

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 970001-EI
CONTINUING SURVEILLANCE AND REVIEW OF
FUEL COST RECOVERY CLAUSES OF ELECTRIC UTILITIES

Direct Testimony of
George M. Bachman
On Behalf of
Florida Public Utilities Company

1 Q. Please state your name and business address.

2 A. George M. Bachman, 401 South Dixie Highway, West Palm Beach, FL
3 33401.

4 Q. By whom are you employed?

5 A. I am employed by Florida Public Utilities Company.

6 Q. Have you previously testified in this Docket?

7 A. Yes.

8 Q. What is the purpose of your testimony at this time?

9 A. I will briefly describe the basis for the computations that were
10 made in the preparation of the various Schedules that we have
11 submitted in support of the October 1997 - March 1998 fuel cost
12 recovery adjustments for our two electric divisions. In addition,
13 I will advise the Commission of the projected differences between
14 the revenues collected under the levelized fuel adjustment and the
15 purchased power costs allowed in developing the levelized fuel
16 adjustment for the period April 1997 - September 1997 and to
17 establish a "true-up" amount to be collected or refunded during
18 October 1997 - March 1998.

19 Q. Were the schedules filed by your Company completed under your
20 direction?

21 A. Yes.

22 Q. Which of the Staff's set of schedules has your company completed
23 and filed?

DOCUMENT NUMBER - DATE

06220 JUN 20 98

FPSC-RECORDS-REPORTING

1 A. We have filed Schedules E1, E1A, E1-B, E1B-1, E2, E7, E8 and E10
2 for Marianna and Fernandina Beach. They are included in Composite
3 Prehearing Identification Number GMB-3.

4 These schedules support the calculation of the levelized fuel
5 adjustment factor for October 1997 - March 1998. Schedule E1-B
6 shows the Calculation of Purchased Power Costs and Calculation of
7 True-Up and Interest Provision for the period April 1997 -
8 September 1997 based on 2 Months Actual and 4 Months Estimated
9 data.

10 Q. In derivation of the projected cost factor for the October 1997 -
11 March 1998 period, did you follow the same procedures that were
12 used in the prior period filings?

13 A. Yes.

14 Q. Why has the GSLD rate class for Fernandina Beach been excluded from
15 these computations?

16 A. Demand and other purchased power costs are assigned to the GSLD
17 rate class directly based on their actual CP KW and their actual
18 KWH consumption. That procedure for the GSLD class has been in use
19 for several years and has not been changed herein. Costs to be
20 recovered from all other classes is determined after deducting from
21 total purchased power costs those costs directly assigned to GSLD.

22 Q. How will the demand cost recovery factors for the other rate
23 classes be used?

24 A. The demand cost recovery factors for each of the RS, GS, GSD and
25 OL-SL rate classes will become one element of the total cost
26 recovery factor for those classes. All other costs of purchased
27 power will be recovered by the use of the levelized factor that is
28 the same for all those rate classes. Thus the total factor for each
29 class will be the sum of the respective demand cost factor and the

1 levelized factor for all other costs.

2 Q. Please address the calculation of the total true-up amount to be
3 collected or refunded during the October 1997 - March 1998.

4 A. We have determined that at the end of September 1997 based on two
5 months actual and four months estimated, we will have under-
6 recovered \$10,203 in purchased power costs in our Marianna
7 division. Based on estimated sales for the period October 1997 -
8 March 1998, it will be necessary to add .007834¢ per KWH to collect
9 this under-recovery.

10 In Fernandina Beach we will have under-recovered \$65,586 in
11 purchased power costs. This amount will be collected at .04134¢
12 per KWH during the October 1997 - March 1998 period. Page 3 and 12
13 of Composite Prehearing Identification Number GMB-3 provides a
14 detail of the calculation of the true-up amounts.

15 Q. Looking back upon the October 1996 - March 1997 period, what were
16 the actual End of Period - True-Up amounts for Marianna and
17 Fernandina Beach, and their significance, if any?

18 A. The Marianna Division experienced an over-recovery of \$359,886 and
19 Fernandina Beach Division over-recovered \$145,789. The amounts
20 both represent fluctuations of less than 10% from the total fuel
21 charges for the period and are not considered significant variances
22 from projections.

23 Q. What are the final remaining true-up amounts for the period October
24 1996 - March 1997 for both divisions?

25 A. In Marianna the final remaining true-up amount was an over-recovery
26 of \$132,028. The final remaining true-up amount for Fernandina
27 Beach was an over-recovery of \$46,124.

28 Q. What are the estimated true-up amounts for the period of April 1997
29 - September 1997?

1 A. In Marianna, there is an estimated under-recovery of \$142,231.
2 Fernandina Beach has an estimated under-recovery of \$111,710.

3 Q. What will the total fuel adjustment factor, excluding demand cost
4 recovery, be for both divisions for the period
5 October 1997 - March 1998?

6 A. In Marianna the total fuel adjustment factor as shown on Line 33,
7 Schedule E1, is 2.402¢ per KWH. In Fernandina Beach the total fuel
8 adjustment factor for "other classes", as shown on Line 43,
9 Schedule E1, amounts to 2.685¢ per KWH.

10 Q. Please advise what a residential customer using 1,000 KWH will pay
11 for the period October 1997 - March 1998 including base rates
12 (which include revised conservation cost recovery factors) and fuel
13 adjustment factor and after application of a line loss multiplier.

14 A. In Marianna a residential customer using 1,000 KWH will pay \$67.08,
15 an increase of \$2.38 from the previous period. In Fernandina Beach
16 a customer will pay \$65.20, a decrease of \$.15 from the previous
17 period.

18 Q. Does this conclude your testimony?

19 A. Yes.

20 Disk Fuel 1/97

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PROJECTION FILINGS
OCTOBER 1997 - MARCH 1998

Schedule E-1	Fuel and Purchased Power Cost Recovery Clause Calculation
Schedule E1-A	Calculation of True-Up Surcharge
Schedule E1-B	Calculation of Purchased Power Costs and Calculation of True-Up and Interest Provision
Schedule E-1B-1	Comparison of Estimate/Actual Versus Original Projections of the Fuel and Purchased Power Cost Recovery Factor
Schedule E2	Fuel and Purchased Power Cost Recovery Clause Calculation
Schedule E7	Purchased Power
Schedule E8	Purchased Power Energy Payment to Qualifying Facilities
Schedule E10	Residential Bill Comparison

FLORIDA PUBLIC UTILITIES COMPANY
 FUEL AND PURCHASED POWER
 COST RECOVERY CLAUSE CALCULATION

SCHEDULE E1
 PAGE 1 OF 3

ESTIMATED FOR THE PERIOD: OCTOBER 1997 - MARCH 1998

FERNANDINA BEACH DIVISION

	(a)	(b)	(c)
	DOLLARS	MWH	CENTS/KWH
1 Fuel Cost of System Net Generation (E3)			
2 Nuclear Fuel Disposal Costs (E2)			
3 Coal Car Investment			
4 Adjustments to Fuel Cost			
5 TOTAL COST OF GENERATED POWER (LINE 1 THRU 4)	0	0	0.00000
6 Fuel Cost of Purchased Power (Exclusive of Economy) (E7)	2,994,574	162,308	1.84499
7 Energy Cost of Sched C & X Econ Purch (Broker) (E8)			
8 Energy Cost of Other Econ Purch (Non-Broker) (E8)			
9 Energy Cost of Sched E Economy Purch (E9)			
10 Demand & Non Fuel Cost of Purch Power (E2)	3,682,924	162,308	2.26910
10a Demand Costs of Purchased Power	2,580,000 *		
10b Non-fuel Energy & Customer Costs of Purchased Power	1,102,924 *		
11 Energy Payments to Qualifying Facilities (E8a)	11,220	600	1.87000
12 TOTAL COST OF PURCHASED POWER (LINE 6 THRU 11)	6,688,718	162,908	4.10583
13 TOTAL AVAILABLE KWH (LINE 5 + LINE 12)	6,688,718	162,908	4.10583
14 Fuel Cost of Economy Sales (E6)			
15 Gain on Economy Sales (E6)			
16 Fuel Cost of Unit Power Sales (SL2 Partpts) (E6)			
17 Fuel Cost of Other Power Sales			
18 TOTAL FUEL COST AND GAINS OF POWER SALES	0	0	0.00000
19 Net Inadvertent Interchange			
20 TOTAL FUEL & NET POWER TRANSACTIONS (LINE 5 + 12 + 18 + 19)	6,688,718	162,908	4.10583
21 Net Unbilled Sales	(133,768) *	(3,258)	-0.08431
22 Company Use	7,267 *	177	0.00458
23 T & D Losses	300,998 *	7,331	0.18971
24 SYSTEM MWH SALES	6,688,718	158,658	4.21581
25 Wholesale MWH Sales			
26 Jurisdictional MWH Sales	6,688,718	158,658	4.21581
26a Jurisdictional Loss Multiplier	1.00000	1.00000	
27 Jurisdictional MWH Sales Adjusted for Line Losses	6,688,718	158,658	4.21581
27a GSLD MWH Sales		43,200	
27b Other Classes MWH Sales		115,458	
27c GSLD CP KW		126,000 *	
28 GPIF **			
29 TRUE-UP (OVER) UNDER RECOVERY **	65,586	158,658	0.04134
30 TOTAL JURISDICTIONAL FUEL COST	6,754,304	158,658	4.25715
30a Demand Purchased Power Costs (Line 10a)	2,580,000 *		
30b Non-demand Purchased Power Costs (Lines 6 + 10b + 11)	4,108,718 *		
30c True up Over/Under Recovery (Line 29)	65,586 *		

* For Informational Purposes Only

** Calculation Based on Jurisdictional KWH Sales

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FLORIDA PUBLIC UTILITIES COMPANY
 FUEL AND PURCHASED POWER
 COST RECOVERY CLAUSE CALCULATION

SCHEDULE E1
 PAGE 2 OF 3

ESTIMATED FOR THE PERIOD: OCTOBER 1997 - MARCH 1998

FERNANDINA BEACH DIVISION

	(a)	(b)	(c)
	DOLLARS	MWH	CENTS/KWH
APPORTIONMENT OF DEMAND COSTS			
31 Total Demand Costs (Line 30a)	2,580,000		
32 GSLD Portion of Demand Costs (Line 30a) Including Line Losses (Line 27c x \$6.18)	778,680	126,000 (KW)	\$6.18 /KW
33 Balance to Other Classes	1,801,320	115,458	1.58015
APPORTIONMENT OF NON-DEMAND COSTS			
34 Total Non-demand Costs (Line 30b)	4,108,718		
35 Total KWH Purchased (Line 12)		162,908	
36 Average Cost per KWH Purchased			2.52211
37 Average Cost Adjusted for Line Losses (Line 36 x 1.03)			2.59777
38 GSLD Non-demand Costs (Line 27a x Line 37)	1,122,814	43,200	2.59911
39 Balance to Other Classes	2,985,904	115,458	2.58514
GSLD PURCHASED POWER COST RECOVERY FACTORS			
40a Total GSLD Demand Costs (Line 32)	778,680	126,000 (KW)	\$6.18 /KW
40b Revenue Tax Factor			1.01609
40c GSLD Demand Purchased Power Factor Adjusted for Taxes & Rounded			\$6.28 /KW
40d Total Current GSLD Non-demand Costs (Line 38)	1,122,814	43,200	2.59911
40e Total Non-demand Costs Including True-up	1,122,814	43,200	2.59911
40f Revenue Tax Factor			1.01609
40g GSLD Non-demand Costs Adjusted for Taxes & Rounded			2.64093
OTHER CLASSES PURCHASED POWER COST RECOVERY FACTORS			
41a Total Demand & Non-demand Purchased Power Costs of Other Classes (Line 33 + 39)	4,787,224	115,458	4.14629
41b Less: Total Demand Cost Recovery	1,801,320 ***		
41c Total Other Costs to be Recovered	2,985,904	115,458	2.58514
41d Other Classes' Portion of True-up (Line 30c)	65,586	115,458	0.05681
41e Total Demand & Non-demand Costs Including True-up	3,051,490	115,458	2.64294
42 Revenue Tax Factor			1.01609
43 Other Classes Purchased Power Factor Adjusted for Taxes & Rounded			2.685

* For Informational Purposes Only

** Calculation Based on Jurisdictional KWH Sales

*** Calculation on Schedule E1 Page 3

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FLORIDA PUBLIC UTILITIES COMPANY
 FUEL AND PURCHASED POWER
 COST RECOVERY CLAUSE CALCULATION

SCHEDULE E1
 PAGE 3 OF 3

ESTIMATED FOR THE PERIOD: OCTOBER 1997 - MARCH 1998

FERNANDINA BEACH DIVISON

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			(1) / (2) * 4.380			(3) * (4)	(1) * (5)	(6) / Tot. Col. (6)	(7) / Tot. Col. (7)
Rate Schedule	KWH Sales	12 CP Load Factor	CP KW At Meter	Demand Loss Factor	Energy Loss Factor	CP KW At GEN.	KWH At GEN.	12 CP Demand Percentage	Energy Percentage
44 RS	66,772,852	60.910%	25,028.6	1.089	1.000	27,256.1	66,772,852	65.13%	57.83%
45 GS	8,905,709	67.794%	2,999.2	1.089	1.000	3,266.1	8,905,709	7.80%	7.71%
46 GSD	39,020,392	85.426%	10,428.6	1.083	1.000	11,294.2	39,020,392	26.99%	33.80%
47 OL, SL, CSL	758,616	585.192%	29.6	1.089	1.000	32.2	758,616	0.08%	0.66%
48 TOTAL	<u>115,457,569</u>		<u>38,486.0</u>			<u>41,848.6</u>	<u>115,457,569</u>	<u>100.00%</u>	<u>100.00%</u>

	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
	12 / 13 * (8)	1 / 13 * (9)	(10) * (11)	Tot. Col. 13 * (12)	(13) / (1)	(14) * 1.01609		(15) * (16)
Rate Schedule	12/13 Of 12 CP	1/13 Of Energy	Demand Allocation Percentage	Demand Dollars	Demand Cost Recovery	Demand Cost Recovery Adj for Taxes	Other Charges	Levelized Adjustment
49 RS	60.13%	4.45%	64.56%	\$1,163,292	0.01742	0.01770	0.02685	0.04455
50 GS	7.00%	0.59%	7.79%	140,323	0.01576	0.01601	0.02685	0.04286
51 GSD	24.91%	2.60%	27.51%	495,543	0.01270	0.01290	0.02685	0.03975
52 OL, SL, CSL	0.07%	0.05%	0.12%	2,162	0.00285	0.00290	0.02685	0.02975
53 TOTAL	<u>92.31%</u>	<u>7.69%</u>	<u>100.00%</u>	<u>\$1,801,320</u>				

(2) From Florida Power & Light Co. 1995 Load Research results
 (4) From Fernandina Beach Rate Case 881056-E1

FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF TRUE-UP SURCHARGE
APPLICABLE TO LEVELIZED FUEL ADJUSTMENT PERIOD
APRIL 1997 - SEPTEMBER 1997
BASED ON TWO MONTHS ACTUAL AND FOUR MONTHS ESTIMATED OPERATIONS

Schedule E1-A

Fernandina Beach Division

Under-recovery of purchased power costs for the period
April 1997 - September 1997. (See Schedule E1-B, Calculation
of Estimated Purchased Power Costs and Calculation of True-
Up and Interest Provision for the Six Month Period ended
September 1997.)(Estimated)

\$ 65,586

Estimated kilowatt hour sales for the months of October 1997 -
March 1998 as per estimate filed with the Commission.
(Excludes GSLD customers)

158,658,000

Cents per kilowatt hour necessary to collect under-recovered
purchased power costs over the period October 1997 - March 1998.

0.04134

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FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF PURCHASED POWER COSTS AND
CALCULATION OF TRUE-UP AND INTEREST PROVISION-EXCLUDING GSLD
PERIOD APRIL 1997 - SEPTEMBER 1997
BASED ON TWO MONTHS ACTUAL AND FOUR MONTHS ESTIMATED
(EXCLUDES LINE LOSS, EXCLUDES TAXES)

Schedule E1-B

FERNANDINA BEACH

	Actual APRIL 1997	Actual MAY 1997	Estimated JUNE 1997	Estimated JULY 1997	Estimated AUGUST 1997	Estimated SEPTEMBER 1997	Total Estimated
Total System Sales - KWH	26,725,566	26,159,842	29,145,831	32,779,400	33,243,998	31,844,501	179,899,138
CCA Purchases - KWH	106,300	200,600	160,000	160,000	160,000	160,000	946,900
JEA Purchases - KWH	26,634,104	29,204,224	31,513,366	35,531,855	35,273,807	30,712,032	188,869,388
System Billing Demand - KW	67,917	64,736	78,000	78,000	78,000	79,000	445,653
Purchased Power Rates:							
CCA Fuel Costs - \$/KWH	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	
Base Fuel Costs - \$/KWH	0.01845	0.01845	0.01845	0.01845	0.01845	0.01845	
Fuel Adjustment - \$/KWH	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
Demand and Non-Fuel:							
Demand Charge - \$/KW	6.00	6.00	6.00	6.00	6.00	6.00	
Customer Charge - \$	225.00	225.00	225.00	225.00	225.00	225.00	
Energy Charge (Excl. Fuel) \$/KWH	0.00905	0.00905	0.00905	0.00905	0.00905	0.00905	
Purchased Power Costs:							
CCA Fuel Costs	1,988	3,751	2,992	2,992	2,992	2,992	17,707
JEA Base Fuel Costs	491,399	538,818	581,422	655,563	650,802	566,837	3,484,641
JEA Fuel Adjustment	0	0	0	0	0	0	0
Subtotal Fuel Costs	493,387	542,569	584,414	658,555	653,794	569,829	3,502,348
Demand and Non-Fuel Costs:							
Demand Charge	407,502	388,416	468,000	468,000	468,000	474,000	2,673,918
Customer Charge	225	225	225	225	225	225	1,350
Energy Charge	241,039	264,298	285,196	321,563	319,228	277,944	1,709,268
Subtotal Demand & Non-Fuel Costs	648,766	652,939	753,421	789,788	787,453	752,169	4,384,536
Total System Purchased Power Costs	1,142,153	1,195,508	1,337,835	1,448,343	1,441,247	1,321,998	7,886,884
Less Direct Billing To GSLD Class:							
Demand	103,085	105,249	129,780	129,780	129,780	129,780	727,454
Commodity	250,296	238,302	183,862	183,891	183,889	183,856	1,224,096
Net Purchased Power Costs	788,772	851,957	1,024,193	1,134,672	1,127,578	1,008,162	5,935,334
Sales Revenues							
Fuel Adjustment Revenues:	Rate						
RS	0.04399	379,423	413,734	569,434	705,423	719,825	3,444,059
GS	0.04251	61,606	66,664	75,311	79,501	80,430	444,675
GSD	0.03969	248,401	263,228	309,697	327,316	331,894	1,813,587
OL	0.03068	1,495	1,525	1,472	1,472	1,472	8,908
SL,CSL	0.03068	2,368	2,368	2,415	2,407	2,407	14,372
Total Fuel Revenues (Excl. GSLD)		693,293	747,519	958,329	1,116,119	1,136,028	5,725,601
GSLD Fuel Revenues		353,381	343,551	313,642	313,671	313,669	1,951,550
Non-Fuel Revenues		452,089	473,746	538,099	598,710	604,693	3,249,158
Total Sales Revenue		1,498,763	1,564,816	1,810,070	2,028,500	2,054,390	10,926,309
KWH Sales:							
RS		8,624,860	9,404,851	12,944,819	16,035,979	16,363,379	78,290,960
GS		1,449,218	1,568,204	1,771,607	1,870,168	1,892,026	10,460,490
GSD		6,258,533	6,632,108	7,802,902	8,246,818	8,362,157	45,693,836
GSLD		8,846,000	8,428,000	6,500,000	6,500,000	6,500,000	43,274,000
OL		48,720	49,710	47,989	47,989	47,989	290,386
SL,CSL		77,169	77,169	78,714	78,447	78,447	468,393
Total KWH Sales		26,304,500	26,159,842	29,145,831	32,779,401	33,243,998	178,478,073
True-up Calculation (Excl. GSLD):							Period to Date
Fuel Revenues		693,293	747,519	958,329	1,116,119	1,136,028	5,725,601
True-up Provision		(24,298)	(24,298)	(31,986)	(31,986)	(31,986)	(176,537)
Gross Receipts Tax Refund		0	0	0	0	0	0
Fuel Revenue		717,591	771,817	990,315	1,148,105	1,168,014	5,902,138
Net Purchased Power Costs		788,772	851,957	1,024,193	1,134,672	1,127,578	5,935,334
True-up Provision for the Period		(71,181)	(80,140)	(33,878)	13,433	40,436	(33,196)
Interest Provision for the Period		464	(7)	(405)	(604)	(631)	(1,642)
True-up and Interest Provision		145,789	50,774	(53,671)	(119,940)	(139,097)	145,789
Beginning of Period							(176,537)
True-up Collected or (Refunded)		(24,298)	(24,298)	(31,986)	(31,986)	(31,986)	(176,537)
End of Period, Net True-up		50,774	(53,671)	(119,940)	(139,097)	(131,278)	(65,586)
							-1.11%
10% RULE							
Interest Provision							
Beginning True-up Amount		145,789	50,774	(53,671)	(119,940)	(139,097)	(131,278)
Ending True-up Amount Before Interest		50,310	(53,664)	(119,535)	(138,493)	(130,647)	(65,127)
Total Beginning and Ending True-up		196,099	(2,890)	(173,206)	(258,433)	(269,744)	(196,405)
Average True-up Amount		98,050	(1,445)	(86,603)	(129,217)	(134,872)	(98,203)
Interest Rate		5.6800%	5.6100%	5.6100%	5.6100%	5.6100%	5.6100%
Monthly Average Interest Rate		0.4733%	0.4675%	0.4675%	0.4675%	0.4675%	0.4675%
Interest Provision		464	(7)	(405)	(604)	(631)	(459)

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FLORIDA PUBLIC UTILITIES COMPANY
 FERNANDINA BEACH DIVISION
 COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS
 OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR
 FOR THE PERIOD APRIL 1997 - SEPTEMBER 1997

SCHEDULE E-1B-1

	DOLLARS				MWH				CENTS/KWH			
	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%
1 Fuel Cost of System Net Generation (A3)					0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
2 Nuclear Fuel Disposal Cost (A13)												
3 Coal Car Investment												
4 Adjustments to Fuel Cost (A2, Page 1)												
5 TOTAL COST OF GENERATED POWER	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8)	3,484,641	3,415,568	69,073	2.0%	189,869	185,126	3,743	2.0%	1.84500	1.84500	0.00000	0.0%
7 Energy Cost of Sched C & X Econ Purch (Broker)(A9)												
8 Energy Cost of Other Econ Purch (Non-Broker)(A9)												
9 Energy Cost of Sched E Economy Purch (A9)												
10 Demand and Non Fuel Cost of Purchased Power (A9)	4,384,536	4,332,736	1,800	0.0%	188,869	185,126	3,743	2.0%	2.32147	2.36743	(0.04596)	-1.9%
11 Energy Payments to Qualifying Facilities (A8a)	17,707	17,952	(245)	-1.4%	947	960	(13)	-1.4%	1.86980	1.87000	(0.00020)	-0.0%
12 TOTAL COST OF PURCHASED POWER	7,866,884	7,816,256	70,628	0.9%	189,816	186,086	3,730	2.0%	4.15502	4.20035	(0.04533)	-1.1%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					189,816	186,086	3,730	2.0%				
14 Fuel Cost of Economy Sales (A7)												
15 Gain on Economy Sales (A7a)												
16 Fuel Cost of Unit Power Sales (SL2 Parpts)(A7)												
17 Fuel Cost of Other Power Sales (A7)												
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
19 NET INADVERTENT INTERCHANGE (A10)												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	7,866,884	7,816,256	70,628	0.9%	189,816	186,086	3,730	2.0%	4.15502	4.20035	(0.04533)	-1.1%
21 Net Unbilled Sales (A4)	(51,162)*	13,441*	(74,603)	-555.0%	(1,472)	320	(1,792)	-560.0%	(0.03400)	0.00770	(0.04170)	-541.8%
22 Company Use (A4)	0*	0*	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
23 T & D Losses (A4)	473,215*	468,969*	4,246	0.9%	11,389	11,165	224	2.0%	0.26304	0.26859	(0.00555)	-2.1%
24 SYSTEM KWH SALES	7,866,884	7,816,256	70,628	0.9%	179,899	174,801	5,298	3.0%	4.38406	4.47664	(0.09258)	-2.1%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	7,866,884	7,816,256	70,628	0.9%	179,899	174,801	5,298	3.0%	4.38406	4.47664	(0.09258)	-2.1%
26a Jurisdictional Loss Multiplier	1.000	1.000	0.000	0.0%	1.000	1.000	0.000	0.0%	1.000	1.000	0.00000	0.0%
27 Jurisdictional KWH Sales Adjusted for Line Losses	7,866,884	7,816,256	70,628	0.9%	179,899	174,801	5,298	3.0%	4.38406	4.47664	(0.09258)	-2.1%
28 GPIF**												
29 TRUE-UP**	145,789	191,913	(46,124)	-24.0%	179,899	174,801	5,298	3.0%	0.08104	0.10992	(0.02888)	-26.3%
30 TOTAL JURISDICTIONAL FUEL COST	8,032,673	8,008,169	24,504	0.3%	179,899	174,801	5,298	3.0%	4.46510	4.58655	(0.12145)	-2.7%
31 Revenue Tax Factor									1.01809	1.01809	0.00000	0.0%
32 Fuel Factor Adjusted for Taxes									4.53694	4.66035	(0.12341)	-2.7%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									4.537	4.660	(0.123)	-2.6%

*Included for Informational Purposes Only
 **Calculation Based on Jurisdictional KWH Sales

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FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH DIVISION
FUEL & PURCHASED POWER COST RECOVERY CLAUSE CALCULATION
FOR THE PERIOD: OCTOBER 1997 - MARCH 1998

SCHEDULE E2

LINE NO.		(a)	(b)	(c)	(d)	(e)	(f)	(g)	LINE NO.
		OCTOBER	NOVEMBER	ESTIMATED DECEMBER	JANUARY	FEBRUARY	MARCH	TOTAL PERIOD	
1	FUEL COST OF SYSTEM GENERATION							0	1
1a	NUCLEAR FUEL DISPOSAL							0	1a
2	FUEL COST OF POWER SOLD							0	2
3	FUEL COST OF PURCHASED POWER	491,290	471,869	525,444	534,351	483,942	487,678	2,994,574	3
3a	DEMAND & NON FUEL COST OF PUR POW	637,210	621,684	671,963	588,003	611,571	552,493	3,682,924	3a
3b	QUALIFYING FACILITIES	1,870	1,870	1,870	1,870	1,870	1,870	11,220	3b
4	ENERGY COST OF ECONOMY PURCHASES							0	4
5	TOTAL FUEL & NET POWER TRANSACTION (SUM OF LINES A-1 THRU A-4)	1,130,370	1,095,423	1,199,277	1,124,224	1,097,383	1,042,041	6,688,718	5
5a	LESS: TOTAL DEMAND COST RECOVERY	266,220	260,220	284,220	326,220	362,220	302,220	1,801,320	5a
5b	TOTAL OTHER COST TO BE RECOVERED	864,150	835,203	915,057	798,004	735,163	739,821	4,887,398	5b
6	APPORTIONMENT TO GSLD CLASS	333,538	333,531	333,550	300,295	300,290	306,290	1,901,494	6
6a	BALANCE TO OTHER CLASSES	530,612	501,672	581,507	497,709	434,873	439,531	2,985,904	6a
6b	SYSTEM KWH SOLD (MWH)	27,298	24,359	26,212	28,108	27,524	25,157	158,858	6b
7	GSLD MWH SOLD	7,200	7,200	7,200	7,200	7,200	7,200	43,200	7
7a	BALANCE MWH SOLD OTHER CLASSES	20,098	17,159	19,012	20,908	20,324	17,957	115,458	7a
7b	COST PER KWH SOLD (CENTS/KWH) APPLICABLE TO OTHER CLASSES	2.64012	2.92367	3.05863	2.38047	2.1397	2.44769	2.58614	7b
8	JURISDICTIONAL LOSS MULTIPLIER	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	8
9	JURISDICTIONAL COST (CENTS/KWH)	2.64012	2.92367	3.05863	2.38047	2.13970	2.44769	2.58614	9
10	GPIF (CENTS/KWH)								10
11	TRUE-UP (CENTS/KWH)	0.05681	0.05681	0.05681	0.05681	0.05681	0.05681	0.05681	11
12	TOTAL	2.69693	2.98048	3.11544	2.43728	2.19651	2.50450	2.64295	12
13	REVENUE TAX FACTOR 0.01609	0.04339	0.04795	0.05013	0.03922	0.03534	0.04030	0.04252	13
14	RECOVERY FACTOR ADJUSTED FOR TAXE	2.74032	3.02843	3.16556	2.47649	2.23185	2.54479	2.68547	14
15	RECOVERY FACTOR ROUNDED TO NEAREST .001 CENT/KWH	2.74	3.028	3.166	2.476	2.232	2.545	2.685	15

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FLORIDA PUBLIC UTILITIES COMPANY
 FERNANDINA BEACH DIVISION
 PURCHASED POWER
 (EXCLUSIVE OF ECONOMY ENERGY PURCHASES)

SCHEDULE E7

ESTIMATED FOR THE PERIOD OF OCTOBER 1997 - MARCH 1998

(1) MONTH	(2) PURCHASED FROM	(3) TYPE & SCHEDULE	(4) TOTAL KWH PURCHASED	(5) KWH FOR OTHER UTILITIES	(6) KWH FOR INTERRUPTIBLE	(7) KWH FOR FIRM	(8) CENTS/KWH		(9) TOTAL \$ FOR FUEL ADJ. (7) x (8) (A)
							(A) FUEL COST	(B) TOTAL COST	
							OCTOBER 1997	JACKSONVILLE ELECTRIC AUTHORITY	
NOVEMBER 1997	JACKSONVILLE ELECTRIC AUTHORITY	MS	25,576,000			25,576,000	1.844968	4.283011	471,869
DECEMBER 1997	JACKSONVILLE ELECTRIC AUTHORITY	MS	28,479,000			28,479,000	1.845023	4.211092	525,444
JANUARY 1998	JACKSONVILLE ELECTRIC AUTHORITY	MS	28,962,000			28,962,000	1.845007	3.881721	534,351
FEBRUARY 1998	JACKSONVILLE ELECTRIC AUTHORITY	MS	26,230,000			26,230,000	1.844994	4.183694	483,942
MARCH 1998	JACKSONVILLE ELECTRIC AUTHORITY	MS	26,433,000			26,433,000	1.844959	3.942197	487,678
TOTAL			182,308,000	0	0	182,308,000	1.844995	4.121003	2,994,574

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FLORIDA PUBLIC UTILITIES COMPANY
 FERNANDINA BEACH DIVISION
 PURCHASED POWER
 ENERGY PAYMENT TO QUALIFYING FACILITIES

SCHEDULE E8

ESTIMATED FOR THE PERIOD OF: OCTOBER 1997 - MARCH 1998

(1) MONTH	(2) PURCHASED FROM	(3) TYPE & SCHEDULE	(4) TOTAL KWH PURCHASED	(5) KWH FOR OTHER UTILITIES	(6) KWH FOR INTERRUPTIBLE	(7) KWH FOR FIRM	(8) CENTS/KWH		(9) TOTAL \$ FOR FUEL ADJ. (7) x (8) (A)
							(A) FUEL COST	(B) TOTAL COST	
OCTOBER 1997	CONTAINER CORPORATION OF AMERICA		100,000			100,000	1.870000	1.870000	1,870
NOVEMBER 1997	CONTAINER CORPORATION OF AMERICA		100,000			100,000	1.870000	1.870000	1,870
DECEMBER 1997	CONTAINER CORPORATION OF AMERICA		100,000			100,000	1.870000	1.870000	1,870
JANUARY 1998	CONTAINER CORPORATION OF AMERICA		100,000			100,000	1.870000	1.870000	1,870
FEBRUARY 1998	CONTAINER CORPORATION OF AMERICA		100,000			100,000	1.870000	1.870000	1,870
MARCH 1998	CONTAINER CORPORATION OF AMERICA		100,000			100,000	1.870000	1.870000	1,870
TOTAL			600,000	0	0	600,000	0.000000	0.000000	11,220

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FLORIDA PUBLIC UTILITIES COMPANY
 FERNANDINA BEACH DIVISION
 RESIDENTIAL BILL COMPARISON
 FOR MONTHLY USAGE OF 1000 KWH

SCHEDULE E10

ESTIMATED FOR THE PERIOD* OF: OCTOBER 1997 - MARCH 1998

	OCTOBER 1997	NOVEMBER 1997	DECEMBER 1997	JANUARY 1997	FEBRUARY 1997	MARCH 1997	PERIOD TOTAL
BASE RATE REVENUES ** \$	19.99	19.99	19.99	19.99	19.99	19.99	119.94
FUEL RECOVERY FACTOR CENTS/KWH	4.455	4.455	4.455	4.455	4.455	4.455	
GROUP LOSS MULTIPLIER	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
FUEL RECOVERY REVENUES \$	44.55	44.55	44.55	44.55	44.55	44.55	267.30
GROSS RECEIPTS TAX	0.66	0.66	0.66	0.66	0.66	0.66	3.96
TOTAL REVENUES *** \$	65.20	65.20	65.20	65.20	65.20	65.20	391.20

* MONTHLY AND CUMULATIVE SIX MONTH ESTIMATED DATA

** BASE RATE REVENUES:

CUSTOMER CHARGE	7.00
CENTS/KWH	12.20
CONSERVATION FACTOR	0.79
	<u>19.99</u>

*** EXCLUDES FRANCHISE TAXES

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