

State of Florida



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: July 19, 2002
TO: Division of Economic Regulation (Colson)
FROM: Division of Auditing and Safety (Vandiver) @
RE: **Docket No.** 020002-EG; **Company Name:** Florida Public Utilities; **Audit Purpose:** Energy Conservation Cost Recovery Clause audit for the period from January 1 - December 31, 2001; **Audit Control No.** 02-064-4-2

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, it should send the response to the Division of the Commission Clerk and Administrative Services. There are no confidential work papers associated with this audit.

DNV/jcp
Attachment

cc: Division of Auditing and Safety (Hoppe, District Offices, File Folder)
Division of the Commission Clerk and Administrative Services (2)
Division of Competitive Markets and Enforcement (Harvey)
General Counsel
Office of Public Counsel

Mr. George Bachman
Florida Public Utilities Co., Gas Division
401 South Dixie Highway, P.O. Box 3395
West Palm Beach, FL 33402

Messer Law Firm
Norman H. Horton, Jr., Esq.
P. O. Box 1876
Tallahassee, FL 32302-1876

Mr. John T. English, President & CEO
Florida Public Utilities
401 South Dixie Highway, P.O. Box 3395
West Palm Beach, FL 33402

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FLORIDA PUBLIC SERVICE COMMISSION

**DIVISION OF AUDITING AND SAFETY
BUREAU OF AUDITING**

Miami District Office

**FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC CONSERVATION COST RECOVERY CLAUSE**

HISTORICAL YEAR ENDED DECEMBER 31, 2001

**DOCKET NO. 020002-EG
AUDIT CONTROL NO. 02-064-4-2**



**Raymond Grant
Audit Manager**



Kathy L. Welch, Audit Supervisor

TABLE OF CONTENTS

I.	AUDITOR'S REPORT	PAGE
	AUDIT PURPOSE	1
	DISCLAIM PUBLIC USE	1
	SUMMARY OF SIGNIFICANT PROCEDURES	2
II.	AUDIT DISCLOSURES	
	PROMOTIONAL ITEMS	3
	PROMOTIONAL ITEMS-CONTRACTORS PLANNERS	4
	ACCIDENT REPAIR EXPENSES	5
	OFFICE RENOVATIONS	6
	BILLING	7
III.	COMPANY EXHIBITS	8
	CT-3 SCHEDULES	9

**DIVISION OF AUDITING AND SAFETY
BUREAU OF AUDITING**

JULY 5, 2002

TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES

We have applied the procedures described later in this report to the attached Conservation Cost Recovery schedules for the period ended December 31, 2001 for Florida Public Utilities Company Electric Division. These schedules were prepared by the utility as part of its petition for Conservation Cost Recovery in Docket 020002-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 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.

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.

Examined all expense accounts for unusual entries and reviewed those invoices for compliance with the programs' guidelines and Commission policy.

True-up Calculation- Recalculated the true up provision for the twelve months ended December 31, 2001 to determine the accuracy of the current true-up amount for the period under audit. Traced the interest rates to the Wall Street Journal-30 day Commercial Paper Rate.

AUDIT DISCLOSURES

AUDIT DISCLOSURE NO. 1

SUBJECT: PROMOTIONAL ITEMS

STATEMENT OF FACT: The company purchased several items from RK Promotions to give to builders as gifts in order to promote the conservation program. Most of the items have Florida Public Utilities and the Good Cents logo imprinted on them.

The total spent on these items in the year 2001 is \$6,771.61 and the charges were made to account 908. A breakdown of the charges and a description of the promotional items follows:

Date	Invoice	Description	Amount
4/2/01	2283	1,010 Rulers	\$ 306.61
4/2/01	2285	1,000 Pens	\$ 516.30
4/2/01	2287	1,040 Zipper Pull	\$ 311.34
4/2/01	2289	530 Pencils	\$ 96.75
4/2/01	2293	505 Bubble Pens	\$ 798.37
5/4/01	2304	523 Golfers Bags	<u>\$1,339.97</u>
Total Marianna			<u>\$3,369.34</u>
4/2/01	2283	1,010 Rulers	\$ 306.61
4/2/01	2285	1,000 Pens	\$ 516.30
4/2/01	2287	1,040 Zipper Pull	\$ 311.34
4/2/01	2289	530 Pencils	\$ 96.75
4/2/01	2293	505 Bubble Pens	\$ 798.37
5/4/01	2304	536 Golfers Bags	<u>\$1,372.90</u>
Total Fernandina			<u>\$3,402.27</u>
Grand Total			<u><u>\$6,771.61</u></u>

According to Commission Rule 25-17.015, "In determining whether an advertisement is "directly related to an approved conservation program", the Commission shall consider, but is not limited to, whether the advertisement or advertising campaign:

1. Identifies a specific problem;
2. States how to correct the problem; and
3. Provides direction concerning how to obtain help to alleviate the problem."

OPINION: These promotional expenses were approved as reasonable advertising expenses in Order No. PSC-01-2381-FOF-EG, Docket No. 010002-EG, page 6. However, the analyst requested that these types of charges be disclosed.

AUDIT DISCLOSURE NO. 2

SUBJECT: PROMOTIONAL ITEMS- CONTRACTOR'S PLANNERS

STATEMENT OF FACT: The company purchased 355 contractor's planners from Aspen Corporate Identity Group to give to builders as gifts in order to promote the conservation program. The planners have the Florida Public Utilities name and the logo imprinted on the front. The total spent on contractor's planners during the test year ending December 2001 and charged to electric conservation expenses was \$2,638.90. The company recorded the charges to accounts 114/115.401.908 -Customer Assistance Expense. A breakdown of the charges follows:

Date	Invoice	Description	Marianna	Fernandina	Total
			114	115	
11/20/01	1134266	100 Contractor's Planners	\$ 747.80		\$ 747.80
12/05/01	1111168	105 Contractor's Planners		\$ 760.72	\$ 760.72
11/20/01	1134270	150 Contractor's Planners		\$1,130.38	\$1,130.38
Total		<u>355</u>	<u>\$ 747.80</u>	<u>\$1,891.10</u>	<u>\$2,638.90</u>

According to Commission Rule 25-17.015, "In determining whether an advertisement is "directly related to an approved conservation program", the Commission shall consider, but is not limited to, whether the advertisement or advertising campaign:

1. Identifies a specific problem;
2. States how to correct the problem; and
3. Provides direction concerning how to obtain help to alleviate the problem."

OPINION: These promotional expenses were approved as reasonable advertising expenses in Order No. PSC-01-2381-FOF-EG, Docket No. 010002-EG, page 6. However, the analyst requested that these types of charges be disclosed.

AUDIT DISCLOSURE NO. 3

SUBJECT: ACCIDENT REPAIR EXPENSES

STATEMENT OF FACTS: The company included automobile repair expenses of \$3,210.07 in account 114.4010.910. A Toyota Sienna leased by the company and assigned to an employee who charged 100% of her time to conservation was involved in an accident. The company vehicle was at fault. Therefore, Florida Public Utilities Company paid to repair the company vehicle and the other vehicle that was damaged. The company's insurance policy cover claims over \$250,000. Claims under \$250,000 are paid by the company.

However, the company has informed us that conservation vehicles are not covered under the policy at all and would be charged 100% to conservation even if the claims are over the limit. A breakdown of the repair charges follows:

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Mercers Paint & Body Shop	To repair other vehicle " GMC Sonoma"	<u>\$1,331.69</u>
Hollis Body Shop	To repair company vehicle "Toyota Sienna"	<u>\$1,878.38</u>
Total		<u><u>\$3,210.07</u></u>

OPINION: This should be reviewed by staff analyst to determine if an adjustment is required.

AUDIT DISCLOSURE NO. 4

SUBJECT: OFFICE RENOVATIONS

STATEMENT OF FACT: In October 2001, the company incurred charges totaling \$59,713 for the renovation of a flower shop into offices and a gas showroom at the Fernandina Beach office. Of the total charges incurred, \$39,240 was for actual construction costs and \$20,473 was for painting, phone equipment, furniture, fixtures and other miscellaneous expense.

The charges were recorded in miscellaneous account 186.1 until the project was completed. When the project was completed in September 2001, the company wrote off \$4,976 per month (\$59,713/12) from October 2001 through September 2002. The company allocated \$796 (16% of \$4976) per month to conservation expenses. The 16% used to allocate the expenses to conservation was based on actual square footage of the office space used by conservation department. The company calculations follows:

Leasehold Improvements	\$59,713
Divided by 12 months	\$ 4,976
Alloc %	<u>16%</u>
Monthly Expense	\$ 796
Times 3 Months 10/01-12/01	<u>3</u>
Total Booked to Expense	<u><u>\$ 2,388</u></u>

When these expenses were questioned during the audit, the company decided to change its methodology. The company provided the amounts to expense the leasehold improvements over the length of the lease as authorized by GAAP. On June 12, 2002, the company reversed all charges previously expensed for 2001 and 2002 and reallocated the leasehold improvements of \$39,240 over 3 year period and other expenses of \$20,473 over one year.

The company calculations follows:

	Leasehold Improvement	Other Expenses	Total
Leasehold Improvements	\$39,240	\$20,473	\$59,713
Period (Months)	36	12	
Monthly Expense	\$1,090	\$1,706	
Alloc %	16%	16%	
Monthly Conservation Exp	\$174.40	\$272.97	\$447.37
Three months 10/01-12/01	3	3	3
Total	\$523.20	\$818.91	\$1,342.11

OPINION: Conservation expenses for January through December 2001 are overstated by \$1,046.39 (\$2,388.50 - \$1,342.11).

AUDIT DISCLOSURE NO. 5

SUBJECT: BILLING

STATEMENT OF FACTS: In January 2001, the company billed its Fernandina division GSLD customers, Jefferson Smurfit Corporation and Rayoiner at the previous years rate of \$0.00027 per KWH instead of the new rate of \$0.00038. This has caused total revenues as recalculated by staff to be understated by \$1,376.

OPINION: The true-up and Interest Provision schedule CT-3 page 2 and 3, reflects the revenues billed and recorded and therefore the true-up schedule is correct. However, the company made an error in charging their customers the incorrect rate in January 2001.

EXHIBITS

CT 3 SCHEDULES FERNANDINA

CT 3 SCHEDULES MARIANNA

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

FOR MONTHS January-01 THROUGH December-01

A. CONSERVATION EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1													0
2													0
3													0
4													0
5													0
6													0
7													0
8													0
9													0
10. Common	2,957	6,803	5,460	4,994	4,674	4,710	4,938	5,688	5,804	7,741	13,861	7,037	74,667
11 Residential Geothermal Heat Pump	17	33	60	37	73	84	308	368	787	131	94	90	2,082
12 GoodCents Home/Energy Star	2,147	7,938	2,151	3,335	4,524	2,257	1,584	4,174	4,752	5,424	4,476	2,306	45,068
13 GoodCents Energy Survey Program	1,607	5,971	4,155	3,800	3,226	2,987	2,507	4,512	3,678	1,704	1,634	1,582	37,363
14 GoodCents Loan Program	300	103	259	689	117	125	122	182	133	134	139	150	2,453
15 GoodCents Commercial Building	480	504	316	2,721	588	511	440	472	488	447	737	370	8,074
16 GoodCents Commercial Tech Assistance	589	44	159	37	268	746	844	348	739	317	618	445	5,154
17. Low Income	0	33	60	0	0	0	29	245	22	44	46	63	542
18 Affordable Housing/Builders Program	0	33	60	0	0	0	29	7	0	0	0	18	147
19	0	0	0	0	0	0	0	0	0	0	0	0	0
20													
21 TOTAL ALL PROGRAMS	8,097	21,462	12,680	15,613	13,470	11,420	10,801	15,996	16,403	15,942	21,605	12,061	175,550
22. LESS AMOUNT INCLUDED IN RATE BASE													
23 RECOVERABLE CONSERVATION EXPENSES	8,097	21,462	12,680	15,613	13,470	11,420	10,801	15,996	16,403	15,942	21,605	12,061	175,550

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-3
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-01 THROUGH December-01

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
B. CONSERVATION REVENUES													
1 RESIDENTIAL CONSERVATION													0
2 CONSERVATION ADJ. REVENUES	15,683	13,846	12,370	12,730	12,212	13,701	15,534	15,265	14,158	12,344	11,134	11,352	160,329
3 TOTAL REVENUES	15,683	13,846	12,370	12,730	12,212	13,701	15,534	15,265	14,158	12,344	11,134	11,352	160,329
4 PRIOR PERIOD TRUE-UP ADJ NOT APPLICABLE TO THIS PERIOD	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(25)	(267)
5 CONSERVATION REVENUE APPLICABLE	15,661	13,824	12,348	12,708	12,190	13,679	15,512	15,243	14,136	12,322	11,112	11,327	160,062
6 CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	8,097	21,462	12,680	15,613	13,470	11,420	10,801	15,996	16,403	15,942	21,605	12,061	175,550
7 TRUE-UP THIS PERIOD (LINE 5 - 6)	7,564	(7,638)	(332)	(2,905)	(1,280)	2,259	4,711	(753)	(2,267)	(3,620)	(10,493)	(734)	(15,488)
8 INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	18	15	(2)	(8)	(15)	(12)	(1)	6	1	(4)	(16)	(23)	(41)
9 TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(267)	7,337	(264)	(576)	(3,467)	(4,740)	(2,471)	2,261	1,536	(708)	(4,310)	(14,797)	(267)
9A DEFERRED TRUE-UP BEGINNING OF PERIOD													
10 PRIOR TRUE-UP COLLECTED (REFUNDED)	22	22	22	22	22	22	22	22	22	22	22	25	267
11 TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	7,337	(264)	(576)	(3,467)	(4,740)	(2,471)	2,261	1,536	(708)	(4,310)	(14,797)	(15,529)	(15,529)

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EXHIBIT NO _____
DOCKET NO 020002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 24 OF 36

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-3
PAGE 3 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-01 THROUGH December-01

C.	INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1	BEGINNING TRUE-UP (LINE B-9)	(267)	7,337	(264)	(576)	(3,467)	(4,740)	(2,471)	2,261	1,536	(708)	(4,310)	(14,797)	(267)
2	ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	7,319	(279)	(574)	(3,459)	(4,725)	(2,459)	2,262	1,530	(709)	(4,306)	(14,781)	(15,506)	(15,488)
3	TOTAL BEG AND ENDING TRUE-UP	7,052	7,058	(838)	(4,035)	(8,192)	(7,199)	(209)	3,791	827	(5,014)	(19,091)	(30,303)	(15,755)
4	AVERAGE TRUE-UP (LINE C-3 X 50%)	3,526	3,529	(419)	(2,018)	(4,096)	(3,600)	(105)	1,896	414	(2,507)	(9,546)	(15,152)	(7,878)
5	INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	6.50%	5.55%	5.15%	5.00%	4.37%	3.94%	3.80%	3.67%	3.47%	2.67%	2.22%	2.04%	
6	INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	5.55%	5.15%	5.00%	4.37%	3.94%	3.80%	3.67%	3.47%	2.67%	2.22%	2.04%	1.76%	
7	TOTAL (LINE C-5 + C-6)	12.05%	10.70%	10.15%	9.37%	8.31%	7.74%	7.47%	7.14%	6.14%	4.89%	4.26%	3.82%	
8	AVG INTEREST RATE (C-7 X 50%)	6.03%	5.35%	5.08%	4.69%	4.16%	3.87%	3.74%	3.57%	3.07%	2.45%	2.13%	1.91%	
9	MONTHLY AVERAGE INTEREST RATE	0.502%	0.446%	0.423%	0.390%	0.346%	0.323%	0.311%	0.298%	0.256%	0.204%	0.178%	0.159%	
10	INTEREST PROVISION (LINE C-4 X C-9)	18	15	(2)	(8)	(15)	(12)	(1)	6	1	(4)	(16)	(23)	(41)

EXHIBIT NO. _____
DOCKET NO 020002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 25 OF 36

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

FOR MONTHS January-01 THROUGH December-01

A CONSERVATION EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.													0
2.													0
3.													0
4.													0
5.													0
6.													0
7.													0
8.													0
9.													0
10 Common	6,395	6,710	7,800	5,060	6,179	4,560	4,204	6,164	4,194	4,803	7,043	2,527	65,639
11 Residential Geothermal Heat Pump	0	0	0	0	0	0	0	0	342	1,156	417	173	2,088
12 GoodCents Home/Energy Star	3,698	5,134	1,854	4,007	5,692	2,930	1,974	4,023	4,474	5,210	4,138	5,258	48,392
13 GoodCents Energy Survey Program	4,176	4,142	2,387	3,489	2,951	2,912	2,596	4,509	2,812	2,961	2,414	4,812	40,161
14 GoodCents Loan Program	455	1,428	550	952	611	721	1,138	782	1,395	617	204	405	9,258
15 GoodCents Commercial Building	783	555	484	621	370	388	584	390	786	788	652	1,727	8,128
16 GoodCents Commercial Tech Assistance	1,092	866	573	514	614	213	1,218	620	540	1,056	738	582	8,626
17 Low Income	0	0	0	0	0	0	0	0	106	0	0	0	106
18 Affordable Housing/Builders Program	0	0	0	0	0	0	0	0	106	0	0	0	106
19	0	1	0	78	1,267	(1,213)	(134)	1	0	0	0	0	0
20													
21 TOTAL ALL PROGRAMS	16,599	18,836	13,648	14,721	17,684	10,511	11,580	16,489	14,755	16,591	15,606	15,484	182,504
22 LESS AMOUNT INCLUDED IN RATE BASE													
23 RECOVERABLE CONSERVATION EXPENSES	16,599	18,836	13,648	14,721	17,684	10,511	11,580	16,489	14,755	16,591	15,606	15,484	182,504

12

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-3
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-01 THROUGH December-01

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1 RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ REVENUES	16,563	12,703	10,976	11,054	11,545	14,320	16,475	15,792	15,934	13,064	12,279	12,365	163,070
3. TOTAL REVENUES	16,563	12,703	10,976	11,054	11,545	14,320	16,475	15,792	15,934	13,064	12,279	12,365	163,070
4 PRIOR PERIOD TRUE-UP ADJ NOT APPLICABLE TO THIS PERIOD	(674)	(674)	(674)	(674)	(674)	(674)	(674)	(674)	(674)	(674)	(674)	(671)	(8,085)
5 CONSERVATION REVENUE APPLICABLE	15,889	12,029	10,302	10,380	10,871	13,646	15,801	15,118	15,260	12,390	11,605	11,694	154,985
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	16,599	18,836	13,648	14,721	17,684	10,511	11,580	16,489	14,755	16,591	15,606	15,484	182,504
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	(710)	(6,807)	(3,346)	(4,341)	(6,813)	3,135	4,221	(1,371)	505	(4,201)	(4,001)	(3,790)	(27,519)
8 INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	(42)	(50)	(66)	(74)	(83)	(82)	(65)	(56)	(48)	(40)	(41)	(42)	(689)
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(8,085)	(8,163)	(14,346)	(17,084)	(20,825)	(27,047)	(23,320)	(18,460)	(19,243)	(18,112)	(21,679)	(25,047)	(8,085)
9A DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	674	674	674	674	674	674	674	674	674	674	674	671	8,085
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	(8,163)	(14,346)	(17,084)	(20,825)	(27,047)	(23,320)	(18,460)	(19,243)	(18,112)	(21,679)	(25,047)	(26,208)	(26,208)

13

EXHIBIT NO. _____
DOCKET NO 020002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 8 OF 36

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-3
PAGE 3 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-01 THROUGH December-01

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1 BEGINNING TRUE-UP (LINE B-9)	(8,085)	(8,163)	(14,346)	(17,084)	(20,825)	(27,047)	(23,320)	(18,490)	(19,243)	(18,112)	(21,579)	(25,047)	(8,085)
2 ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	(8,121)	(14,296)	(17,018)	(20,751)	(26,964)	(23,238)	(18,425)	(19,187)	(18,064)	(21,639)	(25,006)	(28,166)	(27,519)
3 TOTAL BEG AND ENDING TRUE-UP	(16,206)	(22,459)	(31,364)	(37,835)	(47,789)	(50,285)	(41,745)	(37,677)	(37,307)	(39,751)	(46,685)	(53,213)	(35,604)
4 AVERAGE TRUE-UP (LINE C-3 X 50%)	(8,103)	(11,230)	(15,682)	(18,918)	(23,895)	(25,143)	(20,873)	(18,839)	(18,654)	(19,876)	(23,343)	(26,607)	(17,802)
5 INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	6.50%	5.55%	5.15%	5.00%	4.37%	3.94%	3.80%	3.67%	3.47%	2.67%	2.22%	2.04%	
6 INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	5.55%	5.15%	5.00%	4.37%	3.94%	3.80%	3.67%	3.47%	2.67%	2.22%	2.04%	1.78%	
7. TOTAL (LINE C-5 + C-6)	12.05%	10.70%	10.15%	9.37%	8.31%	7.74%	7.47%	7.14%	6.14%	4.80%	4.26%	3.82%	
8 AVG INTEREST RATE (C-7 X 50%)	6.03%	5.35%	5.08%	4.69%	4.16%	3.87%	3.74%	3.57%	3.07%	2.45%	2.13%	1.91%	
9. MONTHLY AVERAGE INTEREST RATE	0.502%	0.446%	0.423%	0.390%	0.346%	0.323%	0.311%	0.298%	0.256%	0.204%	0.178%	0.159%	
10. INTEREST PROVISION (LINE C-4 X C-9)	(42)	(50)	(66)	(74)	(83)	(82)	(65)	(56)	(48)	(40)	(41)	(42)	(689)

14

EXHIBIT NO. _____
DOCKET NO 020002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 7 OF 36