

ORIGINAL

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October 12, 1998

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

HAND DELIVERY

REC'D
REPORTING AND

OCT 12 PM 3:35

REC'D
FPU

Re: Docket No. 980003-GU

Dear Ms. Bayo:

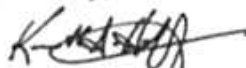
Enclosed herewith for filing in the above-referenced docket on behalf of Florida Public Utilities Company ("FPU") are the following documents:

1. Original and fifteen copies of Petition for Approval of Florida Public Utilities Company's Purchased Gas Adjustment Recovery Factor; and **11314-98**

- 2. Original and fifteen copies of the Direct Testimony of George M. Bachman; **11315-98**
- 3. Original and fifteen copies of Composite Exhibit GMB-2; and
- 4. Original and fifteen copies of the Direct Testimony of Marc L. Schneidermann **11316-98**

Please acknowledge receipt of these documents by stamping the extra copy of this letter **"filed"** and returning the same to me. Thank you for your assistance with this filing

Sincerely,


Kenneth A. Hoffman

WAH
 ee
 All Parties of Record

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 980003-GU
DETERMINATION OF PURCHASED
GAS/COST RECOVERY FACTOR

ORIGINAL

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

1 Q. Please state your name and business address.

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

3 Q. By whom are you employed?

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

5 Q. Have you previously testified in this Docket?

6 A. Yes.

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

8 A. I will summarize our projected gas recoveries computations which are contained
9 in composite exhibit GMB-2 which supports the January 1999 - December 1999
10 projected purchased gas adjustments for our consolidated gas division. In
11 addition, I will advise the Commission of the projected differences between the
12 revenues collected and the purchased gas costs allowed in developing the
13 levelized purchased gas adjustment for the periods April 1997 - March 1998 and
14 April 1998 - December 1998. From these two periods I will establish a "true-up"
15 amount to be collected or refunded during January 1999 - December 1999.

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

17 A. Yes.

1 Q. Which of the staff's set of schedules has your Company completed and filed?

2 A. We have prepared and previously filed True-Up Schedules A-1, A-2, A-3, A-4, A-
3 5, A-6, and A-7 in addition to filing composite exhibit GMB-2 which contains
4 Schedules E1, E1/R, E2, and E3, E4 and E5 for our consolidated gas division.
5 These schedules support the calculation of the purchased gas adjustment factors
6 for January 1999 - December 1999.

7 Q. Have the April 1998 - December 1998 projections been revised?

8 A. No.

9 Q. What are the primary purchased gas adjustment issues and company positions in
10 response to such issues?

11 A. The primary issues and company positions with respect to such issues are as
12 follows:

13 **PURCHASED GAS ADJUSTMENT ISSUES**

14 **ISSUE 1:** What is the appropriate final purchased gas adjustment true-up
15 amount for the period April 1997 through March 1998?

16 **COMPANY POSITION:** The final purchased gas adjustment true-up amount
17 for the period April 1997 - March 1998 is an under-recovery of \$516,932.

18 **ISSUE 2:** What is the estimated purchased gas adjustment true-up amount for
19 the period April 1998 through December 1998?

20 **COMPANY POSITION:** We have estimated that we will have over-recovered
21 \$783,237 for the period April 1998 - December 1998.

22 **ISSUE 3:** What is the total purchased gas adjustment true-up amount to be
23 refunded during the period January 1999 through December 1999?

1 **COMPANY POSITION:** The total net over-recovery to be refunded during
2 the period January 1999 - December 1999 is \$266,305.

3 **ISSUE 4:** What is the appropriate levelized purchased gas adjustment
4 recovery (cap) factor for the period January 1999 through December 1999?

5 **COMPANY POSITION:** The Purchased Gas Cost Recovery Factor will be a
6 maximum of 49.397¢ per therm.

7 **ISSUE 5:** What should be the effective date of the new purchased gas
8 adjustment charge for billing purposes?

9 **COMPANY POSITION:** The factor should be effective for all meter readings
10 on or after January 1, 1999, beginning with the first or applicable billing cycle for
11 the period January 1999 - December 1999.

12 Q. Does this conclude your testimony?

13 A. Yes.

14

15

16

17

18 GMB-PGA-11-98.TEST

19 disk PGA 12/96

20

	PROJECTIONS												TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
COST OF GAS PURCHASED													
1 COMMODITY (Pipeline)	10,094	9,662	8,341	6,454	7,241	6,811	5,824	5,595	6,328	6,553	4,954	7,629	65,806
2 NO NOTICE SERVICE	9,694	7,104	6,402	4,425	1,829	1,770	1,829	1,829	1,770	2,658	5,487	7,865	53,662
3 SWING SERVICE													0
4 COMPANY USE (Other)	2,603,007	1,817,897	1,576,896	1,356,111	1,095,433	885,260	963,651	760,752	894,037	1,237,895	1,396,994	2,170,249	16,702,142
5 DEMAND	582,519	525,643	581,341	561,668	273,774	215,400	271,914	222,302	214,755	225,079	560,788	582,271	4,717,204
6 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT													
7 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
8 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	3,205,314	2,360,326	2,172,940	1,930,678	1,328,277	1,108,071	1,135,318	990,478	1,116,890	1,473,185	1,968,223	2,768,214	21,558,814
12 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
13 COMPANY USE	5,767	4,251	3,908	3,473	2,368	2,000	2,041	1,782	2,009	2,651	3,540	4,981	38,791
14 TOTAL THERM SALES	3,199,547	2,356,075	2,169,032	1,927,205	1,325,899	1,105,971	1,133,277	988,696	1,114,881	1,470,534	1,964,683	2,763,233	21,520,023
THERMS PURCHASED													
15 COMMODITY (Pipeline)	5,130,190	4,819,550	4,583,240	3,874,280	3,149,070	2,962,900	2,716,000	2,607,400	2,824,040	2,922,960	2,380,790	4,385,180	43,345,600
16 NO NOTICE SERVICE	1,643,000	1,204,000	1,085,000	750,000	310,000	300,000	310,000	310,000	300,000	620,000	930,000	1,333,000	9,095,000
17 SWING SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
18 COMMODITY (Other)	5,302,190	4,819,550	4,583,240	3,874,280	3,149,070	2,962,900	2,716,000	2,607,400	2,824,040	2,922,960	2,380,790	4,385,180	43,345,600
19 DEMAND	8,859,800	7,698,400	7,681,800	6,534,000	4,289,780	3,581,400	3,545,780	3,700,780	3,431,400	4,383,330	5,634,000	8,611,800	67,722,270
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT													
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (17+18+20)-(21+22)	5,130,190	4,819,550	4,583,240	3,874,280	3,149,070	2,962,900	2,716,000	2,607,400	2,824,040	2,922,960	2,380,790	4,385,180	43,345,600
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
26 COMPANY USE	9,230	8,680	8,190	6,970	5,660	5,380	4,890	4,690	5,080	5,260	6,080	7,890	77,990
27 TOTAL THERM SALES	5,120,960	4,810,870	4,575,050	3,867,310	3,143,410	2,957,520	2,711,110	2,602,710	2,818,960	2,917,700	2,374,710	4,377,290	43,267,610
CENTS PER THERM													
28 COMMODITY (Pipeline)	0.197	0.201	0.183	0.167	0.230	0.228	0.218	0.215	0.224	0.224	0.147	0.179	0.198
29 NO NOTICE SERVICE	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.390	0.390	0.590
30 SWING SERVICE	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31 COMMODITY (Other)	50.739	37.719	34.632	35.055	34.786	29.678	33.345	29.177	31.658	42.351	41.322	49.491	38.532
33 OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
LESS END-USE CONTRACT													
34 COMMODITY (Pipeline)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
35 DEMAND	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
36	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
37 TOTAL COST	62.479	48.974	47.723	49.833	42.180	37.178	41.801	37.987	39.549	50.400	58.218	63.127	49.737
38 NET UNBILLED	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
39 COMPANY USE	62.481	48.976	47.725	49.835	42.182	37.180	41.803	37.990	39.551	50.399	58.220	63.130	49.739
40 TOTAL THERM SALES	62,592	49,062	47,809	49,923	42,256	37,245	41,876	38,056	39,621	50,491	58,323	63,240	49,827
41 TRUE-UP (E-4)	61,977	48,447	47,194	49,308	41,641	36,630	41,261	37,441	39,006	49,876	57,708	62,625	49,212
42 TOTAL COST OF GAS	1,003,76	1,003,76	1,003,76	1,003,76	1,003,76	1,003,76	1,003,76	1,003,76	1,003,76	1,003,76	1,003,76	1,003,76	1,003,76
43 REVENUE TAX FACTOR	62,210	48,629	47,374	49,434	41,797	36,795	41,455	37,581	39,152	50,064	57,928	62,808	49,397
44 PGA FACTOR ADJUSTED FOR TAXES (42+43)	62,210	48,629	47,374	49,434	41,797	36,795	41,455	37,581	39,152	50,064	57,928	62,808	49,397
45 PGA FACTOR ROUNDED TO NEAREST .00	62,210	48,630	47,371	49,432	41,797	36,798	41,456	37,581	39,152	50,064	57,928	62,808	49,397

COST OF GAS PURCHASED	ACTUAL												ORIGINAL PROJECTIONS					TOTAL			
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	APR	MAY	JUN	JUL	AUG	SEP	OCT		NOV	DEC	TOTAL
1 COMMODITY (Pipeline)	18,908	16,853	12,793	13,851	13,337	9,811	10,720	9,062	13,461	11,093	0	0	0	0	0	0	0	0	0	0	121,093
2 NO NOTICE SERVICE	4,429	1,829	1,770	1,829	1,770	1,770	3,858	5,487	7,865	30,462	0	0	0	0	0	0	0	0	0	0	30,462
3 SWING SERVICE	0	0	0	0	0	0	0	0	0	9,161	0	0	0	0	0	0	0	0	0	0	9,161
4 COMMODITY (Other)	9,679	766,613	594,897	699,413	550,586	959,515	1,371,158	1,480,008	2,336,136	9,730,121	0	0	0	0	0	0	0	0	0	0	9,730,121
5 DEMAND	557,512	223,852	208,969	223,852	218,705	214,530	225,079	552,463	577,388	3,002,350	0	0	0	0	0	0	0	0	0	0	3,002,350
6 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	1,547,637	1,009,147	818,429	940,945	793,818	1,185,726	1,615,615	2,047,020	2,934,850	12,893,187	0	0	0	0	0	0	0	0	0	0	12,893,187
12 NET UNBILLED	1,414	2,326	3,475	3,646	3,529	2,137	2,808	3,688	5,283	28,406	0	0	0	0	0	0	0	0	0	0	28,406
13 COMPANY USE	1,323,094	1,287,870	1,107,772	1,091,048	974,160	1,183,579	1,612,707	2,043,332	2,929,567	13,533,279	0	0	0	0	0	0	0	0	0	0	13,533,279
14 TOTAL THERM SALES	4,029,740	3,363,210	3,542,330	3,465,260	2,810,040	3,019,210	3,231,530	3,569,680	4,705,370	31,743,570	0	0	0	0	0	0	0	0	0	0	31,743,570
15 COMMODITY (Pipeline)	750,000	310,000	300,000	310,000	310,000	300,000	620,000	930,000	1,333,000	5,163,000	0	0	0	0	0	0	0	0	0	0	5,163,000
16 NO NOTICE SERVICE	0	0	0	0	0	0	0	0	0	20,760	0	0	0	0	0	0	0	0	0	0	20,760
17 SWING SERVICE	0	0	0	0	0	0	0	0	0	2,831,770	0	0	0	0	0	0	0	0	0	0	2,831,770
18 COMMODITY (Other)	4,029,450	3,359,220	3,596,890	2,831,770	2,764,600	3,019,310	3,238,630	3,569,680	4,705,370	31,214,820	0	0	0	0	0	0	0	0	0	0	31,214,820
19 DEMAND	6,534,000	4,320,780	4,181,400	4,010,780	4,320,780	3,341,400	4,353,330	5,724,000	8,518,800	45,305,270	0	0	0	0	0	0	0	0	0	0	45,305,270
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (17+18+20)-(21+23)	4,029,450	3,359,220	3,596,890	2,831,770	2,764,600	3,019,310	3,238,630	3,569,680	4,705,370	31,235,680	0	0	0	0	0	0	0	0	0	0	31,235,680
25 NET UNBILLED	4,732	6,671	9,366	9,462	10,574	5,430	8,820	6,420	8,460	57,535	0	0	0	0	0	0	0	0	0	0	57,535
26 COMPANY USE	6,108,224	5,893,278	6,137,449	5,953,047	5,327,109	3,013,880	3,232,810	3,563,260	4,696,910	44,123,967	0	0	0	0	0	0	0	0	0	0	44,123,967
27 TOTAL THERM SALES (24-26 Estimated Only)	0.469	0.501	0.361	0.457	0.482	0.328	0.331	0.254	0.286	0.381	0	0	0	0	0	0	0	0	0	0	0.381
28 COMMODITY (Pipeline)	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0	0	0	0	0	0	0	0	0	0	0.590
29 NO NOTICE SERVICE	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0	0	0	0	0	0	0	0	0	0	0.000
30 SWING SERVICE	23,993	22,821	16,539	23,856	19,916	31,779	42,492	41,461	49,648	44,128	0	0	0	0	0	0	0	0	0	0	44,128
31 COMMODITY (Other)	8,532	5,181	4,998	5,581	5,062	6,420	5,170	9,652	6,778	31,171	0	0	0	0	0	0	0	0	0	0	31,171
32 DEMAND	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0	0	0	0	0	0	0	0	0	0	0.000
33 OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0	0	0	0	0	0	0	0	0	0	0.000
LESS END-USE CONTRACT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0	0	0	0	0	0	0	0	0	0	0.000
34 COMMODITY Pipeline	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0	0	0	0	0	0	0	0	0	0	0.000
35 DEMAND	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0	0	0	0	0	0	0	0	0	0	0.000
36	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0	0	0	0	0	0	0	0	0	0	0.000
37 TOTAL COST	38,408	30,041	22,754	32,095	28,500	39,271	49,886	57,345	62,372	41,277	0	0	0	0	0	0	0	0	0	0	41,277
38 NET UNBILLED	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0	0	0	0	0	0	0	0	0	0	0.000
39 COMPANY USE	29,882	34,867	34,869	38,533	33,374	39,355	49,966	57,445	62,447	42,061	0	0	0	0	0	0	0	0	0	0	42,061
40 TOTAL THERM SALES	25,337	17,130	13,335	15,806	14,362	39,342	49,976	57,448	62,485	29,220	0	0	0	0	0	0	0	0	0	0	29,220
41 TRUE-UP (E-2)	(0.315)	(0.315)	(0.315)	(0.315)	(0.315)	(0.315)	(0.315)	(0.315)	(0.315)	(0.315)	0	0	0	0	0	0	0	0	0	0	(0.315)
42 TOTAL COST OF GAS	25,022	16,815	13,020	15,491	14,047	39,027	49,661	57,133	62,170	28,905	0	0	0	0	0	0	0	0	0	0	28,905
43 REVENUE TAX FACTOR (40+41)	1.00376	1.00376	1.00376	1.00376	1.00376	1.00376	1.00376	1.00376	1.00376	1.00376	0	0	0	0	0	0	0	0	0	0	1.00376
44 PQA FACTOR ADJUSTED FOR TAXES (42+43)	25,116	16,877	13,069	15,549	14,100	39,179	49,847	57,348	62,403	29,014	0	0	0	0	0	0	0	0	0	0	29,014
45 PQA FACTOR BOUNDED TO NEAREST .001	25,116	16,878	13,069	15,549	14,1	39,174	49,847	57,348	62,403	29,014	0	0	0	0	0	0	0	0	0	0	29,014

EXHIBIT NO. 980003-GU
 DOCKET NO. 980003-GU
 FLORIDA PUBLIC UTILITIES COMPANY
 (GMB-2)
 PAGE 2 OF 6

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
 SCHEDULE E-2
 TRANSITION
 THROUGH
 APRIL 1998
 THROUGH
 DECEMBER 1998
 CALCULATION OF TRUE-UP AMOUNT
 FOR THE CURRENT PERIOD

	ACTUAL			ORIGINAL PROJECTION					TOTAL PERIOD	
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV		DEC
TABLE CALCULATION										
1 PURCHASED GAS COST	966,795	766,613	594,897	699,417	550,586	959,615	1,176,158	1,480,008	2,336,136	9,730,171
2 TRANSPORTATION COST & OTHER	580,842	242,534	223,532	241,532	243,232	226,211	239,457	567,012	598,714	3,163,666
3 TOTAL	1,547,637	1,009,147	818,429	940,949	793,818	1,185,726	1,615,615	2,047,020	2,934,850	12,893,837
4 FUEL REVENUES	1,323,094	1,267,970	1,107,772	1,091,048	974,160	1,183,589	1,612,707	2,043,332	2,929,567	13,553,279
5 TRUE UP (COLLECTED) OR REFUNDED	11,882	11,882	11,882	11,882	11,882	11,882	11,882	11,882	11,882	106,938
6 FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 (+) OR (-) LINE 5)	1,334,976	1,279,852	1,119,654	1,102,930	986,042	1,195,471	1,624,589	2,055,214	2,941,449	13,660,177
7 TRUE UP PROVISION THIS PERIOD (LINE 6 - LINE 3)	(212,661)	270,705	301,225	161,085	192,224	9,745	8,974	8,194	6,599	746,990
8 INTEREST PROVISION THIS PERIOD (21)	(2,247)	(2,168)	(924)	86	851	1,262	1,256	1,246	1,231	595
9 BEGINNING OF PERIOD TRUE UP AND INTEREST	(374,342)	(601,132)	(344,477)	(56,058)	94,133	275,326	274,451	272,799	270,357	(374,342)
10 TRUE UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	(11,882)	(11,882)	(11,882)	(11,882)	(11,882)	(11,882)	(11,882)	(11,882)	(11,882)	(106,938)
10a FLEX RATE REFUND (IF APPLICABLE)										
11 TOTAL ESTIMATED/ACTUAL TRUE UP (7+8+9+10+10a)	(601,132)	(344,477)	(344,477)	94,133	275,326	274,451	272,799	270,357	266,305	266,305
INTEREST PROVISION										
12 BEGINNING TRUE UP AND INTEREST PROVISION (9)	(374,342)	(601,132)	(344,477)	(56,058)	94,133	275,326	274,451	272,799	270,357	(374,342)
13 ENDING TRUE UP BEFORE INTEREST (12+7-5)	(598,495)	(342,309)	(85,134)	94,045	274,475	273,181	271,543	269,111	265,074	265,710
14 TOTAL (12+13)	(973,227)	(943,441)	(399,611)	37,987	368,608	548,515	545,994	541,910	535,431	(108,632)
15 AVERAGE (50% OF 14)	(486,614)	(471,721)	(199,806)	18,994	184,304	274,258	272,997	270,955	267,716	(54,316)
16 INTEREST RATE - FIRST DAY OF MONTH	5.5500%	5.5300%	5.5000%	5.6000%	5.5600%	5.5200%	5.5200%	5.5200%	5.5200%	0.0000%
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.5300%	5.5000%	5.6000%	5.5600%	5.5200%	5.5200%	5.5200%	5.5200%	5.5200%	0.0000%
18 TOTAL (16+17)	11.0800%	11.0300%	11.1000%	11.1600%	11.0800%	11.0400%	11.0400%	11.0400%	11.0400%	0.0000%
19 AVERAGE (50% OF 18)	5.5400%	5.5150%	5.5500%	5.5800%	5.5400%	5.5200%	5.5200%	5.5200%	5.5200%	0.0000%
20 MONTHLY AVERAGE (19/12 Months)	0.462%	0.463%	0.463%	0.465%	0.462%	0.460%	0.460%	0.460%	0.460%	0.000%
21 INTEREST PROVISION (15+20)	(2,247)	(2,168)	(924)	86	851	1,262	1,256	1,246	1,231	595

EXHIBIT NO. _____
 DOCKET NO. 980003-GU
 FLORIDA PUBLIC UTILITIES COMPANY
 (GMB-2)
 PAGE 3 OF 6

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JAN 1999 Through DEC 1999

MONTH	PURCHASED FROM	PURCHASED FOR	SCH TYPE	SYSTEM SUPPLY	END USE	COMMODITY COST			DEMAND COST	OTHER CHARGES ACA/GRI/FUEL	TOTAL CENTS PER THERM
						TOTAL PURCHASED	THIRD PARTY	PIPELINE			
JANUARY	VARIOUS	SYS SUPPLY	N/A	5,130,190	0	5,130,190	2,603,007	10,094	592,213	INCLUDED IN COST	62.48
FEBRUARY	VARIOUS	SYS SUPPLY	N/A	4,819,550	0	4,819,550	1,817,897	9,682	532,747	INCLUDED IN COST	48.97
MARCH	VARIOUS	SYS SUPPLY	N/A	4,553,240	0	4,553,240	1,576,856	8,341	587,743	INCLUDED IN COST	47.72
APRIL	VARIOUS	SYS SUPPLY	N/A	3,874,280	0	3,874,280	1,358,111	6,454	566,113	INCLUDED IN COST	49.83
MAY	VARIOUS	SYS SUPPLY	N/A	3,149,070	0	3,149,070	1,095,433	7,241	225,603	INCLUDED IN COST	42.18
JUNE	VARIOUS	SYS SUPPLY	N/A	2,982,900	0	2,982,900	885,260	6,811	216,900	INCLUDED IN COST	37.18
JULY	VARIOUS	SYS SUPPLY	N/A	2,716,000	0	2,716,000	905,651	5,924	223,743	INCLUDED IN COST	41.80
AUGUST	VARIOUS	SYS SUPPLY	N/A	2,607,400	0	2,607,400	760,752	5,595	224,131	INCLUDED IN COST	37.99
SEPTEMBER	VARIOUS	SYS SUPPLY	N/A	2,824,040	0	2,824,040	894,037	6,328	216,525	INCLUDED IN COST	39.55
OCTOBER	VARIOUS	SYS SUPPLY	N/A	2,922,960	0	2,922,960	1,237,895	6,553	228,737	INCLUDED IN COST	50.40
NOVEMBER	VARIOUS	SYS SUPPLY	N/A	3,380,790	0	3,380,790	1,396,994	4,954	566,275	INCLUDED IN COST	58.22
DECEMBER	VARIOUS	SYS SUPPLY	N/A	4,385,180	0	4,385,180	2,170,249	7,829	590,136	INCLUDED IN COST	63.13
TOTAL				43,345,600	0	43,345,600	16,702,142	85,806	4,770,866		49.74

EXHIBIT NO. _____
DOCKET NO. 980003-GU
FLORIDA PUBLIC UTILITIES COMPANY
(GMB-2)
PAGE 4 OF 6

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY		CALCULATION OF TRUE-UP AMOUNT PROJECTED PERIOD			SCHEDULE E-4 TRANSITION	
ESTIMATED FOR THE PROJECTED PERIOD:		JANUARY 1999		Through:	DECEMBER 1999	
		PRIOR PERIOD: APRIL 1997 - MARCH 1998			CURRENT PERIOD: APR 98 - DEC 98	
		(1) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(2) ACTUAL	(3) (2)-(1) DIFFERENCE	(4) FIVE MONTHS ACTUAL PLUS FOUR MONTHS ESTIMATE	(5) (3)+(4) TOTAL TRUE-UP
1	TOTAL THERM SALES \$	\$16,955,023	\$15,306,531	(\$1,648,492)	\$13,640,177	\$11,991,685
2	TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	(\$425,672)	(\$940,709)	(\$515,037)	\$746,990	\$231,953
3	INTEREST PROVISION FOR THIS PERIOD	5,320	3,425	(1,895)	595	(1,300)
3 a	TRUE-UP COLLECTED OR (REFUNDED) JANUARY '99 - MARCH '99			0	35,652	35,652
4	END OF PERIOD TOTAL NET TRUE-UP	(\$420,352)	(\$937,284)	(\$516,932)	\$783,237	\$266,305
TOTAL TRUE-UP DOLLARS						\$266,305
PROJECTED THERM SALES FOR JANUARY 1999 - DECEMBER 1999						43,267,610
CENTS PER THERM NECESSARY TO REFUND OVERRECOVERY						0.615
NOTE: FIVE MONTHS ACTUAL FOUR MONTHS ESTIMATE DATA OBTAINED FROM SCHEDULE (E-2).						

EXHIBIT NO. _____
DOCKET NO. 980003-GU
FLORIDA PUBLIC UTILITIES COMPANY
(GMB-2)
PAGE 5 OF 6