

State of Florida



Public Service Commission

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

DATE: July 18, 2000
TO: Division of Safety & Electric Reliability (Colson)
FROM: Division of Regulatory Oversight (Vandiver)
RE: Docket No. 000002-EG; Florida Public Utilities Company
Audit Report; Conservation - Year Ended December 31, 1999
Audit Control No. 00-047-4-2

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 no confidential work papers associated with this audit.

DNV/sp

Attachment

cc: Division of Regulatory Oversight (Hoppe/Harvey/File Folder)
Miami District Office (Welch)
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

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

DOCUMENT NUMBER-DATE

08807 JUL 20 8

FPSC-RECORDS/REPORTING



FLORIDA PUBLIC SERVICE COMMISSION

*DIVISION OF REGULATORY OVERSIGHT
BUREAU OF AUDITING SERVICES*

Miami District Office

FLORIDA PUBLIC UTILITIES COMPANY

CONSERVATION RECOVERY CLAUSE

YEAR ENDED DECEMBER 31, 1999

DOCKET NUMBER 000002-EG

AUDIT CONTROL NO. 00-047-4-2

A handwritten signature in cursive script, appearing to read "Kathy L. Welch".

Kathy L. Welch, Audit Manager

A handwritten signature in cursive script, appearing to read "Iliana Piedra".

*Iliana Piedra, Professional Accountant
Specialist*

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

June 29, 2000

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

We have applied the procedures described later in this report to the attached Conservation Recovery schedules for the period ended December 31, 1999 for Florida Public Utilities Company. This schedule was prepared as part of the petition for conservation recovery in Docket 000002-EG.

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 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.

Verified- The item was tested for accuracy, and substantiating documentation was examined.

Conservation Recovery Schedules: Traced the filing to the general ledger. Reconciled revenues to the revenue and rate reports. Recalculated revenues to verify that the correct rate was used. Traced the beginning period true-up to the order.

Scanned all expense accounts for unusual entries and reviewed those invoices for compliance with program guidelines and Commission policy. Scanned to make sure costs were similar to prior audit periods. Verified payroll costs for one month.

Recalculated true-up and verified interest rates.

AUDIT EXCEPTION NO. 1

SUBJECT: INVOICES MISCLASSIFIED

STATEMENT OF FACT: One of the conservation programs is the Good Cents Program. The company pays license fees to a national organization to use this program. In August of 1999, the company paid the Good Cents Program \$7,585 for a conference that was being put on. This included \$4,000 that the company paid to be a corporate sponsor of the event, registration for six employees and the registration fees for six outside building contractors.

Some of this amount was charged appropriately by division because it related to fees for registration and were included in the employees expense report and booked to a prepaid account. In addition to the individual registrations, \$5,205.00 was charged to Marianna for the corporate sponsorship and the contractor registration fees. The amount should have been split between Marianna and Fernandina. Therefore, \$2,602.50 needs to be removed from Marianna expenses and added to Fernandina expenses.

Another invoice included in the December expenses of Fernandina was found to be a general operating expense and was not related to conservation. It was for the Florida Board of Engineers for \$956.16.

The net effect after interest on the Marianna true-up is a decrease to expenses and an increase to the over-recovery of \$2,656 after interest. The adjusted true-up is an over-recovery of \$24,845.

The net effect after interest on the Fernandina true-up is an increase in costs and a decrease in the over-recovery of \$1,693. The adjusted true-up is an over-recovery of \$41,644.

The detailed recalculation of the true-up follows.

Company:
Title:
Period:

Florida Public Utilities Company
Conservation Recovery (MARIANNA) Recalculated by Staff
TYE 12/31/99

Interest Rates per Wall Street Journal Commercial Paper
Interest - first day reporting

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
Interest - first day reporting of subsequent month	4.900%	4.810%	4.850%	4.880%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
Interest - first day reporting of subsequent month	4.800%	4.810%	4.850%	4.880%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
Interest - first day reporting of subsequent month	4.800%	4.810%	4.850%	4.880%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
Interest - first day reporting of subsequent month	4.800%	4.810%	4.850%	4.880%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
Interest - first day reporting of subsequent month	4.800%	4.810%	4.850%	4.880%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
Beginning Ending	4,900%	4,810%	4,850%	4,880%	4,800%	4,850%	5,050%	5,100%	5,300%	5,300%	5,300%	5,600%	86,277
Average	9,710%	9,650%	9,730%	9,860%	9,650%	9,700%	10,150%	10,420%	10,620%	10,600%	10,860%	11,160%	88,996
Monthly Average	4,855%	4,855%	4,865%	4,840%	4,825%	4,950%	5,075%	5,210%	5,310%	5,300%	5,430%	5,560%	175,273
Calculation of True-Up	0.405%	0.405%	0.405%	0.403%	0.402%	0.413%	0.423%	0.434%	0.443%	0.442%	0.453%	0.465%	153,666
Total Conservation Revenue (line 3)	8,933	7,139	7,619	5,524	6,021	7,194	7,809	8,334	8,512	6,622	5,751	6,120	21,608
Tax Refund	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	3,237
Total conservation revenue current period	16,349	14,614	15,035	12,940	13,437	14,610	15,225	16,350	15,928	14,038	13,207	13,536	88,996
True-up this period	13,373	9,380	8,812	12,722	7,632	11,610	10,745	16,203	22,717	13,233	9,122	17,935	175,273
Interest provision (line 8)	2,976	5,254	6,223	218	5,805	2,800	4,480	148	(6,789)	803	4,065	(4,399)	153,666
Ad. to interest prov. (a)	351	337	334	317	300	296	289	275	234	189	172	142	3,237
Deferred true-up beginning (9a)	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up & interest beginning (9a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory assess. fee adj (9b)	88,996	84,907	83,082	82,224	75,343	74,032	69,712	67,084	60,071	46,100	39,676	36,517	88,996
Prior true-up collected ref. (10)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(88,996)
Total net true-up	84,907	83,082	82,224	75,343	74,032	69,712	67,084	60,071	46,100	39,676	36,517	24,845	24,845
True-up for the month per filing	84,907	83,082	82,224	75,343	74,032	69,711	67,084	57,453	43,481	37,045	33,874	22,189	22,189
Difference is due to rounding	0	0	1	1	1	1	0	2,608	2,619	2,631	2,643	2,656	2,656
Calculation of Interest	88,996	84,907	83,082	82,224	75,343	74,032	69,712	67,084	60,071	46,100	39,676	36,517	88,996
Beginning true up and interest	173,552	167,652	164,972	157,260	149,075	143,447	136,487	126,860	105,937	85,588	76,022	61,220	61,220
Total	86,776	83,826	82,486	78,625	74,538	71,724	68,244	63,430	52,969	42,794	36,011	30,610	24,845
Average true up	0.405%	0.405%	0.405%	0.403%	0.402%	0.413%	0.423%	0.434%	0.443%	0.442%	0.453%	0.465%	0.465%
Interest rate per above	351	337	334	317	300	296	289	275	234	189	172	142	142
Interest per filing	0	0	0	0	0	0	0	0	0	0	0	0	0
Difference is due to rounding	0	0	0	0	0	0	0	0	0	0	0	0	0
Source: Company Schedules													

Company: Florida Public Utilities Company
 Title: Conservation Recovery (Remittances) Recalculated by Staff
 Period: TVE 12/31/89
 Interest Rates per Wall Street Journal Commercial Paper

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
JANUARY	4.900%	4.900%	4.850%	4.800%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
FEBRUARY	4.810%	4.810%	4.850%	4.800%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
MARCH	4.850%	4.850%	4.800%	4.800%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
APRIL	4.850%	4.850%	4.800%	4.800%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
MAY	4.800%	4.800%	4.850%	4.800%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
JUNE	4.800%	4.800%	4.850%	4.800%	4.800%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
JULY	5.050%	5.050%	5.050%	5.050%	5.050%	5.050%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%
AUGUST	5.100%	5.100%	5.100%	5.100%	5.100%	5.100%	5.100%	5.100%	5.300%	5.300%	5.300%	5.600%
SEPTEMBER	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.600%
OCTOBER	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.600%
NOVEMBER	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.600%
DECEMBER	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.300%	5.600%
JANUARY NEXT	5.600%	5.600%	5.600%	5.600%	5.600%	5.600%	5.600%	5.600%	5.600%	5.600%	5.600%	5.600%

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
Beginning	18,320	17,412	16,649	15,409	14,855	11,883	14,798	15,688	14,710	13,946	13,826	13,430	122,660
Ending	18,320	17,412	16,649	15,409	14,855	11,883	14,798	15,688	14,710	13,946	13,826	13,430	122,660
Total	0	0	0	0	0	0	0	0	0	0	0	0	0
Average	4.850%	4.850%	4.850%	4.850%	4.850%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%	5.300%
Weighted Average	4.850%	4.850%	4.850%	4.850%	4.850%	4.850%	5.050%	5.100%	5.300%	5.300%	5.300%	5.600%	5.300%
Calculation of True-Up	0.405%	0.405%	0.405%	0.405%	0.405%	0.413%	0.423%	0.434%	0.443%	0.442%	0.443%	0.443%	0.465%
Total Conservation Revenues (line 3)	7,180	7,180	7,180	7,180	7,180	7,180	7,180	7,180	7,180	7,180	7,180	7,180	7,180
(1/12) of Prior True-Up (b)	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222
Tax Refund	0	0	0	0	0	0	0	0	0	0	0	0	0
Total conservation revenue current period	18,320	17,412	16,649	15,409	14,855	11,883	14,798	15,688	14,710	13,946	13,826	13,430	122,660
Conservation Cost	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869
True-up this period	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest provision (line 6)	483	465	466	454	431	409	384	366	321	272	248	215	4,516
Adj. to interest prov.(a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred true-up beginning (8a)	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up & interest beginning (8)	122,660	116,590	114,863	115,547	110,093	104,720	93,829	88,284	80,735	64,532	58,902	51,099	122,660
True-up & interest (see adj (8b))	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)
Prior true-up deferred ref. (10)	116,590	114,863	115,547	110,093	104,720	93,829	88,284	80,735	64,532	58,902	51,099	41,644	41,644
Total net issue	116,590	114,863	115,547	110,093	104,720	93,829	88,284	80,735	64,532	58,902	51,099	41,644	41,644
True-up for the month per filing	0	0	0	0	0	0	0	0	0	0	0	0	0
Difference is due to rounding	0	0	0	0	0	0	0	0	0	0	0	0	0
Calculation of Interest	122,660	116,590	114,863	115,547	110,093	104,720	93,829	88,284	80,735	64,532	58,902	51,099	122,660
Beginning true up and interest	116,590	114,863	115,547	110,093	104,720	93,829	88,284	80,735	64,532	58,902	51,099	41,644	41,644
Ending true-up before int	116,590	114,863	115,547	110,093	104,720	93,829	88,284	80,735	64,532	58,902	51,099	41,644	41,644
Total	116,590	114,863	115,547	110,093	104,720	93,829	88,284	80,735	64,532	58,902	51,099	41,644	41,644
Average true up	238,767	230,368	225,944	225,186	214,362	198,142	181,729	169,853	145,105	123,321	109,950	92,927	2,050,000
Weighted average	119,384	115,184	112,972	112,593	107,181	99,070	90,864	84,326	72,553	61,661	54,976	46,264	1,025,000
Interest per above	0.405%	0.403%	0.402%	0.403%	0.402%	0.413%	0.423%	0.434%	0.443%	0.442%	0.443%	0.443%	0.465%
Interest per filing	483	465	466	454	431	409	384	366	321	272	248	215	4,516
Difference is due to rounding	0	0	0	0	0	0	0	0	0	0	0	0	0

Source: Company Schedules

EXHIBITS

COMPANY PREPARED SCHEDULES MARIANNA

COMPANY PREPARED SCHEDULES FERNANDINA

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH

FOR MONTHS January-99 THROUGH December-99

A. CONSERVATION EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. In Concert with the Environment (program elimi	205	313	119	456	85	354	76	0	11,287	0	0	0	12,895
2. Direct Leakage Repair	203	32	89	292	124	(1)	309	204	89	124	353	643	2,461
3. Residential Geothermal Heat Pump	36	106	(7)	39	149	371	48	8	0	31	159	348	1,288
4. Residential Energy Audits	2,317	1,200	1,975	2,423	949	1,962	2,087	1,156	2,357	1,911	2,506	3,045	23,888
5. Low Income Customer Energy Audits	470	32	152	131	82	81	19	78	135	136	107	295	1,718
6. FPU Express	795	1,146	1,389	2,806	671	1,176	1,700	1,245	1,447	865	1,276	1,308	15,824
7. Enhanced Good Cents Home	2,093	1,238	1,446	1,872	1,429	2,640	1,598	6,895	3,427	2,140	1,136	2,604	28,518
8. Commercial/Industrial Good Cents Building	551	32	56	1,211	290	153	585	2,036	455	68	69	381	5,887
9. Commercial/Industrial Energy Audits & Tech. As	3,274	354	337	402	335	81	807	2,709	379	109	91	2,333	11,211
10. Common	3,429	4,907	3,256	3,090	3,518	4,993	3,516	4,474	3,141	7,851	3,425	6,978	52,578
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
21. TOTAL ALL PROGRAMS	13,373	9,360	8,812	12,722	7,632	11,810	10,745	18,805	22,717	13,235	9,122	17,935	156,268
22. LESS AMOUNT INCLUDED IN RATE BASE													
23. RECOVERABLE CONSERVATION EXPENSES	13,373	9,360	8,812	12,722	7,632	11,810	10,745	18,805	22,717	13,235	9,122	17,935	156,268

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-3
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-99 THROUGH December-99

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ. REVENUES	8,933	7,198	7,619	5,524	6,021	7,194	7,809	8,934	8,512	6,622	5,791	6,120	86,277
3. TOTAL REVENUES	8,933	7,198	7,619	5,524	6,021	7,194	7,809	8,934	8,512	6,622	5,791	6,120	86,277
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,420	88,996
5. CONSERVATION REVENUE APPLICABLE	16,349	14,614	15,035	12,940	13,437	14,610	15,225	16,350	15,928	14,038	13,207	13,640	175,273
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	13,373	9,360	8,812	12,722	7,632	11,810	10,745	18,805	22,717	13,235	9,122	17,935	156,268
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	2,976	5,254	6,223	218	5,805	2,800	4,480	(2,455)	(6,789)	803	4,085	(4,395)	19,005
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	351	337	334	317	300	296	289	270	223	177	160	130	3,184
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	88,996	84,907	83,082	82,223	75,342	74,031	69,711	67,064	57,463	43,481	37,045	33,874	88,996
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,416)	(7,420)	(88,996)
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	84,907	83,082	82,223	75,342	74,031	69,711	67,064	57,463	43,481	37,045	33,874	22,189	22,189

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EXHIBIT NO. _____
DOCKET NO. 000002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 6 OF 38

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-99 THROUGH December-99

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	88,996	84,907	83,082	82,223	75,342	74,031	69,711	67,064	57,463	43,481	37,045	33,874	88,996
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	84,556	82,745	81,889	75,025	73,731	69,415	66,775	57,193	43,258	36,868	33,714	22,059	19,005
3. TOTAL BEG. AND ENDING TRUE-UP	173,552	167,652	164,971	157,248	149,073	143,446	136,486	124,257	100,721	80,349	70,759	55,933	108,001
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	86,776	83,826	82,486	78,624	74,537	71,723	68,243	62,129	50,361	40,175	35,380	27,967	54,001
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	4.90%	4.81%	4.85%	4.88%	4.80%	4.85%	5.05%	5.10%	5.32%	5.30%	5.30%	5.55%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	4.81%	4.85%	4.88%	4.80%	4.85%	5.05%	5.10%	5.32%	5.30%	5.30%	5.55%	5.60%	
7. TOTAL (LINE C-5 + C-6)	9.71%	9.66%	9.73%	9.68%	9.65%	9.90%	10.15%	10.42%	10.62%	10.60%	10.85%	11.15%	
8. AVG. INTEREST RATE (C-7 X 50%)	4.86%	4.83%	4.87%	4.84%	4.83%	4.95%	5.08%	5.21%	5.31%	5.30%	5.43%	5.58%	
9. MONTHLY AVERAGE INTEREST RATE	0.405%	0.403%	0.405%	0.403%	0.402%	0.413%	0.423%	0.434%	0.443%	0.442%	0.452%	0.465%	
10. INTEREST PROVISION (LINE C-4 X C-9)	351	337	334	317	300	296	289	270	223	177	160	130	3,184

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH

FOR MONTHS January-99 THROUGH December-99

A. CONSERVATION EXPENSE
BY PROGRAM

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. In Concert with the Environment (program elimi	111	93	85	85	179	39	0	0	11,242	2	41	0	11,877
2. Direct Leakage Repair	151	406	209	377	126	87	185	134	193	260	218	189	2,535
3. Residential Geothermal Heat Pump	266	51	205	319	118	102	105	64	75	151	259	511	2,226
4. Residential Energy Audits	1,874	1,222	682	932	2,861	3,894	2,052	2,036	2,490	1,299	1,927	2,110	23,379
5. Low Income Customer Energy Audits	650	114	20	2	41	57	11	33	30	86	75	79	1,198
6. FPU Express	639	744	168	1,611	842	221	393	749	399	437	562	476	7,261
7. Enhanced Good Cents Home	1,912	591	695	1,418	1,688	2,005	612	3,017	1,405	2,440	1,200	1,881	18,864
8. Commercial/Industrial Good Cents Building	3,413	330	176	391	138	189	271	541	541	151	465	770	7,376
9. Commercial/Industrial Energy Audits & Tech. As	1,468	1,487	2,585	2,290	289	1,415	2,737	843	1,106	863	1,073	1,029	17,185
10. Common	4,167	4,344	3,384	3,670	4,155	4,952	4,139	3,362	3,371	4,097	6,772	5,833	52,246
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
21. TOTAL ALL PROGRAMS	14,651	9,382	8,209	11,095	10,437	12,961	10,505	10,779	20,852	9,786	12,612	12,878	144,147
22. LESS AMOUNT INCLUDED IN RATE BASE													
23. RECOVERABLE CONSERVATION EXPENSES	14,651	9,382	8,209	11,095	10,437	12,961	10,505	10,779	20,852	9,786	12,612	12,878	144,147

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-3
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-99 THROUGH December-99

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
B. CONSERVATION REVENUES													
1. RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ. REVENUES	8,098	7,190	8,427	5,187	4,633	1,661	4,576	5,466	4,488	3,724	3,604	3,208	60,262
3. TOTAL REVENUES	8,098	7,190	8,427	5,187	4,633	1,661	4,576	5,466	4,488	3,724	3,604	3,208	60,262
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,222	10,218	122,660
5. CONSERVATION REVENUE APPLICABLE	18,320	17,412	18,649	15,409	14,855	11,863	14,798	15,688	14,710	13,946	13,826	13,426	182,922
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	14,651	9,382	8,209	11,095	10,437	12,961	10,505	10,779	20,852	9,786	12,612	12,878	144,147
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	3,669	8,030	10,440	4,314	4,418	(1,078)	4,293	4,909	(6,142)	4,160	1,214	548	38,775
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	483	465	466	454	431	409	384	372	333	284	258	223	4,562
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	122,660	116,590	114,863	115,547	110,093	104,720	93,829	88,284	83,343	67,312	61,534	52,784	122,660
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,222)	(10,218)	(122,660)
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	116,590	114,863	115,547	110,093	104,720	93,829	88,284	83,343	67,312	61,534	52,784	43,337	43,337

EXHIBIT NO. _____
DOCKET NO. 000002-EG
FLORIDA PUBLIC UTILITIES COMPANY
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

PAGE 3 OF 3

FOR MONTHS January-99 THROUGH December-99

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	122,660	116,590	114,863	115,547	110,093	104,720	93,829	88,284	83,343	67,312	61,534	52,784	122,660
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	116,107	114,398	115,081	109,639	104,289	93,420	87,900	82,971	66,979	61,250	52,526	43,114	38,775
3. TOTAL BEG. AND ENDING TRUE-UP	238,767	230,988	229,944	225,186	214,382	198,140	181,729	171,255	150,322	128,562	114,060	95,898	161,435
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	119,384	115,494	114,972	112,593	107,191	99,070	90,865	85,628	75,161	64,281	57,030	47,949	80,718
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	4.90%	4.81%	4.85%	4.88%	4.80%	4.85%	5.05%	5.10%	5.32%	5.30%	5.30%	5.55%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	4.81%	4.85%	4.88%	4.80%	4.85%	5.05%	5.10%	5.32%	5.30%	5.30%	5.55%	5.60%	
7. TOTAL (LINE C-5 + C-6)	9.71%	9.66%	9.73%	9.68%	9.65%	9.90%	10.15%	10.42%	10.62%	10.60%	10.85%	11.15%	
8. AVG. INTEREST RATE (C-7 X 50%)	4.86%	4.83%	4.87%	4.84%	4.83%	4.95%	5.08%	5.21%	5.31%	5.30%	5.43%	5.58%	
9. MONTHLY AVERAGE INTEREST RATE	0.405%	0.403%	0.405%	0.403%	0.402%	0.413%	0.423%	0.434%	0.443%	0.442%	0.452%	0.465%	
10. INTEREST PROVISION (LINE C-4 X C-9)	483	465	466	454	431	409	384	372	333	284	258	223	4,562

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EXHIBIT NO. _____
 DOCKET NO. 000002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
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