

State of Florida



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: July 17, 2000  
 TO: Division of Competitive Services (Makin)  
 FROM: Division of Regulatory Oversight (Vandiver) *W*  
 RE: Docket No. 000003-GU; Florida Public Utilities Company  
 Audit Report; PGA - Period Ended December 31, 1999  
 Audit Control No. 00-003-4-1

Attached is the final audit report for the utility stated above. I am sending the utility a copy of this memo and the audit report. If the utility desires to file a response to the audit report, they should send it to the Division of Records and Reporting. There are confidential work papers associated with this audit.

DNV/sp

Attachment

cc: Division of Regulatory Oversight (Hoppe/Harvey/File Folder)  
 Miami District Office  
 Division of Records and Reporting  
 Division of Legal Services

John T. English  
 Florida Public Utilities Company  
 P. O. Box 3395  
 West Palm Beach, FL 33402-3395

Messer Law Firm  
 P. O. Box 1876  
 Tallahassee, FL 32302

- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
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FPSC-RECORDS/REPORTING



**FLORIDA PUBLIC SERVICE COMMISSION**

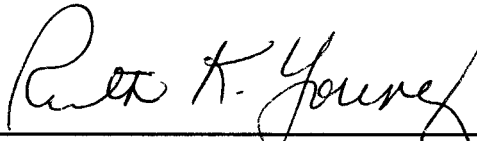
*DIVISION OF REGULATORY OVERSIGHT  
BUREAU OF AUDITING SERVICES*

*Miami District Office*

**FLORIDA PUBLIC UTILITIES COMPANY  
PURCHASED GAS ADJUSTMENT AUDIT  
PERIOD ENDED DECEMBER 31, 1999**

**AUDIT CONTROL NO. 00-003-4-1**

**DOCKET NO. 000003-GU**

  
\_\_\_\_\_  
*Ruth K. Young, Audit Manager*

  
\_\_\_\_\_  
*Kathy L. Welch, Audit Supervisor*

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**DIVISION OF REGULATORY OVERSIGHT  
AUDITOR'S REPORT**

**July 10, 2000**

**TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED  
PARTIES**

We have applied the procedures described later in this report to audit the accompanying Purchased Gas Adjustment Schedules for the year ending December 31, 1999. These schedules were prepared by the utility as part of its Purchased Gas Adjustment true-up filings in Docket No. 000003-GU. There is confidential information associated with this audit filed with the Division of Records and Reporting separately.

This is an internal accounting report prepared after performing a limited scope audit. Accordingly, this report should not be relied upon for any purpose except to assist the Commission staff in the performance of their duties. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use.

## SUMMARY OF SIGNIFICANT PROCEDURES

Our audit was performed by examining, on a test basis, certain transactions and account balances which we believe are sufficient to base our opinion. Our examination did not entail a complete review of all financial transactions of the company. Our more important audit procedures are summarized below. The following definitions apply when used in this report:

**Scanned** - The documents or accounts were read quickly looking for obvious errors.

**Compiled** - The exhibit amounts were reconciled with the general ledger, and accounts were scanned for error or inconsistency.

**Reviewed** - The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers, and selective analytical review procedures were applied.

**Examined** - The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers. Selective analytical review procedures were applied, and account balances were tested to the extent further described.

**Confirmed** - Evidential matter supporting an account balance, transaction, or other information was obtained directly from an independent third party.

**Verify** - The item was tested for accuracy and compared to substantiating documentation.

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### Revenues:

Compiled purchased gas adjustment revenues for the 12-months ending December 31, 1999. Revenues for two months were traced to the company reconciliation sheets and then to the monthly revenue reports. The monthly therm amounts were agreed to the company monthly revenue reports. The conversion factors were verified and the amount used to bill the customers was compared to the cap approved by the Commission for this time period. Off system sales amounts and therms were agreed to the monthly revenue reports and to the invoices sent to the customer. The company regulatory assessment fee return for the 12-months ending December 31, 1999 was compared to the company revenue to determine if the company was including franchise fees revenues and gross receipts tax revenues in its return.

### Expenses:

Compiled cost of gas expenses for the 12-months ending December 31, 1999. Examined all invoices for two months.

**True-up and Interest:** Recalculated the true-up and interest amounts for the 12 months. Traced interest rates to the Wall Street Journal.

## **II. EXHIBIT**

Schedules for the 12 months ended December 31, 1999

**OF THE PURCHASED GAS ADJUSTMENT COST RECOVERY FACTOR**  
**ESTIMATED FOR THE PERIOD OF: JANUARY 1999 Through DECEMBER 1999**

SCHEDULE A-1

	CURRENT MONTH:				PERIOD TO DATE			
	ACTUAL	ORIGINAL ESTIMATE	DIFFERENCE		ACTUAL	ORIGINAL ESTIMATE	DIFFERENCE	
			AMOUNT	%			AMOUNT	%
<b>COST OF GAS PURCHASED</b>								
1 COMMODITY (Pipeline)	15,768	7,829	7,939	101.41	119,023	85,806	33,217	38.71
2 NO NOTICE SERVICE	7,865	7,865	0	0.00	53,662	53,662	0	0.00
3 SWING SERVICE	0	0	0	0.00	7,762	0	7,762	0.00
4 COMMODITY (Other)	1,053,042	2,295,249	(1,242,207)	(54.12)	9,825,925	17,202,142	(7,376,217)	(42.88)
5 DEMAND	530,163	582,271	(52,108)	(8.95)	4,537,768	4,717,204	(179,436)	(3.80)
6 OTHER	0	0	0	0.00	0	0	0	0.00
<b>SS END-USE CONTRACT</b>								
1 COMMODITY (Pipeline)	0	0	0	0.00	0	0	0	0.00
2 DEMAND	0	0	0	0.00	0	0	0	0.00
3 COMMODITY (Other)	0	0	0	0.00	0	0	0	0.00
4 Second Prior Month Purchase Adj. (OPTIONAL)	0	0	0	0.00	0	0	0	0.00
5 TOTAL COST (1+2+3+4+5+6+10):(7+8+9)	1,606,838	2,893,214	(1,286,376)	(44.46)	14,544,140	22,058,814	(7,514,674)	(34.07)
6 NET UNBILLED	0	0	0	0.00	0	0	0	0.00
7 COMPANY USE	1,547	4,981	(3,434)	(68.94)	28,073	38,791	(10,718)	(27.63)
8 TOTAL THERM SALES	1,367,086	1,328,561	38,525	2.90	14,448,159	14,303,056	145,103	1.01
<b>THERMS PURCHASED</b>								
1 COMMODITY (Pipeline)	4,600,690	4,385,180	215,510	4.91	44,949,020	43,345,600	1,603,420	3.70
2 NO NOTICE SERVICE	1,333,000	1,333,000	0	0.00	9,095,000	9,095,000	0	0.00
3 SWING SERVICE	0	0	0	0.00	13,210	0	13,210	0.00
4 COMMODITY (Other)	4,578,240	4,385,180	193,060	4.40	43,563,940	43,339,940	224,000	0.52
5 DEMAND	7,061,800	8,611,800	(1,550,000)	(18.00)	75,195,270	67,722,270	7,473,000	11.03
6 OTHER	0	0	0	0.00	0	0	0	0.00
<b>SS END-USE CONTRACT</b>								
1 COMMODITY (Pipeline)	0	0	0	0.00	0	0	0	0.00
2 DEMAND	0	0	0	0.00	0	0	0	0.00
3 COMMODITY (Other)	0	0	0	0.00	0	0	0	0.00
4 TOTAL PURCHASES (+17+18+20):(21+23)	4,578,240	4,385,180	193,060	4.40	43,577,150	43,339,940	237,210	0.55
5 NET UNBILLED	0	0	0	0.00	0	0	0	0.00
6 COMPANY USE	5,182	7,890	(2,708)	(34.32)	83,484	77,990	5,494	7.04
7 TOTAL THERM SALES (24-26 Estimated Only)	6,517,651	4,377,290	2,140,361	48.90	74,184,875	43,261,950	30,922,925	71.48
<b>CENTS PER THERM</b>								
1 COMMODITY (Pipeline) (1/15)	0.343	0.179	0.164	91.62	0.265	0.198	0.067	33.84
2 NO NOTICE SERVICE (2/16)	0.590	0.590	0.000	0.00	0.590	0.590	0.000	0.00
3 SWING SERVICE (3/17)	0.000	0.000	0.000	0.00	58.759	0.000	58.759	0.00
4 COMMODITY (Other) (4/18)	23.001	52.341	(29.340)	(56.06)	22.555	39.691	(17.136)	(43.17)
5 DEMAND (5/19)	7.507	6.761	0.746	11.03	6.035	6.966	(0.931)	(13.36)
6 OTHER (6/20)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
<b>SS END-USE CONTRACT</b>								
1 COMMODITY Pipeline (7/21)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
2 DEMAND (8/22)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
3 COMMODITY Other (9/23)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
4 TOTAL COST OF PURCHASES (11/24)	35.097	65.977	(30.880)	(46.80)	33.376	50.897	(17.521)	(34.42)
5 NET UNBILLED (12/25)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
6 COMPANY USE (13/26)	29.853	63.131	(33.278)	(52.71)	33.627	49.738	(16.111)	(32.39)
7 TOTAL COST OF THERM SOLD (11/27)	24.654	66.096	(41.442)	(62.70)	19.605	50.989	(31.384)	(61.55)
8 TRUE-UP (E-2)	(0.615)	(0.615)	0.000	0.00	(0.615)	(0.615)	0.000	0.00
9 TOTAL COST OF GAS (40+41)	24.039	65.481	(41.442)	(63.29)	18.990	50.374	(31.384)	(62.30)
10 REVENUE TAX FACTOR	1.00503	1.00503	0.000	0.00	1.00503	1.00503	0.000	0.00
11 PGA FACTOR ADJUSTED FOR TAXES (42x43)	24.15992	65.81037	(41.650)	(63.29)	19.08552	50.62738	(31.542)	(62.30)
12 PGA FACTOR ROUNDED TO NEAREST .001	24.160	65.810	(41.650)	(63.29)	19.086	50.627	(31.541)	(62.30)

CONTRIBUTION OF ACTUAL VERSUS REVISED ESTIMATE  
 OF THE PURCHASED GAS ADJUSTMENT COST RECOVERY FACTOR  
 ESTIMATED FOR THE PERIOD OF: JANUARY 1999 Through DECEMBER 1999

	CURRENT MONTH:				PERIOD TO DATE				
	ACTUAL	REVISED ESTIMATE	DIFFERENCE		ACTUAL	REVISED ESTIMATE	DIFFERENCE		
			AMOUNT	%			AMOUNT	%	
<b>COST OF GAS PURCHASED</b>									
1 COMMODITY (Pipeline)	15,768	7,829	7,939	101.41	119,023	95,945	23,078	24.05	
2 NO NOTICE SERVICE	7,865	7,865	0	0.00	53,662	53,662	0	0.00	
3 SWING SERVICE	0	0	0	0.00	7,762	7,762	0	0.00	
4 COMMODITY (Other)	1,053,042	2,295,249	(1,242,207)	(54.12)	9,825,925	12,234,541	(2,408,616)	(19.69)	
5 DEMAND	530,163	582,271	(52,108)	(8.95)	4,537,768	4,638,323	(100,555)	(2.17)	
6 OTHER	0	0	0	0.00	0	0	0	0.00	
<b>LESS END-USE CONTRACT</b>									
7 COMMODITY (Pipeline)	0	0	0	0.00	0	0	0	0.00	
8 DEMAND	0	0	0	0.00	0	0	0	0.00	
9 COMMODITY (Other)	0	0	0	0.00	0	0	0	0.00	
10 Second Prior Month Purchase Adj. (OPTIONAL)	0	0	0	0.00	0	0	0	0.00	
11 TOTAL COST (1+2+3+4+5+6+10):(7+8+9)	1,606,838	2,893,214	(1,286,376)	(44.46)	14,544,140	17,030,233	(2,486,093)	(14.60)	
12 NET UNBILLED	0	0	0	0.00	0	0	0	0.00	
13 COMPANY USE	1,547	4,981	(3,434)	(68.94)	28,073	30,513	(2,440)	(8.1)	
14 TOTAL THERM SALES	1,367,086	1,328,561	38,525	2.90	14,448,159	14,462,870	(14,711)	(0.10)	
<b>THERMS PURCHASED</b>									
15 COMMODITY (Pipeline)	4,600,690	4,385,180	215,510	4.91	44,949,020	44,118,560	830,460	1.88	
16 NO NOTICE SERVICE	1,333,000	1,333,000	0	0.00	9,095,000	9,095,000	0	0.00	
17 SWING SERVICE	0	0	0	0.00	13,210	13,210	0	0.00	
18 COMMODITY (Other)	4,578,240	4,385,180	193,060	4.40	43,563,940	42,958,100	605,840	1.41	
19 DEMAND	7,061,800	8,611,800	(1,550,000)	(18.00)	75,195,270	75,695,270	(500,000)	(0.66)	
20 OTHER	0	0	0	0.00	0	0	0	0.00	
<b>LESS END-USE CONTRACT</b>									
21 COMMODITY (Pipeline)	0	0	0	0.00	0	0	0	0.00	
22 DEMAND	0	0	0	0.00	0	0	0	0.00	
23 COMMODITY (Other)	0	0	0	0.00	0	0	0	0.00	
24 TOTAL PURCHASES (+17+18+20):(21+23)	4,578,240	4,385,180	193,060	4.40	43,577,150	42,971,310	605,840	1.41	
25 NET UNBILLED	0	0	0	0.00	0	0	0	0.00	
26 COMPANY USE	5,182	7,890	(2,708)	(34.32)	83,484	78,011	5,473	7.02	
27 TOTAL THERM SALES (24-26 Estimated Only)	6,517,651	4,377,290	2,140,361	48.90	74,184,875	62,657,081	11,527,794	18.40	
<b>CENTS PER THERM</b>									
28 COMMODITY (Pipeline) (1/15)	0.343	0.179	0.164	91.62	0.265	0.217	0.048	22.12	
29 NO NOTICE SERVICE (2/16)	0.590	0.590	0.000	0.00	0.590	0.590	0.000	0.00	
30 SWING SERVICE (3/17)	0.000	0.000	0.000	0.00	58.759	58.759	0.000	0.00	
31 COMMODITY (Other) (4/18)	23.001	52.341	(29.340)	(56.06)	22.555	28.480	(5.925)	(20.80)	
32 DEMAND (5/19)	7.507	6.761	0.746	11.03	6.035	6.128	(0.093)	(1.52)	
33 OTHER (6/20)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
<b>LESS END-USE CONTRACT</b>									
34 COMMODITY Pipeline (7/21)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
35 DEMAND (8/22)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
36 COMMODITY Other (9/23)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
37 TOTAL COST OF PURCHASES (11/24)	35.097	65.977	(30.880)	(46.80)	33.376	39.632	(6.256)	(15.79)	
38 NET UNBILLED (12/25)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
39 COMPANY USE (13/26)	29.853	63.131	(33.278)	(52.71)	33.627	39.114	(5.487)	(14.03)	
40 TOTAL COST OF THERM SOLD (11/27)	24.654	66.096	(41.442)	(62.70)	19.605	27.180	(7.575)	(27.87)	
41 TRUE-UP (E-2)	(0.615)	(0.615)	0.000	0.00	(0.615)	(0.615)	0.000	0.00	
42 TOTAL COST OF GAS (40+41)	24.039	65.481	(41.442)	(63.29)	18.990	26.565	(7.575)	(28.51)	
43 REVENUE TAX FACTOR	1.00503	1.00503	0.000	0.00	1.00503	1.00503	0.000	0.00	
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	24.15992	65.81037	(41.650)	(63.29)	19.08552	26.69862	(7.613)	(28.51)	
45 PGA FACTOR ROUNDED TO NEAREST .001	24.160	65.810	(41.650)	(63.29)	19.086	26.699	(7.613)	(28.51)	



**OF THE PURCHASED GAS ADJUSTMENT COST RECOVERY FACTOR**  
**ESTIMATED FOR THE PERIOD OF: JANUARY 1999 Through DECEMBER 1999**

COST OF GAS PURCHASED	CURRENT MONTH:		DECEMBER 1999		PERIOD TO DATE				
	ACTUAL	FLEXDOWN ESTIMATE	DIFFERENCE		ACTUAL	FLEXDOWN ESTIMATE	DIFFERENCE		
			AMOUNT	%			AMOUNT	%	
1 COMMODITY (Pipeline)	15,768	7,829	7,939	101.41	119,023	95,945	23,078	24.05	
2 NO NOTICE SERVICE	7,865	7,865	0	0.00	53,662	53,662	0	0.00	
3 SWING SERVICE	0	0	0	0.00	7,762	7,762	0	0.00	
4 COMMODITY (Other)	1,053,042	2,295,249	(1,242,207)	(54.12)	9,825,925	12,234,541	(2,408,616)	(19.69)	
5 DEMAND	530,163	582,271	(52,108)	(8.95)	4,537,768	4,638,323	(100,555)	(2.17)	
6 OTHER	0	0	0	0.00	0	0	0	0.00	
<u>LESS END-USE CONTRACT</u>									
7 COMMODITY (Pipeline)	0	0	0	0.00	0	0	0	0.00	
8 DEMAND	0	0	0	0.00	0	0	0	0.00	
9 COMMODITY (Other)	0	0	0	0.00	0	0	0	0.00	
10 Second Prior Month Purchase Adj. (OPTIONAL)	0	(1,559,672)	1,559,672	(100.00)	0	(3,040,550)	3,040,550	(100.00)	
11 TOTAL COST (1+2+3+4+5+6+10):(7+8+9)	1,606,838	1,333,542	273,296	20.49	14,544,140	13,989,683	554,457	3.96	
12 NET UNBILLED	0	0	0	0.00	0	0	0	0.00	
13 COMPANY USE	1,547	4,981	(3,434)	(68.94)	28,073	30,513	(2,440)	(8.00)	
14 TOTAL THERM SALES	1,367,086	1,328,561	38,525	2.90	14,448,159	14,462,870	(14,711)	(0.10)	
<b>THERMS PURCHASED</b>									
15 COMMODITY (Pipeline)	4,600,690	4,385,180	215,510	4.91	44,949,020	44,118,560	830,460	1.88	
16 NO NOTICE SERVICE	1,333,000	1,333,000	0	0.00	9,095,000	9,095,000	0	0.00	
17 SWING SERVICE	0	0	0	0.00	13,210	13,210	0	0.00	
18 COMMODITY (Other)	4,578,240	4,385,180	193,060	4.40	43,563,940	42,958,100	605,840	1.41	
19 DEMAND	7,061,800	8,611,800	(1,550,000)	(18.00)	75,195,270	75,695,270	(500,000)	(0.66)	
20 OTHER	0	0	0	0.00	0	0	0	0.00	
<u>LESS END-USE CONTRACT</u>									
21 COMMODITY (Pipeline)	0	0	0	0.00	0	0	0	0.00	
22 DEMAND	0	0	0	0.00	0	0	0	0.00	
23 COMMODITY (Other)	0	0	0	0.00	0	0	0	0.00	
24 TOTAL PURCHASES (+17+18+20):(21+23)	4,578,240	4,385,180	193,060	4.40	43,577,150	42,971,310	605,840	1.41	
25 NET UNBILLED	0	0	0	0.00	0	0	0	0.00	
26 COMPANY USE	5,182	7,890	(2,708)	(34.32)	83,484	78,011	5,473	7.02	
27 TOTAL THERM SALES (24-26 Estimated Only)	6,517,651	4,377,290	2,140,361	48.90	74,184,875	62,657,081	11,527,794	18.40	
<b>CENTS PER THERM</b>									
28 COMMODITY (Pipeline) (1/15)	0.343	0.179	0.164	91.62	0.265	0.217	0.048	22.12	
29 NO NOTICE SERVICE (2/16)	0.590	0.590	0.000	0.00	0.590	0.590	0.000	0.00	
30 SWING SERVICE (3/17)	0.000	0.000	0.000	0.00	58.759	58.759	0.000	0.00	
31 COMMODITY (Other) (4/18)	23.001	52.341	(29.340)	(56.06)	22.555	28.480	(5.925)	(20.8)	
32 DEMAND (5/19)	7.507	6.761	0.746	11.03	6.035	6.128	(0.093)	(1.52)	
33 OTHER (6/20)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
<u>LESS END-USE CONTRACT</u>									
34 COMMODITY Pipeline (7/21)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
35 DEMAND (8/22)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
36 COMMODITY Other (9/23)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
37 TOTAL COST OF PURCHASES (11/24)	35.097	30.410	4.687	15.41	33.376	32.556	0.820	2.52	
38 NET UNBILLED (12/25)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00	
39 COMPANY USE (13/26)	29.853	63.131	(33.278)	(52.71)	33.627	39.114	(5.487)	(14.03)	
40 TOTAL COST OF THERM SOLD (11/27)	24.654	30.465	(5.811)	(19.07)	19.605	22.327	(2.722)	(12.19)	
41 TRUE-UP (E-2)	(0.615)	(0.615)	0.000	0.00	(0.615)	(0.615)	0.000	0.00	
42 TOTAL COST OF GAS (40+41)	24.039	29.850	(5.811)	(19.47)	18.990	21.712	(2.722)	(12.54)	
43 REVENUE TAX FACTOR	1.00503	1.00503	0.000	0.00	1.00503	1.00503	0.000	0.00	
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	24.15992	30.00015	(5.840)	(19.47)	19.08552	21.82121	(2.736)	(12.54)	
45 PGA FACTOR ROUNDED TO NEAREST .001	24.160	30.000	(5.840)	(19.47)	19.086	21.821	(2.735)	(12.53)	

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

**PURCHASED GAS ADJUSTMENT  
COST RECOVERY CLAUSE CALCULATION  
SCHEDULE A-1 SUPPORTING DETAIL**

FOR THE PERIOD OF:  
CURRENT MONTH:

JANUARY 1999 THROUGH DECEMBER 1999  
DECEMBER 1999

COMMODITY (Pipeline)	THERMS	INVOICE AMOUNT	COST PER THERM (¢ PER THERM)
1 Commodity Pipeline - Scheduled FTS - System Supply	4,579,720	15,676.68	0.342
2 No Notice Commodity Adjustment - System Supply	(156,530)	(684.04)	0.437
3 Commodity Pipeline - Scheduled FTS - End Users	0	0.00	0.000
4 Commodity Pipeline - Scheduled FTS - OSSS	177,500	775.68	0.437
5 Commodity Pipeline - Scheduled PTS - End Users	0	0.00	0.000
6 Commodity Pipeline - GRI Adjustment	0	0.00	0.000
7 Commodity Adjustments	0	0.00	0.000
8 TOTAL COMMODITY (Pipeline)	4,600,690	15,768.32	0.343
<b>SWING SERVICE</b>			
9 Swing Service - Scheduled	0	0.00	0.000
10 Alert Day Volumes - FGT	0	0.00	0.000
11 Alert Day Volumes - FGT	0	0.00	0.000
12 Operational Flow Order Volumes - FGT	0	0.00	0.000
13 Less Alert Day Volumes Direct Billed to Others	0	0.00	0.000
14 Other	0	0.00	0.000
15	0	0.00	0.000
16 TOTAL SWING SERVICE	0	0.00	0.000
<b>COMMODITY OTHER</b>			
17 Commodity Other - Scheduled FTS - System Supply	4,400,740	1,013,744.31	23.036
18 Commodity Other - Scheduled FTS - OSSS	177,500	39,297.54	22.139
19 Commodity Other - Schedule PTS / ITS	0	0.00	0.000
20 Imbalance Cashout - FGT	0	0.00	0.000
21 Imbalance Cashout - Other Shippers	0	0.00	0.000
22 Imbalance Cashout - Transporting Customers	0	0.00	0.000
23 Commodity Other - System Supply - June Adjustment	0	0.00	0.000
24 TOTAL COMMODITY (Other)	4,578,240	1,053,041.85	23.001
<b>DEMAND</b>			
25 Demand (Pipeline) Entitlement to System Supply	6,884,300	528,671.58	7.679
26 Demand (Pipeline) Entitlement to End-Users	0	0.00	0.000
27 Demand (Pipeline) Entitlement to OSSS	177,500	1,491.00	0.840
28 Other - GRI Adjustment	0	0.00	0.000
29 Other	0	0.00	0.000
30 Other	0	0.00	0.000
31 Other	0	0.00	0.000
32 TOTAL DEMAND	7,061,800	530,162.58	7.507
<b>OTHER</b>			
33 Revenue Sharing - FGT	0	0.00	0.000
34 FGT Rate Case	0	0.00	0.000
35 Legal & Consulting Expenses	0	0.00	0.000
36 Travel Expenses	0	0.00	0.000
37 Other	0	0.00	0.000
38 Other	0	0.00	0.000
39 Other	0	0.00	0.000
40 TOTAL OTHER	0	0.00	0.000

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

**PURCHASED GAS ADJUSTMENT  
COST RECOVERY CLAUSE CALCULATION  
SCHEDULE A-1 SUPPORTING DETAIL SUPPLEMENT**

**FOR THE PERIOD OF: JANUARY 1999 THROUGH DECEMBER 1999  
CURRENT MONTH: DECEMBER 1999**

Line No.	Vendor	Invoice, Credit, Check, or Identifying Number	Filing Page Number	Invoice Amount	Classification Breakdown					
					Commodity (Pipeline)	No Notice Service	Swing Service	Commodity (Other)	Demand	Other
1	FGT	33461	10 & 11	282,753.50	0.00	7,864.70	0.00	0.00	274,888.80	0.00
2	FGT	33451	12	255,273.78	0.00	0.00	0.00	0.00	255,273.78	0.00
3	FGT	33706	13	9,706.42	9,706.42	0.00	0.00	0.00	0.00	0.00
4	FGT	33696	14	6,745.94	6,745.94	0.00	0.00	0.00	0.00	0.00
5	FGT	33705	15	(684.04)	(684.04)	0.00	0.00	0.00	0.00	0.00
6			16		0.00	0.00	0.00		0.00	0.00
7			17		0.00	0.00	0.00		0.00	0.00
8			18		0.00	0.00	0.00		0.00	0.00
9			19		0.00	0.00	0.00		0.00	0.00
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
<b>TOTAL</b>				<b>1,606,837.45</b>	<b>15,768.32</b>	<b>7,864.70</b>	<b>0.00</b>	<b>1,053,041.85</b>	<b>530,162.58</b>	<b>0.00</b>

FOR THE PERIOD OF: JANUARY 1999 Through DECEMBER 1999

	CURRENT MONTH:		DECEMBER 1999		PERIOD TO DATE				
	ACTUAL	ESTIMATE	DIFFERENCE		ACTUAL	ESTIMATE (3)	DIFFERENCE		
			AMOUNT	%			AMOUNT	%	
<b>TRUE-UP CALCULATION</b>									
1 PURCHASED GAS COST (Sch. A-1 Line 4)	1,053,042	2,295,249	1,242,207	54.12	9,825,925	12,234,541	2,408,616	19.69	
2 TRANSPORTATION COST (Sch. A-1 Lines 1,2,3,5,6)	553,796	(961,707)	(1,515,503)	157.58	4,718,215	1,755,142	(2,963,073)	(168.82)	
3 TOTAL	1,606,838	1,333,542	(273,296)	(20.49)	14,544,140	13,989,683	(554,457)	(3.96)	
4 FUEL REVENUES (NET OF REVENUE TAX)	1,367,086	1,328,561	(38,525)	(2.90)	14,448,159	14,462,870	14,711	0.10	
5 TRUE-UP (COLLECTED) OR REFUNDED	22,192	22,192	0	0.00	266,304	266,304	0	0.00	
6 FUEL REVENUE APPLICABLE TO PERIOD * (LINE 4 (+ or -) LINE 5)	1,389,278	1,350,753	(38,525)	(2.85)	14,714,463	14,729,174	14,711	0.10	
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	(217,560)	17,211	234,771	1,364.08	170,323	739,491	569,168	76.97	
8 INTEREST PROVISION-THIS PERIOD (21) (2)	556	0	(556)	0.00	15,969	8,238	(7,731)	0.00	
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST (1)	239,497	566,719	327,222	57.74	80,313	80,313	0	0.00	
10 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	(22,192)	(22,192)	0	0.00	(266,304)	(266,304)	0	0.00	
10a FLEX RATE REFUND (if applicable)	0	0	0	0.00	0	0	0	0.00	
11 TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	301	561,738	561,437	99.95	301	561,738	561,437	99.95	
<b>INTEREST PROVISION</b>									
12 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	239,497	566,719	327,222	57.74	* If line 5 is a refund add to line 4 If line 5 is a collection ( ) subtract from line 4				
13 ENDING TRUE-UP BEFORE INTEREST (12+7-5)	(255)	561,738	561,993	100.05					
14 TOTAL (12+13)	239,242	1,128,457	889,215	78.80					
15 AVERAGE (50% OF 14)	119,621	564,229	444,608	78.80					
16 INTEREST RATE - FIRST DAY OF MONTH	5.5500%	0.0000%	...	...					
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.6000%	0.0000%	...	...					
18 TOTAL (16+17)	11.1500%	0.0000%	...	...					
19 AVERAGE (50% OF 18)	5.5750%	0.0000%	...	...					
20 MONTHLY AVERAGE (19/12 Months)	0.465%	0.000%	...	...					
21 INTEREST PROVISION (15x20)	556	0	...	...					

Estimated Only:

- (1) Beginning of period True-up & Interest (Line 9) comes from the most recently filed E-4 if we do not flex down. If we flex down, the beginning of the period True-up & Interest (Line 9) comes from the prior periods end of period net true-up. In the ninth month of the period, the beginning True-up amount will change to the actual True-up amount at the end of the eighth month on the most recently filed Schedule E-2. The prior period write-off will be the estimated over/under recovery estimated on Schedule E-4 regardless if we flex down.
- (2) For the current period, interest should equal the most recently filed Schedule E-2.
- (3) Period to date for months nine to twelve should be eight months actual plus four months estimated. Should agree to Schedule E-2.

ACTUAL FOR THE PERIOD OF:  
PRESENT MONTH:

JANUARY 1999 Through DECEMBER 1999  
DECEMBER 1999

LINE NO	DATE	PURCHASED FROM	PURCHASED FOR	SCH TYPE	SYSTEM SUPPLY	END USE	TOTAL PURCHASED	COMMODITY COST		DEMAND COST	OTHER CHARGES ACA/GRI/FUEL	TOTAL CENTS PER THERM
								THIRD PARTY	PIPELINE			
1	JAN 99		SYS SUPPLY	N/A					N/A	N/A		
2	JAN 99		SYS SUPPLY	N/A					N/A	N/A		
3	JAN 99		SYS SUPPLY	N/A					N/A	N/A		
4	JAN 99		SYS SUPPLY	N/A					N/A	N/A		
5	JAN 99		SYS SUPPLY	N/A					N/A	N/A		
6	FEB 99		SYS SUPPLY	N/A					N/A	N/A		
7	FEB 99		SYS SUPPLY	N/A					N/A	N/A		
8	FEB 99		SYS SUPPLY	N/A					N/A	N/A		
9	FEB 99		SYS SUPPLY	N/A					N/A	N/A		
10	FEB 99		SYS SUPPLY	N/A					N/A	N/A		
11	FEB 99		SYS SUPPLY	N/A					N/A	N/A		
12	FEB 99		SYS SUPPLY	N/A					N/A	N/A		
13	MAR 99		SYS SUPPLY	N/A					N/A	N/A		
14	MAR 99		SYS SUPPLY	N/A					N/A	N/A		
15	MAR 99		SYS SUPPLY	N/A					N/A	N/A		
16	MAR 99		SYS SUPPLY	N/A					N/A	N/A		
17	APR 99		SYS SUPPLY	N/A					N/A	N/A		
18	APR 99		SYS SUPPLY	N/A					N/A	N/A		
19	APR 99		SYS SUPPLY	N/A					N/A	N/A		
20	APR 99		SYS SUPPLY	N/A					N/A	N/A		
21	APR 99		SYS SUPPLY	N/A					N/A	N/A		
22	MAY 99		SYS SUPPLY	N/A					N/A	N/A		
23	MAY 99		SYS SUPPLY	N/A					N/A	N/A		
24	MAY 99		SYS SUPPLY	N/A					N/A	N/A		
25	MAY 99		SYS SUPPLY	N/A					N/A	N/A		
26	JUN 99		SYS SUPPLY	N/A					N/A	N/A		
27	JUN 99		SYS SUPPLY	N/A					N/A	N/A		
28	JUN 99		SYS SUPPLY	N/A					N/A	N/A		
29	JUN 99		SYS SUPPLY	N/A					N/A	N/A		
30	JUL 99		SYS SUPPLY	N/A					N/A	N/A		
31	JUL 99		SYS SUPPLY	N/A					N/A	N/A		
32	JUL 99		SYS SUPPLY	N/A					N/A	N/A		
33	JUL 99		SYS SUPPLY	N/A					N/A	N/A		
34	AUG 99		SYS SUPPLY	N/A					N/A	N/A		
35	AUG 99		SYS SUPPLY	N/A					N/A	N/A		
36	AUG 99		SYS SUPPLY	N/A					N/A	N/A		
37	AUG 99		SYS SUPPLY	N/A					N/A	N/A		
38	AUG 99		SYS SUPPLY	N/A					N/A	N/A		
39	AUG 99		SYS SUPPLY	N/A					N/A	N/A		
40	SEP 99		SYS SUPPLY	N/A					N/A	N/A		
41	SEP 99		SYS SUPPLY	N/A					N/A	N/A		
<b>TOTAL</b>					30,203,920	1,588,420	31,792,340	6,747,198.00	0	0	0	21.22

ACTUAL FOR THE PERIOD OF:  
PRESENT MONTH:

JANUARY 1999 Through DECEMBER 1999  
DECEMBER 1999

LINE NO	DATE	PURCHASED FROM	PURCHASED FOR	SCH TYPE	SYSTEM SUPPLY	END USE	TOTAL PURCHASED	COMMODITY COST		DEMAND COST	OTHER CHARGES ACA/GRI/FUEL	TOTAL CENTS PER THERM
								THIRD PARTY	PIPELINE			
1	SEP 99		SYS SUPPLY	N/A					N/A	N/A		
2	SEP 99		SYS SUPPLY	N/A					N/A	N/A		
3	SEP 99		SYS SUPPLY	N/A					N/A	N/A		
4	OCT 99		SYS SUPPLY	N/A					N/A	N/A		
5	OCT 99		SYS SUPPLY	N/A					N/A	N/A		
6	OCT 99		SYS SUPPLY	N/A					N/A	N/A		
7	OCT 99		SYS SUPPLY	N/A					N/A	N/A		
8	OCT 99		SYS SUPPLY	N/A					N/A	N/A		
9	NOV 99		SYS SUPPLY	N/A					N/A	N/A		
10	NOV 99		SYS SUPPLY	N/A					N/A	N/A		
11	NOV 99		SYS SUPPLY	N/A					N/A	N/A		
12	NOV 99		SYS SUPPLY	N/A					N/A	N/A		
13	NOV 99		SYS SUPPLY	N/A					N/A	N/A		
14	NOV 99		SYS SUPPLY	N/A					N/A	N/A		
15	NOV 99		SYS SUPPLY	N/A					N/A	N/A		
16	NOV 99		SYS SUPPLY	N/A					N/A	N/A		
17	DEC 99		SYS SUPPLY	N/A					N/A	N/A		
18	DEC 99		SYS SUPPLY	N/A					N/A	N/A		
19	DEC 99		SYS SUPPLY	N/A					N/A	N/A		
20	DEC 99		SYS SUPPLY	N/A					N/A	N/A		
<b>TOTAL</b>					41,384,310	2,179,630	43,563,940	9,825,925.00	0	0	0	22.56

## FLORIDA GAS TRANSMISSION FIRM TRANSPORTATION SYSTEM SUPPLY

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY  
 FOR THE PERIOD: JANUARY 1999 THROUGH DECEMBER 1999  
 MONTH: DECEMBER 1999

PRODUCER/ SUPPLIER	RECEIPT POINT	GROSS AMOUNT MMBtu/d	NET AMOUNT MMBtu/d	MONTHLY GROSS MMBtu	MONTHLY NET MMBtu	WELLHEAD PRICE	CITYGATE PRICE
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
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39							
40							
41							
42							
43							
<b>TOTAL</b>		15,781	15,343	489,164	475,721		
<b>WEIGHTED AVERAGE</b>						\$2.1527	\$2.2136

NOTES: GROSS AMOUNT MMBTU/D AND NET AMOUNT MMBTU/D DO NOT REFLECT  
THE TOTAL AMOUNT WHICH FLOWED ON ANY GIVEN DAY. FLOW PER DAY IS REPRESENTED BY  
THE DAILY AVERAGE OF MONTHLY GROSS MMBTU AND MONTHLY NET MMBTU. CITYGATE PRICES  
ARE GROSSED UP ONLY FOR FGT'S FUEL RETENTION.

FOR THE PERIOD OF: **JANUARY 1999 Through DECEMBER 1999**

		CURRENT MONTH:		DECEMBER 1999		PERIOD TO DATE			
		ACTUAL	ESTIMATE	DIFFERENCE		TOTAL THERM SALES		DIFFERENCE	
				AMOUNT	%	ACTUAL	ESTIMATE	AMOUNT	%
<b>THERM SALES (FIRM)</b>									
GENERAL SERVICE	(11 & 12)	1,332,636	1,216,270	(116,366)	(9.57)	11,083,867	10,178,300	(905,567)	(8.90)
OUTDOOR LIGHTING	(21)	50	170	120	70.59	815	1,990	1,175	59.05
RESIDENTIAL	(31 & 32)	1,227,474	1,068,750	(158,724)	(14.85)	9,559,798	9,438,170	(121,628)	(1.29)
LARGE VOLUME	(51)	1,807,987	1,891,120	83,133	4.40	20,479,200	21,427,650	948,450	4.43
FIRM TRANSPORT	(91)	318,144	87,550	(230,594)	(263.39)	2,087,597	564,100	(1,523,497)	(270.08)
<b>TOTAL FIRM</b>		<b>4,686,291</b>	<b>4,263,860</b>	<b>(422,431)</b>	<b>(9.91)</b>	<b>43,211,277</b>	<b>41,610,210</b>	<b>(1,601,067)</b>	<b>(3.85)</b>
<b>THERM SALES (INTERRUPTIBLE)</b>									
INTERRUPTIBLE	(61)	112,867	200,980	88,113	43.84	1,853,434	2,221,500	368,066	16.57
INTERRUPTIBLE TRANSPORT	(92)	367,852	257,920	(109,932)	(42.62)	3,129,904	2,866,390	(263,514)	(9.19)
LARGE VOLUME INTERRUPTIBLE	(93)	1,189,535	888,470	(301,065)	(33.89)	23,926,193	19,744,630	(4,181,563)	(21.18)
OFF SYSTEM SALES SERVICE	(95)	177,500	0	(177,500)	0.00	2,179,630	0	(2,179,630)	0.00
<b>TOTAL INTERRUPTIBLE</b>		<b>1,847,754</b>	<b>1,347,370</b>	<b>(500,384)</b>	<b>(37.14)</b>	<b>31,089,161</b>	<b>24,832,520</b>	<b>(6,256,641)</b>	<b>(25.20)</b>
<b>TOTAL THERM SALES</b>		<b>6,534,045</b>	<b>5,611,230</b>	<b>(922,815)</b>	<b>(16.45)</b>	<b>74,300,438</b>	<b>66,442,730</b>	<b>(7,857,708)</b>	<b>(11.83)</b>
<b>NUMBER OF CUSTOMERS (FIRM)</b>						<b>AVG. NO. OF CUSTOMERS PERIOD TO DATE</b>			
GENERAL SERVICE	(11 & 12)	2,858	2,992	134	4.48	2,817	2,914	97	3.33
OUTDOOR LIGHTING	(21)	0	5	5	100.00	0	5	5	100.00
RESIDENTIAL	(31 & 32)	34,637	34,212	(425)	(1.24)	34,086	33,543	(543)	(1.62)
LARGE VOLUME	(51)	904	872	(32)	(3.67)	884	872	(12)	(1.38)
FIRM TRANSPORT	(91)	8	2	(6)	(300.00)	4	1	(3)	0.00
<b>TOTAL FIRM</b>		<b>38,407</b>	<b>38,083</b>	<b>(324)</b>	<b>(0.85)</b>	<b>37,791</b>	<b>37,335</b>	<b>(456)</b>	<b>(1.22)</b>
<b>NUMBER OF CUSTOMERS (INTERRUPTIBLE)</b>						<b>AVG. NO. OF CUSTOMERS PERIOD TO DATE</b>			
INTERRUPTIBLE	(61)	7	9	2	22.22	8	9	1	11.11
INTERRUPTIBLE TRANSPORT	(92)	8	6	(2)	(33.33)	7	6	(1)	(16.67)
LARGE VOLUME INTERRUPTIBLE	(93)	1	1	0	0.00	1	1	0	0.00
OFF SYSTEM SALES SERVICE	(95)	1	0	(1)	0.00	1	0	(1)	0.00
<b>TOTAL INTERRUPTIBLE</b>		<b>17</b>	<b>16</b>	<b>(1)</b>	<b>(6.25)</b>	<b>17</b>	<b>16</b>	<b>(1)</b>	<b>(6.25)</b>
<b>TOTAL CUSTOMERS</b>		<b>38,424</b>	<b>38,099</b>	<b>(325)</b>	<b>(0.85)</b>	<b>37,808</b>	<b>37,351</b>	<b>(457)</b>	<b>(1.22)</b>
<b>THERM USE PER CUSTOMER</b>									
GENERAL SERVICE	(11 & 12)	466	407	(59)	(14.50)	3,935	3,493	(442)	(12.65)
OUTDOOR LIGHTING	(21)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RESIDENTIAL	(31 & 32)	35	31	(4)	(12.90)	280	281	1	0.36
LARGE VOLUME	(51)	2,000	2,169	169	7.79	23,167	24,573	1,406	5.72
FIRM TRANSPORT	(91)	39,768	43,775	4,007	9.15	521,899	564,100	42,201	7.48
INTERRUPTIBLE	(61)	16,124	22,331	6,207	27.80	231,679	246,833	15,154	6.14
INTERRUPTIBLE TRANSPORT	(92)	45,982	42,987	(2,995)	(6.97)	447,129	477,732	30,603	6.41
LARGE VOLUME INTERRUPTIBLE	(93)	1,189,535	888,470	(301,065)	(33.89)	23,926,193	19,744,630	(4,181,563)	(21.18)
OFF SYSTEM SALES SERVICE	(95)	177,500	0	(177,500)	0.00	2,179,630	0	(2,179,630)	0.00



ACTUAL FOR THE PERIOD OF: JANUARY 1999 Through DECEMBER 1999

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>WEST PALM BEACH:</b>												
1 AVERAGE BTU CONTENT OF GAS PURCHASED												
$\frac{\text{THERMS PURCHASED}}{\text{CCF PURCHASED}} = \text{AVERAGE BTU CONTENT}$	1.0590	1.0589	1.0628	1.0610	1.0556	1.0494	1.0483	1.0457	1.0405	1.0396	1.0368	1.0403
2 PRESSURE CORRECTION FACTOR												
a. DELIVERY PRESSURE OF GAS SOLD psia	14.929	14.929	14.929	14.929	14.929	14.929	14.929	14.929	14.929	14.929	14.929	14.929
b. DELIVERY PRESSURE OF GAS PURCHASED psia	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73
PRESSURE CORRECTION FACTOR (a/b) psia	1.0135	1.0135	1.0135	1.0135	1.0135	1.0135	1.0135	1.0135	1.0135	1.0135	1.0135	1.0135
3 BILLING FACTOR												
BTU CONTENT x PRESSURE CORRECTION FACTOR	1.07	1.07	1.08	1.08	1.07	1.06	1.06	1.06	1.05	1.05	1.05	1.05
<b>SANFORD &amp; DELAND:</b>												
1 AVERAGE BTU CONTENT OF GAS PURCHASED												
$\frac{\text{THERMS PURCHASED}}{\text{CCF PURCHASED}} = \text{AVERAGE BTU CONTENT}$	1.0585	1.0599	1.0625	1.0607	1.0549	1.0489	1.0482	1.0453	1.0408	1.0396	1.0388	1.0401
2 PRESSURE CORRECTION FACTOR												
a. DELIVERY PRESSURE OF GAS SOLD psia	14.983	14.983	14.983	14.983	14.983	14.983	14.983	14.983	14.983	14.983	14.983	14.983
b. DELIVERY PRESSURE OF GAS PURCHASED psia	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73	14.73
PRESSURE CORRECTION FACTOR (a/b) psia	1.0172	1.0172	1.0172	1.0172	1.0172	1.0172	1.0172	1.0172	1.0172	1.0172	1.0172	1.0172
3 BILLING FACTOR												
BTU CONTENT x PRESSURE CORRECTION FACTOR	1.08	1.08	1.08	1.08	1.07	1.07	1.07	1.06	1.06	1.06	1.06	1.06