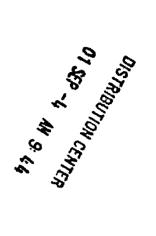


P.O. Box 3395 West Palm Beach, FL 33402-3395

August 29, 2001



ORIGINA

Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0950

Re: DOCKET NO. 010002-EG Conservation Period ended 12/31/00 Audit Control No. 01-058-4-1

We have enclosed a copy of our Company Responses to the 2000 Electric Conservation Audit Report.

If you need any additional information, please let me know.

Sincerely,

CC:

hyl M. Math

Cheryl M. Martin Manager of Corporate Accounting

APP CAF CMP COM CTR ECR LEG OPC PAI RGO SEC SER OTH George Bachman Jack English Mike Peacock Chuck Stein SJ 81-448

DOCUMENT NUMBER-DATE

Florida Public Utilities Company 2000 Electric Conservation – Company Responses (Audit Control # 01-058-4-1)

Disclosure #1: Promotional items referenced in the recent PSC audit are vital in aiding promotion of Florida Public Utilities' Good Cents programs. Such items are distributed to residential and commercial contractors, realtors, HVAC contractors and trade allies as an incentive to either build Good Cents or help in promoting our Good Cents program. These items are used to keep the "Good Cents" name in the customer's mind in order to build brand recognition on our service areas.

This issue has been handled effectively in the past by explaining that we always provide a company contact person, address, and phone number via a business card when distributing promotional items to customers in order that they may wish to obtain additional information pertaining to our Conservation programs. Our procedure meets PSC criteria as set forth in Rule 25-17.01.

Disclosure #2: The Statement of Fact as provided by the PSC is correct. We have made all attempts to recover funds on the loans made to Ms. Sherri M. Galindez and Ms. Christine Raysor through our attorney (Jacobs & Associates, P.A. 401 Centre Street, 2<sup>nd</sup> floor, Fernandina Beach, FL 32034 Phone: (904) 261-3693).

As of May 16<sup>th</sup>, 2001 we have been unable to recover any funds on the loan provided to Ms. Galindez. Our attorney has informed us that Ms. Galindez has filed Chapter 11. Jacobs & Associates will be monitoring the bankruptcy in order to see if there are any funds available for recovery. Ms. Galindez had previously offered to pay \$30.00 per month per a letter dated January 5, 2001. This offer would have barely covered the interest payments on the loan, therefore, this approach was not undertaken and we proceeded with court action.

Ms. Raysor has filed Chapter 7 bankruptcy as of August 11, 2000. Our attorney filed a complaint in an attempt to collect the \$7,239.72. Also, Southern Company has filed a claim in the amount of \$6,409.37 after receiving notification. In all probability there will be no funds left over after paying priority claims. Due to this fact action against Ms. Raysor has been stopped.

The unpaid loan of Ms. Sue Burton has been reaffirmed after our attorney contacted Ms. Burton. She has since been making monthly payments of \$50.00 on the reaffirmed amount of **\$1,500.00**. The funds received are being credited back to the Express Loan Program. Customer began making payments on this amount commencing May 2000.

Regarding the two invoices to Catering by Jeff that were recorded twice. We have made several attempts to have Shoney's who owns Catering by Jeff to cut us a check for the \$700.00 we overpaid. As of June 11<sup>th</sup>, 2001 we have been told that they will be cutting us a check for that amount by close of business on June 15, 2001.

DOCUMENT NUMBER-DATE

10905 SEP-43

FPSC-COMMISSION CLERK

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