FLORIDA PUBLIC
UTILITIES

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

February 23, 2005

Ms. Blanca S. Bayo, Director
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0950

Re: Docket No. 050001-EI
CONTINUING SURVEILLANCE AND REVIEW OF FUEL COST RECOVERY CLAUSES OF ELECTRIC UTILITIES

Dear Ms. Bayo:

We are enclosing twenty (20) copies of our true-up schedules and testimony for the January 2004-December 2004 period. This information is based on 12 months of actual data.

1. M 1 – Florida Public Utilities Calculation of Purchased Power Costs & Calculation of True-Up and Interest Provision – Marianna Division
2. F 1 - Florida Public Utilities Calculation of Purchased Power Costs & Calculation of True-Up and Interest Provision- Fernandina Beach Division.

Sincerely,

Cheryl Martin
Controller

Enclosure

Cc: Kathy Welch/ FPSC
Doc Horton
George Bachman (no enclosure)
Mark Cutshaw (no enclosure)
Jack English (no enclosure)
Mario Lacaci (no enclosure)
Chuck Stein (no enclosure)
SJ 80-441

DOCUMENT NUMBER-DATE
02153 MAR-2 05
FPSC-COMMISSION CLERK

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Docket No. 050001-EI
Fuel and Purchased Power Cost Recovery Clause

Direct Testimony of
Cheryl M. Martin
on behalf of
Florida Public Utilities Company

Q. Please state your name and business address.

A. Cheryl M. Martin, 401 South Dixie Highway, West Palm Beach, Florida 33401.

Q. By whom are you employed?

A. I am employed by Florida Public Utilities Company.

Q. Could you give a brief description of your background and business experience?

A. I graduated from Florida State University in 1984 with a BS degree in Accounting and I am a Certified Public Accountant in the state of Florida. I have been employed by FPU since 1985 and performed numerous accounting functions until I was promoted to Corporate Accounting Manager in 1995 with responsibilities for managing the Corporate Accounting Department including regulatory accounting (Fuel, PGA, conservation, rate cases, Surveillance reports, reporting), tax accounting, external reports and special projects. In January 2002 I was promoted to my current position of Controller where my responsibilities are the same as above with additional responsibilities in the purchasing and general accounting areas and Security and Exchange Commission (SEC) filings.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present the calculation of the final remaining true-up amounts for the period Jan. 2004 through Dec. 2004.

DOCUMENT NUMBER-DATE
02153 MAR-2 8
FPSC-COMMISSION CLERK

1 Q. Have you prepared any exhibits to support your testimony?

2 A. Yes. Exhibit_____ (GMB-2) consists of Schedules M1 and F1 for the Marianna

3 and Fernandina Beach Divisions. These schedules were prepared from the records of

4 the company.

5 Q. What has FPUC calculated as the final remaining true-up amounts for the period Jan. -

6 Dec. 2004?

7 A. For Marianna the final remaining true-up amount is an under recovery of $455,742.

8 For Fernandina Beach the calculation is an over recovery of $957,481.

9 Q. How were these amounts calculated?

10 A. They are the difference between the actual end of period true-up amounts for the Jan. -

11 Dec. 2004 period and the total true-up amounts to be collected or refunded during the

12 Jan. - Dec. 2005 period.

13 Q. What was the actual end of period true-up amount for Jan. - Dec. 2004?

14 A. For Marianna it was $966,951 under recovery and for Fernandina Beach it was

15 $415,063 under recovery.

16 Q. What have you calculated to be the total true-up amount to be collected or refunded

17 during the Jan. - Dec. 2005 period?

18 A. Using six months actual and six months estimated amounts, we calculated an under

19 recovery for Marianna of $511,209 and an under recovery of $1,372,544 for

20 Fernandina Beach. (Ref. GMB-1, revised schedule EI-B of 1st true-up filing and

21 testimony)

22 Q. Does this conclude your direct testimony?

23 A. Yes, it does.

Schedule M1

FLORIDA PUBLIC UTILITIES COMPANY

CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION

ESTIMATED FOR THE PERIOD: JANUARY 2004 - DECEMBER 2004

BASED ON TWELVE MONTHS ACTUAL

MARIANNA DIVISION			ACTUAL JANUARY 2004	ACTUAL FEBRUARY 2004	ACTUAL MARCH 2004	ACTUAL APRIL 2004	ACTUAL MAY 2004	ACTUAL JUNE 2004	ACTUAL JULY 2004	ACTUAL AUGUST 2004	ACTUAL SEPTEMBER 2004	ACTUAL OCTOBER 2004	ACTUAL NOVEMBER 2004	ACTUAL DECEMBER 2004	Total
Total System Sales - KWH			28,916,312	25,785,248	23,223,450	21,415,624	21,896,946	28,005,951	30,906,261	30,399,731	28,985,098	25,645,805	22,847,944	24,681,942	312,710,312
Total System Purchases - KWH			29,069,532	26,131,216	22,273,650	22,185,213	27,989,514	30,623,247	34,571,298	34,173,791	28,366,013	25,940,135	23,549,257	30,785,599	335,658,465
System Billing Demand - KW			61,724	57,422	51,596	43,948	50,754	64,184	65,260	67,968	61,361	52,160	47,661	65,199	689,237
Purchased Power Rates:															
Base Fuel Costs - $/KWH			0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	
Demand and Non-Fuel:															
Demand Charge - $/KW			6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	
Customer Charge - $			550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	561.00	660.00	660.00	
Transformation Charge			31,980	31,980	31,980	31,979	31,979	31,979	31,979	31,979	31,979	31,979	37,211	37,211	
Purchased Power Costs:															
Base Fuel Costs			633,716	569,661	485,566	483,638	610,171	667,587	753,654	744,989	618,379	565,495	513,374	671,126	7,317,356
Subtotal Fuel Costs			633,716	569,661	485,566	483,638	610,171	667,587	753,654	744,989	618,379	565,495	513,374	671,126	7,317,356
Demand and Non-Fuel Costs:															
Demand Charge			419,724	390,469	350,852	298,847	345,128	436,452	443,768	462,183	417,255	354,688	324,095	443,353	4,686,814
Customer Charge			550	550	550	550	550	550	550	550	550	561	660	660	6,831
Equipment Rental & Other													3,768	3,768	7,536
Transformation Charge			31,979	31,980	31,980	31,979	31,979	31,979	31,979	31,979	31,979	31,979	37,211	37,211	394,214
Subtotal Demand & Non-Fuel Costs			452,253	422,999	383,382	331,376	377,657	468,981	476,297	494,712	449,784	387,228	365,734	484,992	5,095,395
Total System Purchased Power Costs			1,085,969	992,660	868,948	815,014	987,828	1,136,568	1,229,951	1,239,701	1,068,163	952,723	879,108	1,156,118	12,412,751
Special Costs														6,435	6,435
Total Costs and Charges			1,085,969	992,660	868,948	815,014	987,828	1,136,568	1,229,951	1,239,701	1,068,163	952,723	879,108	1,162,553	12,419,186
Sales Revenues - Fuel Adjustment Revenues:															
Residential	RS	.04053	610,329	537,155	448,887	373,657	378,106	515,784	580,121	569,306	534,265	458,257	373,675	453,914	5,833,456
Commercial, Small	GS	.04002	98,051	94,628	88,721	85,568	85,609	107,279	119,534	116,444	109,984	101,335	88,722	87,860	1,183,735
Commercial, Large	GSD	.03735	256,884	246,498	240,028	238,087	247,797	305,590	329,974	334,362	319,006	306,870	278,677	274,837	3,378,610
Industrial	GSLD	.03533	145,277	112,052	109,904	116,361	119,846	141,764	154,318	144,415	145,168	112,530	125,245	124,360	1,551,240
Outside Lighting Private	OL,OL-2	.02910	5,511	5,863	5,873	8,718	8,826	8,871	8,887	8,891	8,929	8,951	8,928	9,004	97,252
Street Lighting-Public	SL-1, 2, 3	.02901	5,647	5,663	5,608	2,656	2,850	2,896	2,896	2,888	2,885	2,885	2,881	2,907	42,662
Total Fuel Revenues			1,121,699	1,001,859	899,021	825,047	843,034	1,082,184	1,195,730	1,176,306	1,120,237	990,828	878,128	952,882	12,086,955
Non-Fuel Revenues			615,552	570,324	528,974	520,489	571,446	664,133	707,384	707,252	681,110	641,429	584,538	621,499	7,414,130
Total Sales Revenue			1,737,251	1,572,183	1,427,995	1,345,536	1,414,480	1,746,317	1,903,114	1,883,558	1,801,347	1,632,257	1,462,666	1,574,381	19,501,085
KWH Sales:															
Residential	RS		15,058,887	13,253,812	11,075,172	9,219,086	9,330,391	12,727,271	14,313,395	14,046,331	13,181,701	11,306,402	9,219,514	11,199,231	143,931,193
Commercial, Small	GS		2,449,978	2,364,449	2,216,834	2,138,020	2,139,062	2,680,553	2,986,787	2,909,581	2,748,145	2,532,022	2,216,863	2,195,336	29,677,630
Commercial, Large	GSD		6,881,983	6,599,136	6,425,905	6,373,964	6,633,908	8,181,110	8,833,905	8,951,389	8,540,262	8,215,394	7,460,622	7,357,801	90,455,379
Industrial	GSLD		4,142,568	3,171,164	3,110,384	3,293,136	3,391,744	4,012,052	4,366,648	4,087,076	4,108,396	3,184,684	3,544,540	3,519,492	43,931,884
Outside Lighting-Private	OL,OL-2		188,765	201,512	201,849	299,848	303,598	305,136	305,710	305,800	307,146	307,855	307,084	309,858	3,344,161
Street Lighting-Public	SL-1, 2, 3		194,675	195,175	193,306	91,570	98,243	99,829	99,816	99,554	99,448	99,448	99,321	100,224	1,470,609
Total KWH Sales			28,916,856	25,785,248	23,223,450	21,415,624	21,896,946	28,005,951	30,906,261	30,399,731	28,985,098	25,645,805	22,847,944	24,681,942	312,710,856
True-up Calculation:															to Date
Fuel Revenues			1,121,699	1,001,859	899,021	825,047	843,034	1,082,184	1,195,730	1,176,306	1,120,237	990,828	878,128	952,882	12,086,955
True-up Provision for the Period - collect/(refund)			52,022	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	624,352
Gross Receipts Tax Refund			0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Revenue			1,069,677	949,829	846,991	773,017	791,004	1,030,154	1,143,700	1,124,276	1,068,207	938,798	826,098	900,852	11,462,603
Total Purchased Power Costs			1,085,969	992,660	868,948	815,014	987,828	1,136,568	1,229,951	1,239,701	1,068,163	952,723	879,108	1,162,553	12,419,186
True-up Provision for the Period			(16,292)	(42,831)	(21,957)	(41,997)	(196,824)	(106,414)	(86,251)	(115,425)	44	(13,925)	(53,010)	(261,701)	(956,583)
Interest Provision for the Period			(528)	(490)	(462)	(457)	(530)	(705)	(885)	(1,034)	(1,144)	(1,192)	(1,306)	(1,635)	(10,368)
True-up and Interest Provision															
Beginning of Period			(624,352)	(589,150)	(580,441)	(550,830)	(541,254)	(686,578)	(741,667)	(776,773)	(841,202)	(790,272)	(753,359)	(755,645)	(624,352)
True-up Collected or (Refunded)			52,022	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	624,352
End of Period, Net True-up			(589,150)	(580,441)	(550,830)	(541,254)	(686,578)	(741,667)	(776,773)	(841,202)	(790,272)	(753,359)	(755,645)	(966,951)	(966,951)
10% Rule - Interest Provision:															-7.79%
Beginning True-up Amount			(624,352)	(589,150)	(580,441)	(550,830)	(541,254)	(686,578)	(741,667)	(776,773)	(841,202)	(790,272)	(753,359)	(755,645)	
Ending True-up Amount Before Interest			(588,622)	(579,951)	(550,368)	(540,797)	(686,048)	(740,962)	(775,888)	(840,168)	(789,128)	(752,167)	(754,339)	(965,316)	
Total Beginning and Ending True-up			(1,212,974)	(1,169,101)	(1,130,809)	(1,091,627)	(1,227,302)	(1,427,540)	(1,517,555)	(1,616,941)	(1,630,330)	(1,542,439)	(1,507,698)	(1,720,961)	
Average True-up Amount			(606,487)	(584,551)	(565,405)	(545,814)	(613,651)	(713,770)	(758,778)	(808,471)	(815,165)	(771,220)	(753,849)	(860,481)	
Average Annual Interest Rate			1.0450%	1.0050%	0.9800%	1.0050%	1.0350%	1.1850%	1.4000%	1.5350%	1.6850%	1.8550%	2.0800%	2.2800%	
Monthly Average Interest Rate			0.0871%	0.0838%	0.0817%	0.0838%	0.0863%	0.0988%	0.1167%	0.1279%	0.1404%	0.1546%	0.1733%	0.1900%	
Interest Provision			(528)	(490)	(462)	(457)	(530)	(705)	(885)	(1,034)	(1,144)	(1,192)	(1,306)	(1,635)	

FLORIDA PUBLIC UTILITIES COMPANY

CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION-EXCLUDING GSLD

ESTIMATED FOR THE PERIOD: JANUARY 2004 THROUGH DECEMBER 2004

BASED ON TWELVE MONTHS ACTUAL

(EXCLUDES LINE LOSS , EXCLUDES TAXES)

FERNANDINA BEACH

	ACTUAL Jan 2004	ACTUAL Feb 2004	ACTUAL Mar 2004	ACTUAL Apr 2004	ACTUAL May 2004	ACTUAL Jun 2004	ACTUAL Jul 2004	ACTUAL Aug 2004	ACTUAL Sep 2004	ACTUAL Oct 2004	ACTUAL Nov 2004	ACTUAL Dec 2004	Total
Total System Sales - KWH	37,283,836	35,256,592	36,693,661	31,559,370	31,625,806	43,185,305	44,445,350	43,503,331	40,572,435	43,128,692	35,035,928	31,594,348	453,884,654
JSC Purchases - KWH	534,500	607,800	271,200	309,900	306,700	165,700	290,000	260,000	200,000	195,000	460,000	190,000	3,790,800
JEA Purchases - KWH	38,227,951	34,757,822	37,145,830	31,767,791	35,767,009	48,313,294	47,409,140	49,566,932	41,190,194	39,344,065	35,554,747	36,243,468	475,288,243
System Billing Demand - KW	83,373	88,032	69,261	58,509	71,501	85,210	108,506	97,126	76,936	77,638	70,157	78,310	963,559
Purchased Power Rates:													
CCA Fuel Costs - $/KWH	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	
Base Fuel Costs - $/KWH	0.01786	0.01786	0.01786	0.01786	0.01786	0.01786	0.01786	0.01786	0.01786	0.01786	0.01786	0.01786	
Fuel Adjustment - $/KWH	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
Demand and Non-Fuel:													
Demand Charge - $/KW	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	
Customer Charge - $	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	
Energy Charge (Excl. Fuel) $/KWH	0.00164	0.00164	0.00164	0.00164	0.00164	0.00164	0.00164	0.00164	0.00164	0.00164	0.00164	0.00164	
Purchased Power Costs: CCA Fuel Costs	9,995	11,366	5,071	5,795	5,735	3,099	5,423	4,862	3,740	3,647	8,602	3,553	70,888
JEA Base Fuel Costs	682,751	620,775	663,425	567,373	638,799	862,875	846,727	885,265	735,657	702,685	763,672	518,644	8,488,648
JEA Fuel Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Fuel Costs	692,746	632,141	668,496	573,168	644,534	865,974	852,150	890,127	739,397	706,332	772,274	522,197	8,559,536
Demand and Non-Fuel Co Demand Charge	500,238	528,191	415,566	351,054	429,006	511,260	651,036	582,756	465,616	465,827	420,941	469,861	5,781,352
Customer Charge	225	225	225	225	225	225	225	225	225	225	225	225	2,700
Energy Charge	62,694	57,003	60,919	52,099	58,658	79,234	77,751	81,290	67,552	64,524	58,310	59,439	779,473
Subtotal Demand & Non-Fuel Costs	563,157	585,419	476,710	403,378	487,889	590,719	729,012	664,271	523,393	530,576	479,476	529,525	6,563,525
Total System Purchased Power Costs	1,255,903	1,217,560	1,145,206	976,546	1,132,423	1,456,693	1,581,162	1,554,398	1,262,790	1,236,908	1,251,750	1,051,722	15,123,061
Less Direct Billing To GSLD Class: Demand	32,386	100,131	38,072	66,256	31,397	0	68,728	160,039	53,147	104,816	114,736	48,221	817,929
Commodity	169,273	168,076	219,070	155,408	163,672	220,338	220,082	209,564	166,064	358,751	206,855	148,794	2,405,947
Net Purchased Power Costs	1,054,244	949,353	888,064	754,882	937,354	1,236,355	1,292,352	1,184,795	1,043,579	773,341	930,159	854,707	11,899,185
Special Costs												140	140
Total Costs and Charges	1,054,244	949,353	888,064	754,882	937,354	1,236,355	1,292,352	1,184,795	1,043,579	773,341	930,159	854,847	11,899,325
Sales Revenues - Fuel Adjustment Revenues:													
RS 0.02921 .02942	503,570	481,474	454,013	367,255	367,254	552,193	592,613	562,002	559,588	457,243	396,247	371,134	5,664,586
GS 0.02895 .02915	82,422	68,936	58,493	68,789	61,743	83,633	85,354	87,631	78,680	73,334	69,186	63,264	881,465
GSD, GSLD 0.02722 .02739	235,097	213,094	221,263	243,855	238,670	285,531	280,465	295,495	284,534	266,358	239,147	251,571	3,055,080
OL 0.01925 .01931	1,072	1,182	1,252	2,987	3,093	1,975	2,379	2,208	2,289	2,219	2,126	2,250	25,032
SL,CSL 0.01925 .01931	2,044	1,920	1,951	159	0	1,426	970	981	981	981	981	1,255	13,649
Total Fuel Revenues (Excl. GSLD1)	824,205	766,606	736,972	683,045	670,760	924,758	961,781	948,317	926,072	800,135	707,687	689,474	9,639,812
GSLD1 Fuel Revenues	201,659	268,207	257,142	221,664	195,069	220,338	288,810	369,603	219,211	463,567	321,591	197,015	3,223,876
Non-Fuel Revenues	628,719	615,792	602,002	573,304	614,252	738,533	785,932	765,227	740,451	712,360	648,722	618,292	8,043,586
Total Sales Revenue	1,654,583	1,650,605	1,596,116	1,478,013	1,480,081	1,883,629	2,036,523	2,083,147	1,885,734	1,976,062	1,678,000	1,504,781	20,907,274
KWH Sales: RS	17,247,852	16,493,031	15,540,957	12,437,090	12,483,677	18,770,046	20,143,994	19,103,516	19,021,442	15,542,502	13,470,360	12,615,530	192,869,997
GS	2,854,104	2,381,385	2,020,654	2,348,407	2,118,178	2,869,144	2,928,472	3,006,303	2,723,464	2,515,851	2,373,531	2,170,360	30,309,853
GSD,GSLD	8,623,362	7,851,281	8,108,654	8,871,367	8,713,680	10,424,519	10,239,581	10,788,303	10,388,166	9,724,564	8,731,056	9,231,071	111,695,604
GSLD1	8,430,000	8,370,000	10,910,000	7,740,000	8,150,000	10,970,000	10,960,000	10,440,000	8,270,000	15,180,000	10,300,000	7,410,000	117,130,000
OL	55,808	61,158	64,995	154,401	160,271	102,331	123,251	114,417	118,571	114,983	110,189	116,595	1,296,970
SL,CSL	106,185	99,737	101,357	8,105	0	49,265	50,052	50,792	50,792	50,792	50,792	50,792	668,661
Total KWH Sales	37,317,311	35,256,592	36,746,617	31,559,370	31,625,806	43,185,305	44,445,350	43,503,331	40,572,435	43,128,692	35,035,928	31,594,348	453,971,085
True-up Calculation (Excl. GSLD1):													
Fuel Revenues	824,205	766,606	736,972	683,045	670,760	924,758	961,781	948,317	926,072	800,135	707,687	689,474	9,639,812
True-up Provision - collect/(refund)	(153,169)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(1,837,973)
Gross Receipts Tax Refund	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Revenue	977,374	919,770	890,136	836,209	823,924	1,077,922	1,114,945	1,101,481	1,079,236	953,299	860,851	842,638	11,477,785
Net Purchased Power and Other Fuel Costs	1,054,244	949,353	888,064	754,882	937,354	1,236,355	1,292,352	1,184,795	1,043,579	773,341	930,159	854,847	11,899,325
True-up Provision for the Period	(76,870)	(29,583)	2,072	81,327	(113,430)	(158,433)	(177,407)	(83,314)	35,657	179,958	(69,308)	(12,209)	(421,540)
Interest Provision for the Period	1,501	1,272	1,105	1,041	927	776	543	233	8	(61)	(238)	(630)	6,477
Beginning of Period True-up and Interest Provision	1,837,973	1,609,435	1,427,960	1,277,973	1,207,177	941,510	630,689	300,661	64,416	(53,083)	(26,350)	(249,060)	1,837,973
True-up Collected or (Refunded)	(153,169)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(153,164)	(1,837,973)
End of Period, Net True-up and Int. Prov.	1,609,435	1,427,960	1,277,973	1,207,177	941,510	630,689	300,661	64,416	(53,083)	(26,350)	(249,060)	(415,063)	(415,063)
Beginning True-up Amount	1,837,973	1,609,435	1,427,960	1,277,973	1,207,177	941,510	630,689	300,661	64,416	(53,083)	(26,350)	(249,060)	
Ending True-up Amount Before Interest	1,607,934	1,426,688	1,276,868	1,206,136	940,583	629,913	300,118	64,183	(53,091)	(26,289)	(248,822)	(414,433)	
Total Beginning and Ending True-up	3,445,907	3,036,123	2,704,828	2,484,109	2,147,760	1,571,423	930,807	364,844	11,325	(79,372)	(275,172)	(663,493)	
Average True-up Amount	1,722,954	1,518,062	1,352,414	1,242,055	1,073,880	785,712	465,404	182,422	5,663	(39,686)	(137,586)	(331,747)	
Average Annual Interest Rate	1.0450%	1.0050%	0.9800%	1.0050%	1.0350%	1.1850%	1.4000%	1.5350%	1.6850%	1.8550%	2.0800%	2.2800%	
Interest Provision	1,501	1,272	1,105	1,041	927	776	543	233	8	(61)	(238)	(630)	

10% Rule Interest Provision:
-2.74%

FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF PURCHASED POWER COSTS AND
CALCULATION OF TRUE-UP AND INTEREST PROVISION - Revised
ESTIMATED FOR THE PERIOD: JANUARY 2004 - DECEMBER 2004
BASED ON SIX MONTHS ACTUAL & SIX MONTHS ESTIMATED

MARIANNA DIVISION			ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	
			JANUARY 2004	FEBRUARY 2004	MARCH 2004	APRIL 2004	MAY 2004	JUNE 2004	JULY 2004	AUGUST 2004	SEPTEMBER 2004	OCTOBER 2004	NOVEMBER 2004	DECEMBER 2004	Total
Total System Sales - KWH			28,916,312	25,785,248	23,223,450	21,415,824	21,896,946	28,005,951	25,222,653	25,207,331	25,233,533	25,238,941	25,224,964	25,252,282	300,623,235
Total System Purchases - KWH			29,069,532	26,131,216	22,273,650	22,185,213	27,989,514	30,623,247	30,965,000	30,766,000	26,814,000	23,260,000	21,931,000	26,592,000	318,600,372
System Billing Demand - KW			61.724	57,422	51,596	43,948	50,754	64.184	63,000	63,000	56,000	49,000	46,000	58,000	664.628
Purchased Power Rates:															
Base Fuel Costs - $/KWH			0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	0.02180	
Demand and Non-Fuel:															
Demand Charge - $/KW			6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	
Customer Charge - $			550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	
Transformation Charge			31,980	31,980	31,980	31,979	31,979	31,979	31,980	31,980	31,980	31,980	31,980	31,980	
Purchased Power Costs:															
Base Fuel Costs			633,716	569,661	485,566	483,638	610,171	667,587	675,070	670,738	584,570	507,085	478,083	579,756	6,945,641
Subtotal Fuel Costs			633,716	569,661	485,566	483,638	610,171	667,587	675,070	670,738	584,570	507,085	478,083	579,756	6,945,641
Demand and Non-Fuel Costs:															
Demand Charge			419,724	390,469	350,852	298,847	345,128	436,452	428,404	428,404	380,794	333,194	312,604	394,394	4,519,466
Customer Charge			550	550	550	550	550	550	550	550	550	550	550	550	6,600
Transformation Charge			31,979	31,980	31,980	31,979	31,979	31,979	31,980	31,980	31,980	31,980	31,980	31,980	383,756
Subtotal Demand & Non-Fuel Costs			452,253	422,999	383,382	331,376	377,657	468,981	460,934	460,934	413,324	365,724	345,334	426,924	4,909,822
Total System Purchased Power Costs			1,085,969	992,660	868,948	815,014	987,828	1,136,568	1,136,004	1,131,672	997,894	872,809	823,417	1,006,680	11,855,463
Sales Revenues															
Fuel Adjustment Revenues:		Rates													
Residential	RS	0.04053	610,329	537,155	448,887	373,657	378,106	515,784	474,955	475,255	475,545	475,787	476,077	476,318	5,717,865
Commercial	GS	0.04002	98,051	94,628	88,721	85,568	85,609	107,279	94,025	94,025	94,025	94,025	94,025	94,025	1,124,006
Commercial	GSD	0.03735	256,884	246,498	240,028	238,087	247,797	305,590	287,131	287,131	287,131	287,131	287,131	287,131	3,257,670
Industrial	GSLD	0.03533	145,277	112,052	109,904	116,361	119,846	141,764	109,561	109,561	109,561	109,561	109,561	109,561	1,402,570
Residential	OL,OL-2	0.02910	5,511	5,863	5,873	8,718	8,826	8,871	8,294	7,635	8,189	8,170	8,120	8,184	92,254
Other	SL-1,SL-2,SL-3	0.02901	5,647	5,663	5,608	2,656	2,850	2,895	2,342	2,348	2,348	2,350	1,786	2,342	38,832
Total Fuel Revenues			1,121,699	1,001,859	899,021	825,047	843,034	1,082,184	976,318	975,953	976,797	977,024	976,700	977,561	11,633,197
Non-Fuel Revenues			615,552	570,324	528,974	520,489	571,446	664,133	629,032	626,437	629,153	629,106	626,480	629,579	7,240,705
Total Sales Revenue			1,737,251	1,572,183	1,427,995	1,345,536	1,414,480	1,746,317	1,605,350	1,602,390	1,605,950	1,606,130	1,603,180	1,607,140	18,873,902
KWH Sales:															
Residential	RS		15,058,887	13,253,812	11,075,172	9,219,086	9,330,391	12,727,271	11,718,839	11,725,997	11,733,155	11,739,120	11,746,278	11,752,243	141,080,251
Commercial	GS		2,449,978	2,364,449	2,216,834	2,138,020	2,139,062	2,680,553	2,349,450	2,349,450	2,349,450	2,349,450	2,349,450	2,349,450	28,085,596
Commercial	GSD		6,881,983	6,599,136	6,425,965	6,373,964	6,633,908	8,181,110	7,687,564	7,687,564	7,687,564	7,687,564	7,687,564	7,687,564	87,221,390
Industrial	GSLD		4,142,568	3,171,164	3,110,384	3,293,136	3,391,744	4,012,052	3,101,065	3,101,065	3,101,065	3,101,065	3,101,065	3,101,065	39,727,438
Residential	OL,OL-2		188,765	201,512	201,849	299,848	303,598	305,136	285,005	262,388	281,418	280,747	279,031	281,222	3,170,519
Other	SL-1,SL-2,SL-3		194,675	195,175	193,306	91,570	98,243	99,829	80,730	80,867	80,881	80,995	61,576	80,738	1,338,585
Total KWH Sales			28,916,856	25,785,248	23,223,450	21,415,824	21,896,946	28,005,951	25,222,653	25,207,331	25,233,533	25,238,941	25,224,964	25,252,282	300,623,779
True-up Calculation:															Period to Date
Fuel Revenues			1,121,699	1,001,859	899,021	825,047	843,034	1,082,184	976,318	975,953	976,797	977,024	976,700	977,561	11,633,197
True-up Provision		DIVIDED BY 12	23,385	23,381	23,381	23,381	23,381	23,381	23,381	23,381	23,381	23,381	23,381	23,381	280,576
Gross Receipts Tax Refund			0	0				0	0	0	0	0	0	0	0
Fuel Revenue			1,098,314	978,478	875,640	801,666	819,653	1,058,803	952,937	952,572	953,416	953,643	953,319	954,180	11,352,621
Total Purchased Power Costs			1,085,969	992,660	868,948	815,014	987,828	1,136,568	1,136,004	1,131,672	997,894	872,809	823,417	1,006,680	11,855,463
True-up Provision for the Period			12,345	(14,182)	6,692	(13,348)	(168,175)	(77,765)	(183,067)	(179,100)	(44,478)	80,834	129,902	(52,500)	(502,842)
Interest Provision for the Period			(528)	(490)	(462)	(457)	(530)	(705)	(757)	(903)	(985)	(947)	(830)	(773)	(8,367)
True-up and Interest Provision Beginning of Period			(280,576)	(245,374)	(236,865)	(207,054)	(197,478)	(342,802)	(397,891)	(558,334)	(714,956)	(737,038)	(633,770)	(481,317)	(280,576)
True-up Collected or (Refunded)			23,385	23,381	23,381	23,381	23,381	23,381	23,381	23,381	23,381	23,381	23,381	23,381	280,576
End of Period, Net True-up			(245,374)	(236,865)	(207,054)	(197,478)	(342,802)	(397,891)	(558,334)	(714,956)	(737,038)	(633,770)	(481,317)	(511,209)	(511,209)
10% Rule															
Interest Provision:															-4.31%
Beginning True-up Amount			(280,576)	(245,374)	(236,865)	(207,054)	(197,478)	(342,802)	(397,891)	(558,334)	(714,956)	(737,038)	(633,770)	(481,317)	
Ending True-up Amount Before Interest			(244,846)	(236,175)	(206,592)	(197,021)	(342,272)	(397,186)	(557,577)	(714,053)	(736,053)	(632,823)	**(480,487)**	**(510,436)**	
Total Beginning and Ending True-up			(525,422)	(481,549)	(443,257)	(404,075)	(539,750)	(739,988)	(955,468)	(1,272,387)	(1,451,009)	(1,369,861)	**(1,114,257)**	**(991,753)**	
Average True-up Amount			(262,711)	(240,775)	(221,629)	(202,038)	(269,875)	(369,994)	(477,734)	(636,194)	**(725,505)**	(684,931)	**(557,129)**	**(495,877)**	
Average Annual Interest Rate			1.0450%	1.0050%	0.9800%	1.0050%	1.0350%	1.1850%	1.1050%	1.1050%	**1.1050%**	1.1050%	**1.1050%**	**1.1050%**	
Monthly Average Interest Rate			0.0871%	0.0838%	0.0817%	**0.0838%**	0.0863%	0.0988%	0.0921%	0.0921%	**0.0921%**	0.0921%	**0.0921%**	**0.0921%**	
Interest Provision			(528)	(490)	(462)	(457)	(530)	(705)	(757)	(903)	(985)	(947)	(830)	(773)	

Exhibit No._____
DOCKET NO. 040001-EI
Florida Public Utilities Company
(GMB-1)
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FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF PURCHASED POWER COSTS AND
CALCULATION OF TRUE-UP AND INTEREST PROVISION-EXCLUDING GSLD - Revised
ESTIMATED FOR THE PERIOD: JANUARY 2004 THROUGH DECEMBER 2004
BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED
(EXCLUDES LINE LOSS , EXCLUDES TAXES)

FERNANDINA BEACH	ACTUAL JANUARY 2004	ACTUAL FEBRUARY 2004	ACTUAL MARCH 2004	ACTUAL APRIL 2004	ACTUAL MAY 2004	ACTUAL JUNE 2004	Estimated JULY 2004	Estimated AUGUST 2004	Estimated SEPTEMBER 2004	Estimated OCTOBER 2004	Estimated NOVEMBER 2004	Estimated DECEMBER 2004	Total
Total System Sales - KWH	37,283,836	35,256,592	36,693,661	31,559,370	31,625,806	43,185,305	37,426,921	38,221,164	38,696,444	38,738,044	38,779,644	39,342,064	446,808,851
JSC Purchases - KWH	534,500	607,800	271,200	309,900	306,700	155,700	400,000	400,000	400,000	400,000	400,000	400,000	4,595,800
JEA Purchases - KWH	38,227,951	34,757,822	37,145,830	31,767,791	35,767,009	48,313,294	37,026,921	37,821,164	38,296,444	38,338,044	38,379,644	38,942,064	454,783,978
System Billing Demand - KW	83,373	88,032	69,261	58,509	71,501	85,210	93,373	93,117	92,000	78,106	67,850	83,387	963,719
Purchased Power Rates:													
CCA Fuel Costs - $/KWH	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	0.018700	
Base Fuel Costs - $/KWH	0.01786	0.01786	0.01786	0.01786	0.01786	0.01786	0.01845	0.01845	0.01845	0.01845	0.01845	0.01845	
Fuel Adjustment - $/KWH	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
Demand and Non-Fuel:													
Demand Charge - $/KW	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	
Customer Charge - $	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	
Energy Charge (Excl. Fuel) $/KWH	0.00164	0.00164	0.00164	0.00164	0.00164	0.00164	0.00105	0.00105	0.00105	0.00105	0.00105	0.00105	
Purchased Power Costs:													
CCA Fuel Costs	9,995	11,366	5,071	5,795	5,735	3,099	7,480	7,480	7,480	7,480	7,480	7,480	85,941
JEA Base Fuel Costs	682,751	620,775	663,425	567,373	638,799	862,875	683,147	697,800	706,569	707,337	708,104	718,481	8,257,436
JEA Fuel Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Fuel Costs	692,746	632,141	668,496	573,168	644,534	865,974	690,627	705,280	714,049	714,817	715,584	725,961	8,343,377
Demand and Non-Fuel Costs:													
Demand Charge	500,238	528,191	415,566	351,054	429,006	511,260	560,236	558,701	551,999	468,635	407,099	500,321	5,782,306
Customer Charge	225	225	225	225	225	225	225	225	225	225	225	225	2,700
Energy Charge	62,694	57,003	60,919	52,099	58,658	79,234	38,878	39,712	40,211	40,255	40,299	40,889	610,851
Subtotal Demand & Non-Fuel Costs	563,157	585,419	476,710	403,378	487,889	590,719	599,339	598,638	592,435	509,115	447,623	541,435	6,395,857
Total System Purchased Power Costs	1,255,903	1,217,560	1,145,206	976,546	1,132,423	1,456,693	1,289,966	1,303,918	1,306,484	1,223,932	1,163,207	1,267,396	14,739,234
Less Direct Billing To GSLD Class:													
Demand	32,386	100,131	38,072	66,256	31,397	0	132,870	132,870	132,870	132,870	132,870	132,870	1,065,462
Commodity	169,273	168,076	219,070	155,408	163,672	220,338	212,079	212,079	212,079	212,079	212,079	212,079	2,368,311
Net Purchased Power Costs	1,054,244	949,353	888,064	754,882	937,354	1,236,355	945,017	958,969	961,535	878,983	818,258	922,447	11,305,461
Sales Revenues													
Fuel Adjustment Revenues:													
RS .02921 .02942	503,570	481,474	454,013	367,255	367,254	552,193	485,372	488,295	489,510	490,725	491,940	508,369	5,679,970
GS .02895 .02915	82,422	68,936	58,493	68,789	61,743	83,533	79,935	80,481	93,036	93,036	93,036	93,036	956,576
GSD .02722 .02739	235,097	213,094	221,263	243,855	238,670	285,531	198,334	215,172	215,172	215,172	215,172	215,172	2,711,704
OL .01925 .01931	1,072	1,182	1,252	2,987	3,093	1,975	1,697	1,913	1,913	1,913	1,913	1,913	22,823
SL,CSL .01925 .01931	2,044	1,920	1,951	159	0	1,426	1,319	2,002	2,002	2,002	2,002	2,002	18,829
Total Fuel Revenues (Excl. GSLD1)	824,205	766,606	736,972	683,045	670,760	924,758	766,657	787,863	801,633	802,848	804,063	820,492	9,389,902
GSLD1 Fuel Revenues	201,659	268,207	257,142	221,664	195,069	220,338	344,949	344,949	344,949	344,949	344,949	344,949	3,433,773
Non-Fuel Revenues	628,719	615,792	602,002	573,304	614,252	738,533	622,094	642,888	656,918	658,203	659,788	675,159	7,687,652
Total Sales Revenue	1,654,583	1,650,605	1,596,116	1,478,013	1,480,081	1,883,629	1,733,700	1,775,700	1,803,500	1,806,000	1,808,800	1,840,600	20,511,327
KWH Sales:													
RS	17,247,852	16,493,031	15,540,957	12,437,090	12,483,677	18,770,046	16,616,650	16,716,700	16,758,300	16,799,900	16,841,500	17,403,920	194,109,623
GS	2,854,104	2,381,385	2,020,654	2,348,407	2,118,178	2,869,144	2,761,123	2,780,000	3,213,680	3,213,680	3,213,680	3,213,680	32,987,715
GSD	8,623,362	7,851,281	8,108,554	7,816,697	6,852,980	8,173,539	7,286,323	7,904,930	7,904,930	7,904,930	7,904,930	7,904,930	94,237,486
GSLD				1,054,670	1,880,700	2,250,980	1,556,119	1,556,134	1,556,134	1,556,134	1,556,134	1,556,134	14,503,139
GSLD1	8,430,000	8,370,000	10,910,000	7,740,000	8,150,000	10,970,000	9,050,000	9,060,000	9,060,000	9,060,000	9,060,000	9,060,000	108,920,000
OL	55,808	61,158	64,995	154,401	160,271	102,331	88,164	99,400	99,400	99,400	99,400	99,400	1,184,128
SL,CSL	106,185	99,737	101,357	8,105	0	49,265	68,542	104,000	104,000	104,000	104,000	104,000	953,191
Total KWH Sales	37,317,311	35,256,592	36,746,617	31,559,370	31,625,806	43,185,305	37,426,921	38,221,164	38,696,444	38,738,044	38,779,644	39,342,064	446,895,282
True-up Calculation (Excl. GSLD1):													
Fuel Revenues	824,205	766,606	736,972	683,045	670,760	924,758	766,657	787,863	801,633	802,848	804,063	820,492	9,389,902
True-up Provision - collect/(refund)	(44,607)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(535,273)
Gross Receipts Tax Refund	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Revenue	868,812	811,212	781,578	727,651	715,366	969,364	811,263	832,469	846,239	847,454	848,669	865,098	9,925,175
Net Purchased Power Costs	1,054,244	949,353	888,064	754,882	937,354	1,236,355	945,017	958,969	961,535	878,983	818,258	922,447	11,305,461
True-up Provision for the Period	(185,432)	(138,141)	(106,486)	(27,231)	(221,988)	(266,991)	(133,754)	(126,500)	(115,296)	(31,529)	30,411	(57,349)	(1,380,286)
Interest Provision for the Period	1,501	1,272	1,105	1,041	927	776	498	338	186	78	36	(17)	7,742
True-up and Interest Provision													
Beginning of Period	535,273	306,735	125,260	(24,727)	(95,523)	(361,190)	(672,011)	(849,872)	(1,020,640)	(1,180,356)	(1,256,413)	(1,270,572)	535,273
True-up Collected or (Refunded)	(44,607)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(44,606)	(535,273)
End of Period, Net True-up and Int. Prov.	306,735	125,260	(24,727)	(95,523)	(361,190)	(672,011)	(849,872)	(1,020,640)	(1,180,356)	(1,256,413)	(1,270,572)	(1,372,544)	(1,372,544)
10% Interest Provision:													-9.31%
Beginning True-up Amount	535,273	306,735	125,260	(24,727)	(95,523)	(361,190)	(672,011)	(849,872)	(1,020,640)	(1,180,356)	(1,256,413)	(1,270,572)	
Ending True-up Amount Before Interest	305,234	123,988	(25,832)	(96,564)	(362,117)	(672,787)	(850,371)	(1,020,978)	(1,180,542)	(1,256,491)	(1,270,608)	(1,372,527)	
Total Beginning and Ending True-up	840,507	430,723	99,428	(121,291)	(457,640)	(1,033,977)	(1,522,382)	(1,870,850)	(2,201,182)	(2,436,847)	(2,527,021)	(2,643,099)	
Average True-up Amount	420,254	215,362	49,714	(60,646)	(228,820)	(516,989)	(761,191)	(935,425)	(1,100,591)	(1,218,424)	(1,263,511)	(1,321,550)	
Average Annual Interest Rate	1.0450%	1.0050%	0.9800%	1.0050%	1.0350%	1.1850%	1.1050%	1.1050%	1.1050%	1.1050%	1.1050%	1.1050%	
Monthly Average Interest Rate	0.0871%	0.0838%	0.0817%	0.0838%	0.0863%	0.0988%	0.0921%	0.0921%	0.0921%	0.0921%	0.0921%	0.0921%	
Interest Provision	1,501	1,272	1,105	1,041	927	776	498	338	186	78	36	(17)	