staff.

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CITY OF LAKE WORTH: Not at issue.

STAFF: Net Operating Income for the projected test year is \$600,147.

23. ISSUE: What is the appropriate cost rate for investment tax credits?

POSITIONS:

FPUC: 10.57%, which includes short-term debt.

CITY OF LAKE WORTH: Not at issue.

STAFF: 10.57%.

24. ISSUE: What is the appropriate cost of common equity to be used to calculate the overall cost of capital in the projected test year?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: 13.00%

25. ISSUE: What is the weighted average cost of capital including the proper components, amounts, and cost rates associated with the capital structure for the projected test year ending December 31, 1991?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: The weighted average cost of capital is 8.7578%. Calculations showing the proper components, amounts and cost rates are shown on Attachment 3.

26. ISSUE: What is the appropriate amount of the projected test year revenue deficiency?

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POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: \$2,320,561.

27. ISSUE: What should the miscellaneous service charges be?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: The following miscellaneous service charges should be approved.

Initial Connection	\$21.00
Reconnection for non-pay	\$25.00
Reconnection	\$17.00
Change of Account (meter read only)	\$ 8.00
Collection in lieu of disconnection	\$ 7.00
Returned Check Charge 5% or	\$15.00

28. ISSUE: What is the appropriate cost of service methodology to be used in allocating costs to the various rate classes?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Staff's cost of service as modified by Florida Public Utilities Company.

29. ISSUE: Should the Company's proposed revenue requirement allocation be approved?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH:

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STAFF: No. Revenue requirements have changed due to prior adjustments by Staff. The revenue requirements should be allocated as shown in Attachment 6.

30. ISSUE: How should the revenue increase, if any, be allocated between customer classes?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH:

STAFF: The revenue increase should be allocated between rate classes so as to move toward equal rates of return for all classes as much as possible.

31. ISSUE: What should the rates and charge be for Florida Public Utilities Company?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH:

STAFF: The rates shown on Attachment 6.

32. ISSUE: What are the billing determinants to be used in the projected test year?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH:

STAFF: As used in Attachment 6.

33. ISSUE: Should the Commission approve the Company's proposed transportation rate schedules LVTS, ITS, LVITS and the additional declining block transportation administrative charges?

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FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes, with the exception of the additional declining block transportation administrative charges, until experience is obtained as to the actual cost.

34. ISSUE: Should the Commission approve the Company's proposed elimination of rate schedule OLS, outdoor lighting service?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: Yes.

35. ISSUE: Should the company be required to refund any portion of the interim increase granted?

POSITIONS:

FPUC: Agrees with Staff.

CITY OF LAKE WORTH: Not at issue.

STAFF: No. No refund of interim should be required because the increase granted for the projected test year exceeds the interim increase awarded and a portion of the projected test year will have expired before permanent rates take effect.

STIPULATED ISSUES

Issues 1 through 35 are stipulated.

MOTIONS

None at this time.

OTHER MATTERS

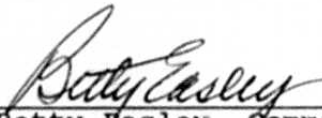
None at this time.

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Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that these proceedings shall be governed by this Order unless modified by Commission.

By ORDER of Commissioner Betty Easley, as Prehearing Officer,
this 15th day of JANUARY,
1991.



Betty Easley, Commissioner
and Prehearing officer

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FLORIDA PUBLIC UTILITIES COMPANY
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COMPARATIVE AVERAGE RATE BASES
PTY 12/31/91

Attachment 1
January 3, 1991

ADJ NO.		COMPANY			STAFF	
		TOTAL PER BOOKS	JURIS. ADJUST.	COMPANY ADJUSTED	JURIS ADJUST.	ADJ. JURIS.
	<u>Utility Plant:</u>					
	Plant in Service	\$33,248,284				
1	Common Plant Allocated Out	(\$702,517)	(\$77,608)		(\$6,721)	
	Common Plant Allocated In	\$684,500				
2	Remove Capitalized A&G Exp				(\$387,493)	
	Acquisition Adjustment	\$303,400				
	Update Construction Budget		\$542,046			
	Construction Work In Progress	\$241,000				
	Total Plant	<u>\$33,774,667</u>	<u>\$464,438</u>	<u>\$34,239,105</u>	<u>(\$394,214)</u>	<u>\$33,844,891</u>
	<u>Deductions:</u>					
	Accum. Depr. & Amort.-Utility Plant	\$9,992,238				
1	Accum. Depr. Alloc In-Common Plan	(\$259,990)	(\$30,101)		(\$3,058)	
	Accum. Depr. Alloc Out-Common PI	\$181,814				
2	Accum. Depr.-Capitalized A&G Exp				(\$16,763)	
	Accum. Amort.-Acquisition Adj.	\$313,211				
	Accum. Depr.-Updated Construc. Budget		\$6,940			
5	Adjust Depreciation Rates				\$92,297	
	Customer Advances for Construction	\$307,704				
	Total Deductions	<u>\$10,534,977</u>	<u>(\$23,161)</u>	<u>\$10,511,816</u>	<u>\$72,476</u>	<u>\$10,584,292</u>
	Net Plant	<u>\$23,239,690</u>	<u>\$487,599</u>	<u>\$23,727,289</u>	<u>(\$466,690)</u>	<u>\$23,260,599</u>
	<u>Allowance for Working Capital:</u>					
4	Balance Sheet Method	(\$159,203)	\$159,203	\$0	\$0	\$0
6	Total Rate Base	<u>\$23,080,487</u>	<u>\$646,802</u>	<u>\$23,727,289</u>	<u>(\$466,690)</u>	<u>\$23,260,599</u>

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	COMPANY			STAFF	
Operating Revenues:	\$23,485,497				
Remove Interim Relief					
Revenues Due To Growth	\$552,713				
Fuel Revenue Adjustment	(\$15,279,211)				
Remove Propane Sales	(\$75,782)				
Change in Unbilled Revenues	\$2,698				
10 Remove Gross Receipts				(\$117,510)	
Totals	<u>\$8,685,915</u>	<u>\$0</u>	<u>\$8,685,915</u>	<u>(\$117,510)</u>	<u>\$8,568,405</u>
Operating Expenses:	\$21,038,070				
Remove Cost of Gas	(\$15,136,981)				
Add Cost of Company Use Gas	\$22,316				
7 Remove Salaries-Open Positions				(\$27,944)	
8 Medical Ins Exp		\$27,942		(\$27,942)	
Increase Pensions Expense		\$25,991			
9 Remove Nonutility Advertising				(\$4,590)	
Correct Subaqueous Inspect'n. Exp		(\$3,485)			
Remove Nonrecurring Exp.		(\$3,376)			
Adjust Liability Insurance		(\$14,521)			
12 Benchmark-Distribution Expenses				(\$22,241)	
13 Adjust Rate Case Expense		\$2,736		(\$2,900)	
3 Adj Salaries-Inactive Line Survey				\$68,000	
15 Effect of Changing Trend		\$33,561		(\$5,608)	
16 Adj for Updated Alloc Factor				(\$43,441)	
2 Adj Capitalized A&G Exp		\$174,484			
Totals	<u>\$5,923,405</u>	<u>\$243,332</u>	<u>\$6,166,737</u>	<u>(\$66,666)</u>	<u>\$6,100,071</u>
Depreciation and Amortization:	\$1,095,959				
1 Adjust Common Plant				(\$573)	
2 Adj Depr-Capitalized A&G Exp				(\$13,291)	
Adj Depr-Updated Construc Budget		\$17,539			
3 Adjust Inactive Service Lines					
5 Adj to New Depre Rates				\$184,593	
Amort. Environmental Costs	\$239,600				
19 Totals	<u>\$1,335,559</u>	<u>\$17,539</u>	<u>\$1,353,098</u>	<u>\$170,729</u>	<u>\$1,523,827</u>

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ADJ NO	COMPANY		STAFF		ADJUSTED JURIS.	
	PER BOOKS	ADJUST.	COMPANY ADJUST.	ADJUSTS.		
	Taxes Other Than Income:	\$839,885				
14	Adjust Payroll Taxes			(\$2,254)		
	Adjust Emergency Excise Tax					
10	Remove Gross Receipts Tax		(\$117,510)			
	Adjust Property Tax		\$8,497			
	Adjust Intangible Tax Rate		\$1,013			
	Totals	<u>\$839,885</u>	<u>(\$108,000)</u>	<u>\$731,885</u>	<u>(\$2,254)</u>	<u>\$729,631</u>
	Federal Income Taxes:	(\$265,500)				
	Interest Reconciliation		(\$12,250)			
20	Tax Effect of Above Adjustments		(\$49,117)	(\$32,711)		
	Totals	<u>(\$265,500)</u>	<u>(\$61,367)</u>	<u>(\$326,867)</u>	<u>(\$32,711)</u>	<u>(\$359,578)</u>
	State Income Taxes:	(\$45,900)				
	Interest Reconciliation		(\$2,097)			
20	Tax Effect of Above Adjustments		(\$8,408)	(\$5,599)		
	Totals	<u>(\$45,900)</u>	<u>(\$10,505)</u>	<u>(\$56,405)</u>	<u>(\$5,599)</u>	<u>(\$62,004)</u>
	Deferred Income Taxes:					
20	Federal	\$68,878				
	Prior Year Adjustment					
20	State	\$12,718				
	Prior Year Adjustment					
	Totals	<u>\$81,596</u>	<u>\$0</u>	<u>\$81,596</u>	<u>\$0</u>	<u>\$81,596</u>
	Investment Tax Credit:	(\$38,708)				
20	Interest Reconciliation			(\$6,577)		
	Totals	<u>(\$38,708)</u>	<u>\$0</u>	<u>(\$38,708)</u>	<u>(\$6,577)</u>	<u>(\$45,285)</u>
	Total Operating Expenses	\$7,830,337	\$80,999	\$7,911,336	\$56,922	\$7,968,258
22	Net Operating Income	<u>\$855,578</u>	<u>(\$80,999)</u>	<u>\$774,579</u>	<u>(\$174,432)</u>	<u>\$600,147</u>

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Florida Public Utilities Company
O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91		
#1 Payroll Only	4.50%	4.50%		
#2 Cust GrwthXPay	4.20%	5.60%		
#3 Cust GrwthXInfl	5.19%	6.10%		
#4 Inflation Only	5.50%	5.00%		
Customer Growth	-0.29%	1.05%) For Informational Purposes	
	FPUC Base Year	Base Year +1	Projected Test Year	Trend Basis Applied
Account				
Other Gas Supply Expenses				
807 Payroll Trended	558	583	609	1
Other Trended	5,022	5,188	5,628	
Other not Trended				
Total	5,580	5,771	6,237	
Distribution Expense				
870 Payroll Trended	149,929	156,676	163,726	1
Other Trended	19,215	20,272	21,285	4
Other not Trended				
Total	169,144	176,948	185,012	
871 Payroll Trended	2,250	2,351	2,457	1
Other Trended	17,508	18,471	19,394	4
Other not Trended				
Total	19,758	20,822	21,852	
874 Payroll Trended	130,211	135,680	143,278	2
Other Trended	54,764	57,606	61,120	3
Other not Trended	0	3,950	1,317	
Total	184,975	197,236	205,715	
875 Payroll Trended	472	493	515	1
Other Trended	759	801	841	4
Other not Trended				
Total	1,231	1,294	1,356	
Subtotal	375,108	396,300	413,935	

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Florida Public Utilities Company
O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year	Projected		
	+1	Test Year		
	12/31/90	12/31/91		
#1 Payroll Only	4.50%	4.50%		
#2 Cust GrwthXPay	4.20%	5.60%		
#3 Cust GrwthXInfl	5.19%	6.10%		
#4 Inflation Only	5.50%	5.00%		
Customer Growth	-0.29%	1.05%) For Informational Purposes
	FPUC	Base Year	Projected	Trend
	Base Year	+1	Test Year	Basis
				Applied
Account				
Maintenance Expense				
876 Payroll Trended	4,750	4,964	5,187	1
Other Trended	2,309	2,436	2,558	4
Other not Trended				
Total	7,059	7,400	7,745	
877 Payroll Trended	4,833	5,050	5,278	1
Other Trended	2,530	2,669	2,803	4
Other not Trended				
Total	7,363	7,720	8,080	
878 Payroll Trended	526,549	548,664	579,389	2
Other Trended	170,680	179,538	190,490	3
Other not Trended				
Total	697,229	728,202	769,879	
879 Payroll Trended	177,653	185,114	195,481	2
Other Trended	(50,718)	(52,848)	(55,808)	2
Other not Trended				
Total	126,935	132,266	139,673	
880 Payroll Trended	236,869	246,817	260,639	2
Other Trended	111,547	117,336	124,494	3
Other not Trended			68,000	
Total	348,416	364,154	453,133	
Subtotal	1,562,110	1,636,042	1,792,445	

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Florida Public Utilities Company
O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91		
#1 Payroll Only	4.50%	4.50%		
#2 Cust GrwthXPay	4.20%	5.60%		
#3 Cust GrwthXInfl	5.19%	6.10%		
#4 Inflation Only	5.50%	5.00%		
Customer Growth	-0.29%	1.05%) For Informational Purposes	
			Trend Basis Applied	
Account	FPUC Base Year	Base Year +1	Projected Test Year	
Distribution Expense				
881 Payroll Trended	0	0	0	
Other Trended	3,348	3,532	3,709	4
Other not Trended				
Total	3,348	3,532	3,709	
Total Distr. Exp.	1,565,458	1,639,574	1,796,154	
Maintenance Expense				
885 Payroll Trended	57,303	59,882	62,576	1
Other Trended	7,405	7,812	8,203	4
Other not Trended				
Total	64,708	67,694	70,779	
886 Payroll Trended	63	66	69	1
Other Trended	3,563	3,759	3,947	4
Other not Trended				
Total	3,626	3,825	4,016	
887 Payroll Trended	186,765	194,609	205,507	2
Other Trended	120,736	127,002	134,749	3
Other not Trended				
Total	307,501	321,611	340,257	
Subtotal	375,835	393,130	415,051	

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Florida Public Utilities Company
O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91		
#1 Payroll Only	4.50%	4.50%		
#2 Cust GrwthXPay	4.20%	5.60%		
#3 Cust GrwthXInfl	5.19%	6.10%		
#4 Inflation Only	5.50%	5.00%		
Customer Growth	-0.29%	1.05%) For Informational Purposes	
	FPUC Base Year	Base Year +1	Projected Test Year	Trend Basis Applied
Account				
Maintenance Expense				
889 Payroll Trended	541	565	591	1
Other Trended	370	390	410	4
Other not Trended				
Total	911	956	1,001	
890 Payroll Trended	669	699	731	1
Other Trended	1,059	1,117	1,173	4
Other not Trended				
Total	1,728	1,816	1,904	
891 Payroll Trended	8,471	8,852	9,251	1
Other Trended	3,696	3,899	4,094	4
Other not Trended		4,600	4,802	
Total	12,167	17,351	18,147	
892 Payroll Trended	58,697	61,162	64,587	2
Other Trended	19,487	20,498	21,749	3
Other not Trended				
Total	78,184	81,661	86,336	
893 Payroll Trended	88,403	92,116	97,274	2
Other Trended	30,602	32,190	34,154	3
Other not Trended				
Total	119,005	124,306	131,428	
Subtotal	587,830	619,220	653,867	

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Florida Public Utilities Company
O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91		
#1 Payroll Only	4.50%	4.50%		
#2 Cust GrwthXPay	4.20%	5.60%		
#3 Cust GrwthXInfl	5.19%	6.10%		
#4 Inflation Only	5.50%	5.00%		
Customer Growth	-0.29%	1.05%	} For Informational Purposes	
	FPUC Base Year	Base Year +1	Projected Test Year	Trend Basis Applied
Account				
Maintenance Expense				
894 Payroll Trended	391	407	430	2
Other Trended	930	978	1,038	3
Other not Trended				
Total	1,321	1,386	1,468	
Total Maint. Exp.	589,151	620,606	655,335	
Customer Acct. & Coll'c.				
901 Payroll Trended	29,853	31,196	32,600	1
Other Trended	7,246	7,645	8,027	4
Other not Trended				
Total	37,099	38,841	40,627	
902 Payroll Trended	168,625	175,707	185,547	2
Other Trended	40,205	42,292	44,871	3
Other not Trended				
Total	208,830	217,999	230,418	
903 Payroll Trended	364,369	379,672	400,934	2
Other Trended	98,670	103,791	110,122	3
Other not Trended	98,936	100,622	123,876	
Total	561,975	584,085	634,932	
Subtotal	807,904	840,925	905,978	

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Florida Public Utilities Company
O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91		
#1 Payroll Only	4.50%	4.50%		
#2 Cust GrwthXPay	4.20%	5.60%		
#3 Cust GrwthXInfl	5.19%	6.10%		
#4 Inflation Only	5.50%	5.00%		
Customer Growth	-0.29%	1.05%	} For Informational Purposes	
	FPUC Base Year	Base Year +1	Projected Test Year	Trend Basis Applied
Account				
Customer Acct. & Collec.				
904 Payroll Trended	0			
Other Trended	55,535	55,435	57,856	
Other not Trended				
Total	55,535	55,435	57,856	
905 Payroll Trended	6,965	7,258	7,664	2
Other Trended	37,272	39,206	41,598	3
Other not Trended				
Total	44,237	46,464	49,262	
Total Cust Acct Exp	907,676	942,824	1,013,096	
Cust. Serv. & Info.				
908 Payroll Trended	0	0	0	
Other Trended	280	295	312	3
Other not Trended				
Total	280	295	312	
909 Payroll Trended	0	0	0	
Other Trended	12,843	13,510	14,334	3
Other not Trended				
Total	12,843	13,510	14,334	
Total Cust Serv Exp	13,123	13,804	14,646	

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Florida Public Utilities Company
 O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91
#1 Payroll Only	4.50%	4.50%
#2 Cust GrwthXPay	4.20%	5.60%
#3 Cust GrwthXInfl	5.19%	6.10%
#4 Inflation Only	5.50%	5.00%

Customer Growth -0.29% 1.05%) For Informational Purposes

Account	FPUC Base Year	Base Year +1	Projected Test Year	Trend Basis Applied
Sales Expenses				
911 Payroll Trended	63,627	66,490	69,482	1
Other Trended	11,115	11,726	12,313	4
Other not Trended				
Total	<u>74,742</u>	<u>78,217</u>	<u>81,795</u>	
912 Payroll Trended	276,801	288,427	304,579	2
Other Trended	44,506	46,816	49,672	3
Other not Trended				
Total	<u>321,307</u>	<u>335,243</u>	<u>354,250</u>	
913 Payroll Trended	0	0	0	
Other Trended	3,436	3,614	3,835	3
Other not Trended				
Total	<u>3,436</u>	<u>3,614</u>	<u>3,835</u>	
916 Payroll Trended	43,817	45,657	48,214	2
Other Trended	65,159	68,541	72,722	3
Other not Trended				
Total	<u>108,976</u>	<u>114,198</u>	<u>120,936</u>	
Total Sales Exp	<u>508,461</u>	<u>531,271</u>	<u>560,816</u>	

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Florida Public Utilities Company
O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91		
#1 Payroll Only	4.50%	4.50%		
#2 Cust GrwthXPay	4.20%	5.60%		
#3 Cust GrwthXInfl	5.19%	6.10%		
#4 Inflation Only	5.50%	5.00%		
Customer Growth	-0.29%	1.05%	} For Informational Purposes	
	FPUC Base Year	Base Year +1	Projected Test Year	Trend Basis Applied
Account				
Administrative & Gen Expense				
920 Payroll Trended	609,519	636,947	665,610	1
Other Trended	1,296	1,367	1,436	4
Other not Trended				
Total	610,815	638,315	667,046	
920 Payroll Trended	(395)	(413)	(431)	1
Other Trended	0	0	0	
Other not Trended				
Total	(395)	(413)	(431)	
921 Payroll Trended	0	0	0	
Other Trended	149,010	157,206	165,066	4
Other not Trended	7,020	7,000	8,369	
Total	156,030	164,206	173,435	
922 Payroll Trended	0	0	0	
Other Trended	(143,964)	(156,287)	0	
Other not Trended				
Total	(143,964)	(156,287)	0	
923.1 Payroll Trended	0	0	0	
Other Trended	23,290	24,571	25,799	4
Other not Trended	2,400	2,532	2,659	4
Total	25,690	27,103	28,458	
Subtotal	648,176	672,923	868,507	

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Florida Public Utilities Company
O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91		
#1 Payroll Only	4.50%	4.50%		
#2 Cust GrwthXPay	4.20%	5.60%		
#3 Cust GrwthXInfl	5.19%	6.10%		
#4 Inflation Only	5.50%	5.00%		
Customer Growth	-0.29%	1.05%	} For Informational Purpose:	
	FPUC Base Year	Base Year +1	Projected Test Year	Trend Basis Applied
Account				
Administrative & Gen Expense				
923.2 Payroll Trended	0			
Other Trended	27,916	29,451	30,924	4
Other not Trended				
Total	27,916	29,451	30,924	
923.3 Payroll Trended	0			
Other Trended	60,498	63,825	67,017	4
Other not Trended				
Total	60,498	63,825	67,017	
924 Payroll Trended	0	0	0	
Other Trended	21,216	20,486	19,623	Prem Quote
Other not Trended				
Total	21,216	20,486	19,623	
925 Payroll Trended	0	0	0	
Other Trended	468,195	491,803	512,854	Prem Quote
Other not Trended				
Total	468,195	491,803	512,854	
926.1 Payroll Trended	0	0	0	
Other Trended	(19,080)	(9,812)	12,033	Act Proj
Other not Trended				
Total	(19,080)	(9,812)	11,596	
Subtotal	1,206,921	1,268,677	1,510,521	

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Florida Public Utilities Company
 O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91	
#1 Payroll Only	4.50%	4.50%	
#2 Cust GrwthXPay	4.20%	5.60%	
#3 Cust GrwthXInfl	5.19%	6.10%	
#4 Inflation Only	5.50%	5.00%	
Customer Growth	-0.29%	1.05%	For Informational Purposes

Account	FPU Base Year	Base Year +1	Projected Test Year	Trend Basis Applied
Administrative & Gen Expense				
926.2 Payroll Trended	0	0	0	
Other Trended	0	0	0	4
Other not Trended	257,991	344,100	352,990	Med Claim Adj
Total	257,991	344,100	352,990	
928 Payroll Trended	3,621	3,784	3,954	1
Other Trended	40,149	42,357	44,475	4
Other not Trended	7,395	0	16,069	Rate Case Exp
Total	51,165	46,141	64,498	
930.1 Payroll Trended	0	0	0	
Other Trended	0	0	0	
Other not Trended				
Total	0	0	0	
930.2 Payroll Trended	0	0	0	
Other Trended	41,586	43,873	46,067	4
Other not Trended				
Total	41,586	43,873	46,067	
930.22 Payroll Trended	0	0	0	
Other Trended	24,401	25,743	27,030	4
Other not Trended				
Total	24,401	25,743	27,030	
Subtotal	1,582,064	1,728,535	2,001,106	

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Florida Public Utilities Company
 O & M Forecast Worksheet - Projected Test Year Calculation

Attachment 2A

Staff Trend Rates	Base Year +1 12/31/90	Projected Test Year 12/31/91		
#1 Payroll Only	4.50%	4.50%		
#2 Cust GrwthXPay	4.20%	5.60%		
#3 Cust GrwthXInfl	5.19%	6.10%		
#4 Inflation Only	5.50%	5.00%		
Customer Growth	-0.29%	1.05%	} For Informational Purposes	
	FPUC Base Year	Base Year +1	Projected Test Year	Trend Basis Applied
Account				
Administrative & Gen Expense				
931 Payroll Trended	0			
Other Trended	2,208	2,329	2,446	4
Other not Trended				
Total	2,208	2,329	2,446	
935 Payroll Trended	17,670	18,465	19,296	1
Other Trended	27,929	29,465	30,938	4
Other not Trended				
Total	45,599	47,930	50,234	
Total Admin. Exp.	1,629,871	1,778,794	2,053,787	
Total O & M Exp	5,219,320	5,532,645	6,100,071	

FLORIDA PUBLIC UTILITIES CORPORATION
 DOCKET NO. 900151-GU
 COST OF CAPITAL - 13 MONTH AVERAGE
 TEST YEAR ENDING 12/31/91

ATTACHMENT 3

DOLLARS IN THOUSANDS

CAPITAL COMPONENT	COMPANY ADJUSTED	ADJ. FOR NONREGULATED AFFILIATE	STAFF SPECIFIC ADJ.	STAFF PRO RATA ADJ.	STAFF. ADJUSTED	RATIO	% COST RATE	% WEIGHTED COST
COMMON EQUITY	6,403,090	5,912,484	(33,920)	(114,735)	5,763,829	0.2478	13.00%	3.2213%
PREFERRED EQUITY	246,843	257,576	665	(5,040)	253,201	0.0109	4.75%	0.0517%
LONG-TERM DEBT	7,356,461	7,676,189	19,819	(150,207)	7,545,801	0.3244	9.75%	3.1629%
SHORT-TERM DEBT	3,627,508	3,787,653	9,773	(74,116)	3,723,310	0.1601	8.88%	1.4214%
CUSTOMER DEPOSITS	1,418,615	1,418,615	0	(27,688)	1,390,927	0.0598	8.47%	0.5065%
DEFERRED TAXES	3,755,685	3,755,685	0	(73,302)	3,682,383	0.1583	0.00%	0.0000%
TAX CREDITS- O COST	35,082	35,082	0	(685)	34,397	0.0015	0.00%	0.0000%
TAX CREDITS- WTD COST	884,005	884,005	0	(17,254)	866,751	0.0373	10.57%	0.3940%
TOTAL	23,727,289	23,727,289	(3,663)	(463,027)	23,260,599	1.0000		8.7578%

OVERALL RATE OF RETURN 8.76%

EQUITY RATIO 33.34%

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Florida Public Utilities Company
 Docket No. 900151-GU
 Net Operating Income Multiplier
 PTY 12/31/91

Attachment 4
 January 3, 1991

<u>Description</u>	<u>Company Per Filing</u>	<u>Company Amended Filing</u>	<u>Staff</u>
Revenue Requirement	100.0000%	100.0000%	100.0000%
Gross Receipts Tax Rate	1.5000%	0.0000%	0.0000%
Regulatory Assessment Fee	0.3750%	0.3750%	0.3750%
Bad Debt Rate	0.3410%	0.3410%	0.3410%
Net Before Income Taxes	<u>97.7840%</u>	<u>99.2840%</u>	<u>99.2840%</u>
State Income Tax Rate	5.5000%	5.5000%	5.5000%
State Income Tax	5.3781%	5.4606%	5.4606%
Net Before Federal Income Tax	<u>92.4059%</u>	<u>93.8234%</u>	<u>93.8234%</u>
Federal Income Tax Rate	34.0000%	34.0000%	34.0000%
Federal Income Tax	31.4180%	31.9000%	31.9000%
Revenue Expansion Factor	<u>60.9879%</u>	<u>61.9234%</u>	<u>61.9234%</u>
Net Operating Income Multiplier	<u><u>1.63967002</u></u>	<u><u>1.6148984</u></u>	<u><u>1.6148984</u></u>

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Florida Public Utilities Company
 Docket No. 900151-GU
 Comparative Deficiency Calculations
 PTY 12/31/91

Attachment 5
 January 3, 1991

	Company	Staff
Rate Base (Average)	\$23,727,289	\$23,260,599
Rate of Return	X 9.1100%	X 8.7578%
Required N.O.I.	<u>\$2,161,556</u>	<u>\$2,037,117</u>
Operating Revenues	\$8,685,915	\$8,568,405
Operating Expenses:		
Operation and Maintenance	\$6,166,737	\$6,100,071
Depreciation and Amort.	\$1,353,098	\$1,523,827
Taxes Other Than Income Taxes	\$731,885	\$729,631
Current Income Taxes—Federal	(\$326,867)	(\$359,578)
—State	(\$56,405)	(\$62,004)
Deferred Income Taxes	\$81,596	\$81,596
Investment Tax Credit	(\$38,708)	(\$45,285)
Total Operating Expenses	<u>\$7,911,336</u>	<u>\$7,968,258</u>
Achieved N.O.I.	<u>\$774,579</u>	<u>\$600,147</u>
N.O.I. Deficiency (Required—Achieved)	\$1,386,977	\$1,436,970
N.O.I. Multiplier	X 1.6148987	X 1.6148987
Revenue Increase	<u>\$2,239,827</u>	<u>\$2,320,561</u>

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COMPANY NAME: FLORIDA PUBLIC UTILITIES
 DOCKET NO. 900151-GU

SCHEDULE - A (COST OF SERVICE)
 CLASSIFICATION OF RATE BASE
 (Page 1 of 2:PLANT)

ATTACHMENT - 6

	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT	0		0		100% capacity
INTANGIBLE PLANT:	0		0		"
PRODUCTION PLANT	0		0		"
DISTRIBUTION PLANT:					
374 Land and Land Rights	70027		70027		"
375 Structures and Improvements	378332		378332		"
376 Mains	18994914		18994914		"
377 Comp.Sta.Eq.	0		0		"
378 Meas.& Reg.Sta.Eq.-Gen	87126		87126		"
379 Meas.& Reg.Sta.Eq.-CG	588244		588244		"
380 Services	6442216	6442216			100% customer
381-382 Meters	2894206	2894206			"
383-384 House Regulators	984164	984164			"
385 Industrial Meas.& Reg.Eq.	78192		78192		100% capacity
386 Property on Customer Premises	0	0	0	0	ac 374-385
387 Other Equipment	109095	36894	72201	0	ac 374-386
Total Distribution Plant	30626516	10357480	20269036	0	30626516
GENERAL PLANT:	2673975	1336988	1336988		50% customer,50%, capacity
PLANT ACQUISITIONS:	303400		303400		100% capacity
GAS PLANT FOR FUTURE USE:	0		0		"
CWIP:	241000	81503	159497	0	dist.plant
TOTAL PLANT	33844891	11775971	22068920	0	33844891 checksum

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COMPANY NAME: FLORIDA PUBLIC UTILITIES
DOCKET NO. 900151-GU

SCHEDULE - A (COST OF SERVICE)
CLASSIFICATION OF RATE BASE
(Page 2 of 2: ACCUMULATED DEPRECIATION)

ATTACHMENT 6

	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER related plant
LOCAL STORAGE PLANT:	0	0	0	0	related plant
INTANGIBLE PLANT:	0	0	0	0	rel.plant account
PRODUCTION PLANT	0		0		"
DISTRIBUTION PLANT:					
375 Structures and Improvements	106418	0	106418	0	"
376 Mains	6007552	0	6007552	0	"
377 Compressor Sta. Eq.	0	0	0	0	"
378 Meas.& Reg.Sta. Eq.-Gen	18074	0	18074	0	"
379 Meas.& Reg.Sta. Eq.-CG	102175	0	102175	0	"
380 Services	1537530	1537530	0	0	"
381-382 Meters	888109	888109	0	0	"
383-384 House Regulators	200286	200286	0	0	"
385 Indust.Meas.& Reg.Sta.Eq.	26849	0	26849	0	"
386 Property on Customer Premises	0	0	0	0	"
387 Other Equipment	32825	11101	21724	0	"
Total A.D. on Dist. Plant	8919818	2637026	6282792	0	8919818 checksum
GENERAL PLANT:	1043559	521780	521780	0	general plant
PLANT ACQUISITIONS:	313211	0	313211	0	plant acquisitions
RETIREMENT WORK IN PROGRESS:	0	0	0	0	distribution plant
TOTAL ACCUMULATED DEPRECIATION	10276588	3158805	7117783	0	10276588 checksum
NET PLANT (Plant less Accum.Dep.)	23568303	8617165	14951138	0	23568303 checksum
less: CUSTOMER ADVANCES	-307704	-153852	-153852		50% cust 50% cap
plus: WORKING CAPITAL	0	0	0	0	oper. and maint. exp.
equals: TOTAL RATE BASE	23260599	8463313	14797286	0	23260599 checksum

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COMPANY NAME: FLORIDA PUBLIC UTILITIES
 DOCKET NO. 900151-GU

SCHEDULE - B (COST OF SERVICE)
 CLASSIFICATION OF EXPENSES
 (Page 1 of 2)

ATTACHMENT 6

OPERATIONS AND MAINTENANCE EXPENSES	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT:	0	0	0	0	ac 301-320
PRODUCTION PLANT	0		0		100% capacity
DISTRIBUTION:					
870 Operation Supervision & Eng.	185012	149884	35128	0	ac 871-879
871 Dist.Load Dispatch	21852		21852		100% capacity
872 Compr.Sta.Lab. & Ex.	0	0	0	0	ac 377
873 Compr.Sta.Fuel & Power	0				100% commodity
874 Mains and Services	205715	52099	153616	0	ac376+ac380
875 Meas.& Reg. Sta.Eq.-Gen	1356	0	1356	0	ac 378
876 Meas.& Reg. Sta.Eq.-Ind.	7745	0	7745	0	ac 385
877 Meas.& Reg. Sta.Eq.-CG	8080	0	8080	0	ac 379
878 Meter and House Reg.	769879	769879	0	0	ac381+ac383
879 Customer Instal.	0	0	0	0	ac 386
880 Other Expenses	599043	392106	206937	0	ac 387
881 Rents	3709		3709		100% capacity
885 Maintenance Supervision	70779	26434	44345	0	ac886-894
886 Maint. of Struct. and Improv.	4016	0	4016	0	ac375
887 Maintenance of Mains	340257	0	340257	0	ac376
888 Maint. of Comp.Sta.Eq.	0	0	0	0	ac 377
889 Maint. of Meas.& Reg. Sta.Eq.-G	1001	0	1001	0	ac 378
890 Maint. of Meas.& Reg. Sta.Eq.-I	1904	0	1904	0	ac 385
891 Maint. of Meas.& Reg.Sta.Eq.-CG	18147	0	18147	0	ac 379
892 Maintenance of Services	86336	86336	0	0	ac 380
893 Maint. of Meters and House Reg.	131428	131428	0	0	ac381-383
894 Maint. of Other Equipment	1468	548	920	0	ac387
Total Distribution Expenses	2457727	1608713	849014	0	2457727 che
CUSTOMER ACCOUNTS:					
901 Supervision	40627	40627			100% customer
902 Meter-Reading Expense	230418	230418			"
903 Records and Collection Exp.	634932	634932			"
904 Uncollectible Accounts	65769			65769	100% commodity
905 Misc. Expenses	49262	49262			100% customer
Total Customer Accounts	1021008	955239	0	65769	
(907-910) CUSTOMER SERV.& INFO. EXP.	14646	14646			"
(911-916) SALES EXPENSE	560816	560816			"
(932) MAINT. OF GEN. PLANT	50234	25117	25117	0	general plant
(920-931) ADMINISTRATION AND GENERAL	2003552	1544746	426701	32105	0 O&M excl. A&G
TOTAL O&M EXPENSE	6107983	4709277	1300832	97874	6107983 ch

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COMPANY NAME: FLORIDA PUBLIC UTILITIES
DOCKET NO. 900151-GU

SCHEDULE - B (COST OF SERVICE)
CLASSIFICATION OF EXPENSES
(Page 2 of 2)

ATTACHMENT 6

DEPRECIATION AND AMORTIZATION EXPENSE:	TOTAL	CUSTOMER	CAPACITY	COMMODITY	REVENUE	CLASSIFIER
Depreciation Expense	1275983	466532	809451	0		net plant
Amort. of Other Gas Plant	0		0			100% capacity
Amort. of Environmental Matters	239600			239600		100% commodity
Amort. of Limited-term Inv.	0	0	0	0		intangible plan
Amort. of Acquisition Adj.	8244	2895	5349	0		intan/dist/gen
Amort. of Conversion Costs	0			0		100% commodity
Total Deprec. and Amort. Expense	1523827	469427	814800	239600	0	1523827 che
TAXES OTHER THAN INCOME TAXES:						
Revenue Related	38876				38876	100% revenue
Other	686780	251104	435676	0		net plant
Total Taxes other than Income Taxes	725656	251104	435676	0	38876	
REV.CRDT TO COS(NEG.OF OTHR OPR.REV)	-214602	-214602				100% customer
RETURN (REQUIRED NOI)	2037117	741200	1295917	0		rate base
INCOME TAXES	481704	175267	306437	0	0	return(noi)
TOTAL OVERALL COST OF SERVICE	10661685	6131673	4153662	337474	38876	10661685 che

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SCHEDULE - C (COST OF SERVICE)

ATTACHMENT 6

COMPANY NAME: FLORIDA PUBLIC UTILITIES
DOCKET NO. 900151-GU

CUSTOMER COSTS	TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL.	PUBLIC HOUSING AUTH.	INTERRUPT	LG. VOL. INTERRUPT
No. of Customers	34428	30602	1542	1324	945	-15	1
Weighting	NA	1	1	6	1	12	0
Weighted No. of Customers	41032	30602	1862	7447	945	175	0
Allocation Factors	1	0.745814042	0.04539093	0.181503328	0.02302673	0.004264	0
	1	0.749008535	0.04558534	0.182280748	*0.02312536		
CAPACITY COSTS							
Peak & Avg. Month Sales Vol.(therms)	11775004	1905616	900149	3712846	79666	580813	4595914
Allocation Factors	1	0.161835698	0.07644574	0.315315901	0.00676568	0.049325	0.390311
	1	0.288805092	0.13642182	0.562699322	*0.01207375		
COMMODITY COSTS							
Annual Sales Vol.(therms)	67078514	8954891	3786401	21266906	348412	3347905	29373999
Allocation Factors	1	0.133498649	0.0564473	0.317044978	0.00519409	0.049910	0.437904
REVENUE-RELATED COSTS							
Tax on Cust,Cap,& Commod.	38727	21662	3047	12544	721	753	0
Allocation Factors	1	0.559341638	0.07868192	0.323916002	0.01861021	0.019450	0

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RATE BASE BY CUSTOMER CLASS	SCHEDULE - D (COST OF SERVICE) ALLOCATION OF RATE BASE TO CUSTOMER CLASSES				ATTACHMENT 6			
	TOTAL RESIDENTIAL	COMMERCIAL	LARGE VOL.	PUBLIC HOUSING AUTH.	INTERRUPT	INTERRUPT	LG. VOL.	INTERRUPT
DIRECT AND SPECIAL ASSIGNMENTS:								
Customer								
Meters	2006097	1496175	91059	364113	46194	8556		0
House Regulators	783878	783878	0	0	0	0		0
Services	4904686	3657984	222628	890217	112939	20918		0
All Other	768652	573272	34890	139513	17700	3278		0
Total	8463313	6511309	348577	1393843	176832	32753		0
Capacity								
Industrial Meas.& Reg. Sta. Eq.	51343	0	0	40561	0	0		10782
Meas.&Reg.Sta.Eq.-Gen.	69052	11175	5279	21773	467	3406		26952
Mains	12987362	3575490	1688941	6966379	149477	514089		92987
All Other	1689529	293161	138479	571186	12256	75671		598775
Total	14797286	3879826	1832699	7599899	162200	593166		729496
Commodity								
Account #	0	0	0	0	0	0		0
Account #	0	0	0	0	0	0		0
Account #	0	0	0	0	0	0		0
All Other	0	0	0	0	0	0		0
Total	0	0	0	0	0	0		0
TOTAL	23260599	10391135	2181276	8993742	339032	625919		729496

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SCHEDULE - E (COST OF SERVICE)

ATTACHMENT 6

COMPANY NAME: FLORIDA PUBLIC UTILITIES ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
DOCKET NO. 900151-GU (Page 1 of 2)

	TOTAL RESIDENTIAL	COMMERCIAL	LARGE VOL.	PUBLIC HOUSING AUTH.	INTERRUPT	LG. VOL INTERRUPT	
Customer	0	0	0	0	0	0	0
Capacity	0	0	0	0	0	0	0
Commodity	0	0	0	0	0	0	0
Revenue	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0
OPERATIONS AND MAINTENANCE EXPENSE:							
DIRECT AND SPECIAL ASSIGNMENTS:							
Customer							
878 Meters and House Regulators	769879	574187	34946	139736	17728	3284	0
893 Maint. of Meters & House Reg.	131428	98021	5966	23855	3026	561	0
874 Mains & Services	52099	38633	2351	9402	1193	233	287
892 Maint. of Services	86336	64391	3919	15670	1988	368	0
All Other	3669535	2736791	166564	666033	84497	15650	0
Total	4709277	3512022	213745	854695	108432	20096	287
Capacity							
876 Measuring & Reg. Sta. Eq.- I	7745	0	0	6119	0	0	1626
890 Maint. of Meas. & Reg. Sta. Eq.-I	1904	0	0	1504	0	0	400
874 Mains and Services	153616	42338	19999	82489	1770	6189	831
887 Maint. of Mains	340257	93666	44245	182496	3916	13492	2442
All Other	797310	219504	103686	427675	9177	31561	5709
Total	1300832	355507	167930	700283	14862	51242	11008
Commodity							
Account #	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0
All Other	97874	13066	5525	31030	508	4885	42859
Total	97874	13066	5525	31030	508	4885	42859
TOTAL O&M	6107983	3880596	387199	1586009	123803	76222	54154
DEPRECIATION EXPENSE:							
Customer	466532	345403	21022	84058 *	10664	2163	3221
Capacity	809451	215007	101562	418914 *	8989	28063	36916
Total	1275983	560411	122584	502972	19653	30226	40137
AMORT. OF GAS PLANT:							
Capacity	0	0	0	0	0	0	0
AMORT. OF ENVIRONMENTAL MATTERS:							
Commodity	239600	31986	13525	75964	1245	11958	104922
AMORT OF LIMITED TERM INVEST.							
Capacity	0	0	0	0	0	0	0
AMORT. OF ACQUISITION ADJ.:							
Customer	2895	2159	131	525	67	12	0
Capacity	5349	866	409	1687	36	264	2088
Total	8244	3025	540	2212	103	276	2088
AMORT. OF CONVERSION COSTS:							
Commodity	0	0	0	0	0	0	0

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		SCHEDULE - E (COST OF SERVICE) OF COST OF SERVICE TO CUSTOMER CLASSES (Page 2 of 2)				ATTACHMENT 6		
COMPANY NAME: FLORIDA PUBLIC UTILITIES ALLOCATION DOCKET NO. 900151-GU		TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL.	PUBLIC HOUSING AUTH.	LG. VOL. INTERRUPT	INTERRUPT
TAXES OTHER THAN INCOME TAXES:								
Customer	251104	185858	11312	45231 *	5738	1790	1175	
Capacity	435676	118105	55789	230112 *	4937	12615	14117	
Subtotal	686780	303963	67100	275343	10676	14405	15292	
Revenue	38876	21745	3059	12593	723	756	0	
Total	725656	325708	70159	287936	11399	15161	15292	
RETURN (NOI)								
Customer	741200	570247	30528	122070	15467	2868	0	
Capacity	1295917	339787	160504	665584	14205	51948	63888	
Commodity	0	0	0	0	0	0	0	
Total	2037117	910035	191032	787654	29692	54817	63888	
INCOME TAXES								
Customer	175267	134843	7219	28865	3662	678	0	
Capacity	306437	80347	37953	157386	3359	12284	15107	
Commodity	0	0	0	0	0	0	0	
Total	481704	215190	45172	186252	7021	12962	15107	
REVENUE CREDITED TO COS:								
Customer	-214602	-128761	-14587	-71254	0	0	0	
TOTAL COST OF SERVICE:								
Customer	6131673	4621772	269369	1064191	144050	27608	4683	
Capacity	4393262	1141607	537672	2249931	47633	168374	248046	
Commodity	97874	13066	5525	31030	508	4885	42859	
Subtotal	10622809	5776445	812566	3345152	192192	200867	295588	
Revenue	38876	21745	3059	12593	723	756	0	
Total	10661685	5798190	815625	3357745	192915	201623	295588	

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COMPANY NAME: FLORIDA PUBLIC UTILITIES
DOCKET NO. 900151-GU

SCHEDULE - G (COST OF SERVICE)
RATE OF RETURN BY CUSTOMER CLASS
(Page 1 of 2:PRESENT RATES)

ATTACHMENT 6

	TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL.	PUBLIC HOUSING AUTH.	INTERRUPT	LG. VOL. INTERRUPT
REVENUES: (projected test year)							
Gas Sales (due to growth)	8,409,860	4,013,514	962,779	3,063,803	64,328	134,010	171,426
Other Operating Revenue	145,865	133,721	6,532	5,612	0	0	0
Total	8,555,725	4,147,235	969,311	3,069,415	64,328	134,010	171,426
EXPENSES:							
Purchased Gas Cost	0	0	0	0	0	0	0
O&M Expenses	6,107,983	3,880,596	387,199	1,586,009	123,803	76,222	54,154
Depreciation Expenses	1,275,983	560,411	122,584	502,972	19,653	30,226	40,137
Amortization Expenses	247,844	35,011	14,065	78,176	1,347	12,235	107,010
Taxes Other Than Income--Fixed	686,780	303,963	67,100	275,343	10,676	14,405	15,292
Taxes Other Than Income--Revenue	30,894	15,051	3,610	11,489	241	503	0
Total Expeses excl. Income Taxes	8,349,484	4,795,032	594,559	2,453,990	155,720	133,590	216,593
INCOME TAXES:	(385,271)	(172,111)	(36,129)	(148,966)	(5,615)	(10,367)	(12,083)
NET OPERATING INCOME:	591,512	(475,686)	410,881	764,391	(85,777)	10,787	(33,084)
=====							
RATE BASE:	23,260,599	10,391,135	2,181,276	8,993,742	339,032	625,919	729,496
RATE OF RETURN	0.025430	-0.045778	0.188367	0.084991	-0.253005	0.017234	-0.045352
=====							

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SCHEDULE - G (COST OF SERVICE)
RATE OF RETURN BY CUSTOMER CLASS
(Page 2 of 2: PROPOSED RATES)

ATTACHMENT 6

COMPANY NAME: FLORIDA PUBLIC UTILITIES
DOCKET NO. 900151-GU

	TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL.	PUBLIC HOUSING AUTH.	INTERRUPT	LG. VOL. INTERRUPT
REVENUES:							
Gas Sales	10,661,685	5,583,061	967,755	3,445,759	167,900	-201,623	295,588
Other Operating Revenue	214,602	196,736	9,611	8,255	0	0	0
Total	10,876,287	5,779,797	977,366	3,454,014	167,900	201,623	295,588
EXPENSES:							
Purchased Gas Cost	0	0	0	0	0	0	0
O&M Expenses	6,107,983	3,880,596	387,199	1,586,009	123,803	76,222	54,154
Depreciation Expenses	1,275,983	560,411	122,584	502,972	19,653	30,226	40,137
Amortization Expenses	247,844	35,011	14,065	78,176	1,347	12,235	107,010
Taxes Other Than Income--Fixed	686,780	303,963	67,100	275,343	10,676	14,405	15,292
Taxes Other Than Income--Revenue	38,876	20,936	3,629	12,922	630	756	0
Total Expeses excl. Income Taxes	8,357,466	4,800,917	594,578	2,455,422	156,109	133,844	216,593
PRE TAX NOI:	2,518,821	978,880	382,788	998,592	11,791	67,779	78,999
INCOME TAXES:	481,704	155,745	104,713	196,279	(3,102)	12,962	15,100
NET OPERATING INCOME:	2,037,117	823,135	278,075	802,313	14,893	54,817	63,888
=====							
RATE BASE:	23,260,599	10,391,135	2,181,276	8,993,742	339,032	625,919	729,496
RATE OF RETURN	0.087578	0.079215	0.127483	0.089208	0.043929	0.087578	0.087578
=====							

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ATTACHMENT 6

COST OF SERVICE SUMMARY

PROPOSED RATE DESIGN

COMPANY NAME: FLORIDA PUBLIC UTILITIES

DOCKET NO. 900151-GU

	<u>TOTAL</u>	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>LARGE</u> <u>VOL.</u>	<u>PUBLIC</u>		<u>LG. VOL.</u>	
					<u>HOUSING</u> <u>AUTH.</u>	<u>INT.</u>	<u>INT.</u>	<u>INT.</u>
<u>PRESENT RATES (projected test year)</u>								
GAS SALES (due to growth)	8,409,860	4,013,514	962,779	3,063,803	64,328	134,010	171,426	
OTHER OPERATING REVENUE	145,865	133,721	6,532	5,612	0	0	0	
TOTAL	8,555,725	4,147,235	969,311	3,069,415	64,328	134,010	171,426	
RATE OF RETURN	2.54%	-4.58%	18.84%	8.50%	-25.30%	1.72%	-4.54%	
INDEX	1.00	-0.02	0.07	0.03	-0.10	0.01	-0.02	
<u>PROPOSED RATES</u>								
GAS SALES	10,661,685	5,583,061	967,755	3,445,759	167,900	201,623	295,588	
OTHER OPERATING REVENUE	214,602	196,736	9,611	8,255	0	0	0	
TOTAL	10,876,287	5,779,797	977,366	3,454,014	167,900	201,623	295,588	
TOTAL REVENUE INCREASE	2,320,562	1,632,562	8,055	384,599	103,572	67,613	124,162	
PERCENT INCREASE	27.12%	39.37%	0.83%	12.53%	161.01%	50.45%	72.43%	
		40.68	40.68	40.68	40.68	40.68	40.68	
RATE OF RETURN	8.76%	7.92%	12.75%	8.92%	4.39%	8.76%	8.76%	
INDEX	1.00	0.90	1.46	1.02	0.50	1.00	1.00	

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COMPANY NAME: FLORIDA PUBLIC UTILITIES
 DOCKET NO. 900151-GU

COST OF SERVICE SUMMARY
 CALCULATION OF PROPOSED RATES

ATTACHMENT 6

PUBLIC

	TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL.	HOUSING AUTH.	INT.	LG. VOL. INT.
PROPOSED TOTAL TARGET REVENUES	10,876,287	5,779,797	977,366	3,454,014	167,900	201,623	295,588
LESS: OTHER OPERATING REVENUE	214,602	196,736	9,611	8,255	0	0	0
LESS: CUSTOMER CHARGE REVENUES							
PROPOSED CUSTOMER CHARGES		\$8.00	\$10.00	\$30.00	\$8.00	\$160.00	\$1,000.00
TIMES: NUMBER OF BILLS	413,136	367,227	18,503	15,893	11,338	175	12
EQUALS: CUSTOMER CHARGE REVENUES	3,730,340	2,937,816	185,030	476,790	90,704	28,000	12,000
LESS: OTHER NON-THERM-RATE REVENUES							
EQUALS: PER-THERM TARGET REVENUES	6,931,345	2,645,245	782,725	2,968,969	77,196	173,623	283,588
DIVIDED BY: NUMBER OF THERMS	67,078,514	8,954,891	3,786,401	21,266,906	348,412	3,347,905	29,373,999
EQUALS: PER-THERM RATES (UNRNDED)		0.295397	0.206720	0.139605	0.221565	0.051860	0.00963
PER-THERM RATES (RNDED)		0.29540	0.20672	0.13961	0.22157	0.05186	0.00963
PER-THERM-RATE REVENUES (RNDED RATES)	6,931,351	2,645,275	782,725	2,969,073	77,198	173,622	283,459

SUMMARY PROPOSED TARIFF RATES

CUSTOMER CHARGES		\$8.00	\$10.00	\$30.00	\$8.00	\$160.00	\$1,000.00
ENERGY CHARGES							
NON-GAS (CENTS PER THERM)		29.540	20.672	13.961	22.157	5.186	0.965
PURCHASED GAS ADJUSTMENT		33.900	33.900	33.900	33.900	30.080	29.510
TOTAL (INCLUDING PGA)		63.440	54.572	47.861	56.057	35.266	30.475

SUMMARY PRESENT TARIFF RATES

CUSTOMER CHARGES		\$6.00	\$6.00	\$17.00	\$4.00	\$70.00	\$700.00
ENERGY CHARGES							
NON-GAS (CENTS PER THERM)		20.849	22.847	13.333	5.710	3.694	0.555
PURCHASED GAS ADJUSTMENT		33.900	33.900	33.900	33.900	30.080	29.510
TOTAL (INCLUDING PGA)		54.749	56.747	47.233	39.610	33.774	30.065

SUMMARY OTHER OPERATING REVENUE

	PRESENT		PROPOSED	
	CHARGE	REVENUE	CHARGE	REVENUE
INITIAL CONNECTION	\$15.00	\$9,750	\$21.00	\$13,650
RECONNECTION FOR NONPAY	\$15.00	\$40,630	\$25.00	\$67,717
RECONNECTION	\$15.00	\$76,925	\$17.00	\$87,181
CHANGE OF ACCOUNT	\$5.00	\$7,685	\$8.00	\$12,296
BILL COLLECTION IN LIEU OF DISCONNECTION	\$0.00	\$0	\$7.00	\$22,873
RETURNED CHECK CHARGE	\$15.00	\$10,876	\$15.00	\$10,876

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ATTACHMENT 6

COMPANY: FLORIDA PUBLIC UTILITIES CO.
 DOCKET NO. 900151-GU

COST OF SERVICE SUMMARY
 RATE COMPARISON

RATE SCHEDULE: RESIDENTIAL

PRESENT RATES

Customer Charge
 6.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	20.849

PROPOSED RATES

Customer Charge
 8.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	29.540

GAS COST CENTS/THERM 33.9 THERM USAGE INCREMENT 5

therm usage	PRESENT		PROPOSED				Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	6.00	6.00	8.00	8.00	33.33	33.33	2.00
5	7.04	8.74	9.48	11.17	34.57	27.86	2.43
10	8.08	11.47	10.95	14.34	35.49	25.00	2.87
15	9.13	14.21	12.43	17.52	36.20	23.24	3.30
20	10.17	16.95	13.91	20.69	36.76	22.05	3.74
25	11.21	19.69	15.39	23.86	37.22	21.20	4.17
30	12.25	22.42	16.86	27.03	37.60	20.55	4.61
35	13.30	25.16	18.34	30.20	37.92	20.04	5.04
40	14.34	27.90	19.82	33.38	38.19	19.63	5.48
45	15.38	30.64	21.29	36.55	38.43	19.29	5.91
50	16.42	33.37	22.77	39.72	38.63	19.01	6.35
55	17.47	36.11	24.25	42.89	38.82	18.78	6.78
60	18.51	38.85	25.72	46.06	38.98	18.57	7.21
65	19.55	41.59	27.20	49.24	39.12	18.39	7.65
70	20.59	44.32	28.68	52.41	39.25	18.24	8.08
75	21.64	47.06	30.16	55.58	39.37	18.10	8.52
80	22.68	49.80	31.63	58.75	39.48	17.98	8.95
85	23.72	52.54	33.11	61.92	39.57	17.87	9.39
90	24.76	55.27	34.59	65.10	39.66	17.77	9.82
95	25.81	58.01	36.06	68.27	39.74	17.68	10.26

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ATTACHMENT 6

COMPANY: FLORIDA PUBLIC UTILITIES CO.
 DOCKET NO. 900151-GU

COST OF SERVICE SUMMARY
 RATE COMPARISON

RATE SCHEDULE: COMMERCIAL

PRESENT RATES

Customer Charge
 6.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	22.847

PROPOSED RATES

Customer Charge
 10.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	20.672

GAS COST CENTS/THERM
 33.9

THERM USAGE INCREMENT
 25

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	6.00	6.00	10.00	10.00	66.67	66.67	4.00
25	11.71	20.19	15.17	23.64	29.51	17.12	3.46
50	17.42	34.37	20.34	37.29	16.72	8.47	2.91
75	23.14	48.56	25.50	50.93	10.24	4.88	2.37
100	28.85	62.75	30.67	64.57	6.33	2.91	1.82
125	34.56	76.93	35.84	78.22	3.71	1.67	1.28
150	40.27	91.12	41.01	91.86	1.83	0.81	0.74
175	45.98	105.31	46.18	105.50	0.42	0.18	0.19
200	51.69	119.49	51.34	119.14	(0.68)	(0.29)	-0.35
225	57.41	133.68	56.51	132.79	(1.56)	(0.67)	-0.89
250	63.12	147.87	61.68	146.43	(2.28)	(0.97)	-1.44
275	68.83	162.05	66.85	160.07	(2.88)	(1.22)	-1.98
300	74.54	176.24	72.02	173.72	(3.39)	(1.43)	-2.53
325	80.25	190.43	77.18	187.36	(3.82)	(1.61)	-3.07
350	85.96	204.61	82.35	201.00	(4.20)	(1.77)	-3.61
375	91.68	218.80	87.52	214.65	(4.53)	(1.90)	-4.16
400	97.39	232.99	92.69	228.29	(4.83)	(2.02)	-4.70
425	103.10	247.17	97.86	241.93	(5.09)	(2.12)	-5.24
450	108.81	261.36	103.02	255.57	(5.32)	(2.21)	-5.79
475	114.52	275.55	108.19	269.22	(5.53)	(2.30)	-6.33

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ATTACHMENT 6

COMPANY: FLORIDA PUBLIC UTILITIES CO.
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COST OF SERVICE SUMMARY
 RATE COMPARISON

RATE SCHEDULE:

COMMERCIAL LARGE VOLUME

PRESENT RATES

PROPOSED RATES

Customer Charge
 17.00

Customer Charge
 30.00

Energy Charge

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	13.333

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	13.961

GAS COST CENTS/THERM
 33.9

THERM USAGE INCREMENT
 250

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	17.00	17.00	30.00	30.00	76.47	76.47	13.00
250	50.33	135.08	64.90	149.65	28.95	10.79	14.57
500	83.67	253.17	99.81	269.31	19.29	6.38	16.14
750	117.00	371.25	134.71	388.96	15.14	4.77	17.71
1000	150.33	489.33	169.61	508.61	12.83	3.94	19.28
1250	183.66	607.41	204.51	628.26	11.35	3.43	20.85
1500	217.00	725.50	239.42	747.92	10.33	3.09	22.42
1750	250.33	843.58	274.32	867.57	9.58	2.84	23.99
2000	283.66	961.66	309.22	987.22	9.01	2.66	25.56
2250	316.99	1,079.74	344.12	1,106.87	8.56	2.51	27.13
2500	350.33	1,197.83	379.03	1,226.53	8.19	2.40	28.70
2750	383.66	1,315.91	413.93	1,346.18	7.89	2.30	30.27
3000	416.99	1,433.99	448.83	1,465.83	7.64	2.22	31.84
3250	450.32	1,552.07	483.73	1,585.48	7.42	2.15	33.41
3500	483.66	1,670.16	518.64	1,705.14	7.23	2.09	34.98
3750	516.99	1,788.24	553.54	1,824.79	7.07	2.04	36.55
4000	550.32	1,906.32	588.44	1,944.44	6.93	2.00	38.12
4250	583.65	2,024.40	623.34	2,064.09	6.80	1.96	39.69
4500	616.99	2,142.49	658.25	2,183.75	6.69	1.93	41.26
4750	650.32	2,260.57	693.15	2,303.40	6.59	1.89	42.83

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COMPANY: FLORIDA PUBLIC UTILITIES CO.
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COST OF SERVICE SUMMARY
 RATE COMPARISON

RATE SCHEDULE: PUBLIC HOUSING AUTH.

PRESENT RATES

Customer Charge
 4.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	5.71

PROPOSED RATES

Customer Charge
 8.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	22.157

GAS COST CENTS/THERM 33.9
 THERM USAGE INCREMENT 5

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	4.00	4.00	8.00	8.00	100.00	100.00	4.00
5	4.29	5.98	9.11	10.80	112.53	80.63	4.82
10	4.57	7.96	10.22	13.61	123.49	70.90	5.64
15	4.86	9.94	11.32	16.41	133.16	65.05	6.47
20	5.14	11.92	12.43	19.21	141.76	61.14	7.29
25	5.43	13.90	13.54	22.01	149.46	58.35	8.11
30	5.71	15.88	14.65	24.82	156.38	56.25	8.93
35	6.00	17.86	15.75	27.62	162.65	54.62	9.76
40	6.28	19.84	16.86	30.42	168.35	53.31	10.58
45	6.57	21.82	17.97	33.23	173.55	52.24	11.40
50	6.86	23.81	19.08	36.03	178.32	51.35	12.22
55	7.14	25.79	20.19	38.83	182.70	50.59	13.05
60	7.43	27.77	21.29	41.63	186.75	49.95	13.87
65	7.71	29.75	22.40	44.44	190.50	49.39	14.69
70	8.00	31.73	23.51	47.24	193.98	48.89	15.51
75	8.28	33.71	24.62	50.04	197.23	48.46	16.34
80	8.57	35.69	25.73	52.85	200.25	48.08	17.16
85	8.85	37.67	26.83	55.65	203.08	47.73	17.98
90	9.14	39.65	27.94	58.45	205.74	47.42	18.80
95	9.42	41.63	29.05	61.25	208.23	47.14	19.62

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COMPANY: FLORIDA PUBLIC UTILITIES CO.
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COST OF SERVICE SUMMARY
RATE COMPARISON

RATE SCHEDULE: INTERRUPTIBLE

PRESENT RATES

Customer Charge
70.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	3.694

PROPOSED RATES

Customer Charge
160.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	5.186

GAS COST CENTS/THERM
30.08

THERM USAGE INCREMENT
2500

therm usage	PRESENT		PROPOSED				Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	70.00	70.00	160.00	160.00	128.57	128.57	90.00
2500	162.35	914.35	289.65	1,041.65	78.41	13.92	127.30
5000	254.70	1,758.70	419.30	1,923.30	64.63	9.36	164.60
7500	347.05	2,603.05	548.95	2,804.95	58.18	7.76	201.90
10000	439.40	3,447.40	678.60	3,686.60	54.44	6.94	239.20
12500	531.75	4,291.75	808.25	4,568.25	52.00	6.44	276.50
15000	624.10	5,136.10	937.90	5,449.90	50.28	6.11	313.80
17500	716.45	5,980.45	1,067.55	6,331.55	49.01	5.87	351.10
20000	808.80	6,824.80	1,197.20	7,213.20	48.02	5.69	388.40
22500	901.15	7,669.15	1,326.85	8,094.85	47.24	5.55	425.70
25000	993.50	8,513.50	1,456.50	8,976.50	46.60	5.44	463.00
27500	1,085.85	9,357.85	1,586.15	9,858.15	46.07	5.35	500.30
30000	1,178.20	10,202.20	1,715.80	10,739.80	45.63	5.27	537.60
32500	1,270.55	11,046.55	1,845.45	11,621.45	45.25	5.20	574.90
35000	1,362.90	11,890.90	1,975.10	12,503.10	44.92	5.15	612.20
37500	1,455.25	12,735.25	2,104.75	13,384.75	44.63	5.10	649.50
40000	1,547.60	13,579.60	2,234.40	14,266.40	44.38	5.06	686.80
42500	1,639.95	14,423.95	2,364.05	15,148.05	44.15	5.02	724.10
45000	1,732.30	15,268.30	2,493.70	16,029.70	43.95	4.99	761.40
47500	1,824.65	16,112.65	2,623.35	16,911.35	43.77	4.96	798.70

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COMPANY: FLORIDA PUBLIC UTILITIES CO.
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COST OF SERVICE SUMMARY
 RATE COMPARISON

RATE SCHEDULE: INTERRUPTIBLE LARGE VOLUME

PRESENT RATES

Customer Charge
 700.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	0.555

PROPOSED RATES

Customer Charge
 1000.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	0.965

GAS COST CENTS/THERM
 29.51

THERM USAGE INCREMENT
 200000

therm usage	PRESENT		PROPOSED		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	700.00	700.00	1,000.00	1,000.00	42.86	42.86	300.00
200000	1,810.00	60,830.00	2,930.00	61,950.00	61.88	1.84	1120.00
400000	2,920.00	120,960.00	4,860.00	122,900.00	66.44	1.60	1940.00
600000	4,030.00	181,090.00	6,790.00	183,850.00	68.49	1.52	2760.00
800000	5,140.00	241,220.00	8,720.00	244,800.00	69.65	1.48	3580.00
1000000	6,250.00	301,350.00	10,650.00	305,750.00	70.40	1.46	4400.00
1200000	7,360.00	361,480.00	12,580.00	366,700.00	70.92	1.44	5220.00
1400000	8,470.00	421,610.00	14,510.00	427,650.00	71.31	1.43	6040.00
1600000	9,580.00	481,740.00	16,440.00	488,600.00	71.61	1.42	6860.00
1800000	10,690.00	541,870.00	18,370.00	549,550.00	71.84	1.42	7680.00
2000000	11,800.00	602,000.00	20,300.00	610,500.00	72.03	1.41	8500.00
2200000	12,910.00	662,130.00	22,230.00	671,450.00	72.19	1.41	9320.00
2400000	14,020.00	722,260.00	24,160.00	732,400.00	72.33	1.40	10140.00
2600000	15,130.00	782,390.00	26,090.00	793,350.00	72.44	1.40	10960.00
2800000	16,240.00	842,520.00	28,020.00	854,300.00	72.54	1.40	11780.00
3000000	17,350.00	902,650.00	29,950.00	915,250.00	72.62	1.40	12600.00
3200000	18,460.00	962,780.00	31,880.00	976,200.00	72.70	1.39	13420.00
3400000	19,570.00	1,022,910.00	33,810.00	1,037,150.00	72.76	1.39	14240.00
3600000	20,680.00	1,083,040.00	35,740.00	1,098,100.00	72.82	1.39	15060.00
3800000	21,790.00	1,143,170.00	37,670.00	1,159,050.00	72.88	1.39	15880.00