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September 14, 2005

BY HAND DELIVERY

Ms. Blanca Bayó, Director
Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Florida Public Utilities Company; Docket No. 050003-GU

Dear Ms. Bayo:

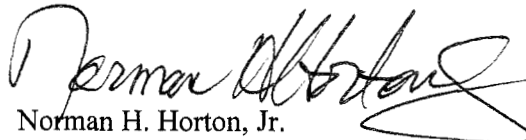
Enclosed for filing on behalf of Florida Public Utilities Company in this docket are the following documents:

1. An original and 15 copies of the Petition of Florida Public Utilities Company for Approval of Mid-Course Correction in Purchased Gas Adjustment Cap;
2. An original and 15 copies of Schedules E-1, E1/R, E-2, E-3, E-4, and E-5;
3. An original and 5 copies of Revised Tariff Sheet 35; and
4. An original copy of Revised Tariff Sheet 35 in legislative format.

Please acknowledge receipt of these documents by stamping the enclosed extra copy of this letter.

Thank you for your assistance.

Sincerely,


Norman H. Horton, Jr.

NHH/amb

Enclosures

cc: Ms. Cheryl Martin
Parties of Record

DOCUMENT NUMBER -

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Adjustment (PGA))
True-Up)
_____)

Docket No. 050003-GU
Filed: September 14, 2005

**PETITION OF FLORIDA PUBLIC UTILITIES COMPANY
FOR APPROVAL OF MID-COURSE CORRECTION IN
PURCHASED GAS ADJUSTMENT CAP**

Florida Public Utilities Company ("FPUC"), by the undersigned, hereby files its petition for approval of a revision, through a mid-course correction, to its purchased gas adjustment ("PGA") cap to be applied to bills immediately, and in support thereof says:

1. The name of the petitioner and the mailing address of its principal office in Florida is:

Florida Public Utilities Company
401 South Dixie Highway
West Palm Beach, FL 33401

2. The names and mailing addresses of the persons authorized to receive notices and communications with respect to this petition are:

Norman H. Horton, Jr.
Messer, Caparello & Self, P.A.
P.O. Box 1876
Tallahassee, FL 323-201876
(850)222-0720

Ms. Cheryl Martin
Florida Public Utilities Company
P.O. Box 3395
West Palm Beach, FL 33402-3395
(561)838-1731

3. This Commission has adopted a method for the recovery of purchased gas costs by regulated natural gas utilities, to be used for the recovery of such costs through the calendar year, commencing January 1, and ending December 31. For the calendar year 2005, each investor-owned natural gas utility has been assigned a levelized PGA factor which serves as a cap, or maximum recovery factor. By Order No. PSC-004-1182-FOF-GU, issued December 1, 2004, The Commission

approved a levelized PGA cap of 89.181 cents per therm for the Company for the period January, 2005 to December, 2005.

4. As indicated by the Schedules E-1 and E-2A (attached hereto as Appendix 1), the Company's re-projected expenses for the period January, 2005 through December, 2005, will substantially exceed revenues. At current gas prices the Company projects that it will underrecover by approximately \$9,228,256. This corresponds to a projected overrecovery of \$335,737 as used in Order No. PSC-04-1182-FOF-GU.

5. This drastic increase is caused by rapid and significant increases in prices for natural gas. It is not expected that there will be any significant reductions in these prices thus the current situation will continue. Without the requested mid-course revision, the company and its customers will be adversely affected.

6. In Order No. PSC-93-0708-FOF-GU, Issued May 10, 1993, in Docket No. 930003-GU, the commission determined that a utility may at its option, formally request a mid-course correction if re-projected expenses for the remaining period significantly exceed projected revenues for the period, when using the Commission-approved cap.

7. Florida Public Utilities Company requests that the Commission approve an increase in its PGA cap from 89.181 cents per therm to 114.334 cents per therm.

8. Because of the need to reduce the projected underrecovery the Company requests the increased cap become effective as of the date of the Commission vote. This treatment is warranted given the magnitude of the projected underrecovery and the need to reduce the projected underrecovery of expenses. The Commission has previously approved mid-course corrections to become effective at earlier dates under similar circumstances when the amount of the projected

underrecovery was substantial. Most recently mid-course corrections have been approved in Order Nos. PSC-01-409 through 415-FOF-GU.

9. The Company recognizes there will not be time to conduct a prudency review of the Company's re-projections of purchased gas costs prior to the implementation of the increase in the PGA factor sought by this petition. However, such prudency review will occur as a matter of course at the November hearing to be held in this docket. If the increase in the cost recovery cap is ultimately found imprudent, ratepayers will suffer no harm, since any costs found imprudent will be disallowed for recovery and such disallowance will flow to the ratepayers through the true-up mechanism which is an integral part of the procedures in this docket. On the other hand, if the mid-course correction is not implemented and the Company's costs are found to have been prudently incurred, the Company would be entitled to collect interest from its ratepayers on the amount of the underrecovery, thereby further increasing the cost of gas to the ratepayers.

WHEREFORE, Florida Public Utilities Company respectfully requests that the Commission enter its order approving an increase in the Florida Public Utilities Company maximum PGA cap effective upon vote.

Respectfully submitted,

MESSER, CAPARELLO, & SELF, P. A.
Post Office Box 1876
Tallahassee, FL 32302-1876
(850) 222-0720


NORMAN H. HORTON, JR., ESQ.

Attorneys for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing have been served by hand delivery (*) and/or U. S. Mail this 14th day of September, 2005 upon the following:

Katherine Fleming, Esq.*
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Ms. Gloria L. Lopez
Florida City Gas
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Hialeah, FL 33013-3498

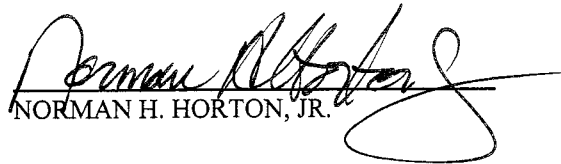
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NORMAN H. HORTON, JR.

COMPANY: FLORIDA PUBLIC UTILITIES
**PURCHASED GAS ADJUSTMENT
 COST RECOVERY CLAUSE CALCULATION**
ACTUAL FOR THE PERIOD JANUARY 2005 THROUGH JULY 2005
ESTIMATE FOR THE PROJECTED PERIOD: AUGUST 2005 THROUGH DECEMBER 2005

	ACTUAL							PROJECTED					TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
COST OF GAS PURCHASED													
1	40,681	36,772	38,190	24,968	21,441	18,332	16,889	13,817	14,695	14,347	13,347	22,496	275,975
2	9,207	6,583	6,061	4,054	1,719	1,663	1,703	1,703	1,634	3,222	5,242	7,289	50,080
3	60,758	-	-	-	-	-	128,039	-	-	-	-	-	188,797
4	3,202,099	2,869,601	3,019,960	2,634,885	1,918,803	1,664,232	1,800,612	1,886,572	4,206,203	4,621,029	5,701,462	8,381,684	41,907,142
5	489,640	440,613	489,092	433,335	158,489	141,662	146,335	144,198	139,547	159,449	451,989	486,586	3,680,935
6	-	-	-	-	-	-	-	-	-	-	-	-	-
LESS END-USE CONTRACT													
7	-	-	-	-	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	-	-	-	-
11	3,802,385	3,353,569	3,553,303	3,097,242	2,100,452	1,825,889	2,093,578	2,046,290	4,362,079	4,798,047	6,172,040	8,898,055	46,102,929
12	-	-	-	-	-	-	-	-	-	-	-	-	-
13	5,942	5,118	4,301	3,856	3,422	3,099	3,112	2,611	2,739	2,720	3,331	4,826	45,077
14	3,796,443	3,348,451	3,549,002	3,093,386	2,097,030	1,822,790	2,090,466	2,043,679	4,359,340	4,795,327	6,168,709	8,893,229	46,057,852
THERMS PURCHASED													
15	4,839,680	4,247,920	4,471,440	3,680,220	2,973,380	2,553,150	2,340,240	2,373,740	2,488,230	2,475,290	3,029,020	4,385,820	39,858,130
16	1,860,000	1,330,000	1,224,500	819,000	347,200	336,000	344,100	344,100	330,000	651,000	1,059,000	1,472,500	10,117,400
17	46,340	-	-	-	-	-	74,550	-	-	-	-	-	120,890
18	4,808,680	4,219,930	4,443,540	3,654,570	2,922,910	2,503,380	2,283,610	2,373,740	2,488,230	2,475,290	3,029,020	4,385,820	39,588,720
19	7,741,320	6,959,680	7,701,950	6,344,100	3,119,840	2,715,300	2,805,810	2,805,810	2,715,300	3,140,300	5,332,200	7,679,940	59,061,550
20	-	-	-	-	-	-	-	-	-	-	-	-	-
LESS END-USE CONTRACT													
21	-	-	-	-	-	-	-	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-	-	-	-	-	-
24	4,855,020	4,219,930	4,443,540	3,654,570	2,922,910	2,503,380	2,358,160	2,373,740	2,488,230	2,475,290	3,029,020	4,385,820	39,709,610
25	-	-	-	-	-	-	-	-	-	-	-	-	-
26	9,740	8,390	7,050	6,320	5,610	5,080	5,100	4,280	4,490	4,460	5,460	7,910	73,890
27	4,845,280	4,211,540	4,436,490	3,648,250	2,917,300	2,498,300	2,353,060	2,369,460	2,483,740	2,470,830	3,023,560	4,377,910	39,635,720
CENTS PER THERM													
28	(1/15) 0.841	0.866	0.854	0.678	0.721	0.718	0.722	0.582	0.591	0.580	0.441	0.513	0.692
29	(2/16) 0.495	0.495	0.495	0.495	0.495	0.495	0.495	0.495	0.495	0.495	0.495	0.495	0.495
30	(3/17) 131.114	0.000	0.000	0.000	0.000	0.000	171.749	0.000	0.000	0.000	0.000	0.000	156.173
31	(4/18) 66.590	68.001	67.963	72.098	65.647	66.479	78.849	79.477	169.044	186.686	188.228	191.109	105.856
32	(5/19) 6.325	6.331	6.350	6.831	5.080	5.217	5.215	5.139	5.139	5.078	8.477	6.336	6.232
33	(6/20) -	-	-	-	-	-	-	-	-	-	-	-	-
LESS END-USE CONTRACT													
34	(7/21) 0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
35	(8/22) 0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
36	(9/23) 0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
37	(11/24) 78.319	79.470	79.966	84.750	71.862	72.937	88.780	86.205	175.309	193.838	203.764	202.882	116.100
38	(12/25) 0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
39	(13/26) 61.006	61.001	61.007	61.013	60.998	61.004	61.002	61.005	61.002	60.987	61.007	61.011	61.006
40	(11/27) 78.476	79.628	80.093	84.897	72.000	73.085	88.973	86.361	175.625	194.188	204.132	203.249	116.317
41	(E-4) (2.554)	(2.554)	(2.554)	(2.554)	(2.554)	(2.554)	(2.554)	(2.554)	(2.554)	(2.554)	(2.554)	(2.554)	(2.554)
42	(40+41) 75.922	77.074	77.539	82.343	69.446	70.531	86.419	83.807	173.071	191.634	201.578	200.695	113.763
43	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503
44	(42x43) 76.30357	77.46139	77.92830	82.75642	69.79483	70.88568	86.85283	84.22816	173.94111	192.59662	202.59048	201.70342	114.33428
45	76.304	77.461	77.928	82.756	69.795	70.886	86.853	84.228	173.941	192.597	202.590	201.703	114.334

Average Oct - Dec 198.9633333

Purchased Gas Costs Oct - Dec	19,868,142
Projected Overrec. As of Sept.	277,033
Total Recovery Oct - Dec	20,145,175
Projected Unit Sales Oct - Dec	10,389,410
PGCRF - Mid-Course (\$ per therm)	193.901
Prev. Filed True-up (\$ per therm)	(0.821)
Mid-course including True-up	193.080
Tax Factor	1.00503
PGCRF adj. for taxes (\$ per therm)	194.051

COMPANY: FLORIDA PUBLIC UTILITIES		PURCHASED GAS ADJUSTMENT COST RECOVERY CLAUSE CALCULATION												SCHEDULE E-1R
REVISED ESTIMATE FOR THE PROJECTED PERIOD: JANUARY 2004 THROUGH DECEMBER 2004														
		ACTUAL												
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
COST OF GAS PURCHASED														
1	COMMODITY (Pipeline)	17,662	15,235	15,920	14,360	13,597	10,600	11,203	9,897	9,234	26,039	29,426	41,465	214,638
2	NO NOTICE SERVICE	10,974	8,127	7,225	4,054	1,719	1,663	1,703	1,703	1,634	3,222	5,242	7,289	54,555
3	SWING SERVICE	-	-	-	-	15,160	-	-	-	133,071	-	(133,071)	-	15,160
4	COMMODITY (Other)	3,137,006	2,448,172	2,402,207	2,102,348	1,925,530	1,607,111	1,386,194	1,375,572	1,071,562	1,808,855	2,609,747	3,762,866	25,637,170
5	DEMAND	491,459	441,157	471,582	434,615	162,787	157,467	150,549	148,615	143,510	163,504	474,891	489,640	3,729,775
6	OTHER	110,975	-	-	-	5,018	-	-	17,019	98,200	-	-	-	231,212
LESS END-USE CONTRACT														
7	COMMODITY (Pipeline)	-	-	-	-	-	-	-	-	-	-	-	-	-
8	DEMAND	-	-	-	-	-	-	-	-	-	-	-	-	-
9	COMMODITY (Other)	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Second Prior Month Purchase Adj. (OPTIONAL)	-	-	-	-	-	-	-	-	-	-	-	-	-
11	TOTAL COST (1+2+3+4+5+6+10)-(7+8+9)	3,768,075	2,912,691	2,896,933	2,555,377	2,123,811	1,776,841	1,549,649	1,552,806	1,457,211	2,001,620	2,986,235	4,301,260	29,882,509
12	NET UNBILLED	-	-	-	-	-	-	-	-	-	-	-	-	-
13	COMPANY USE	2,279	3,317	3,334	3,632	4,413	7,676	5,867	5,852	5,734	4,321	4,598	3,884	54,907
14	TOTAL THERM SALES	3,780,923	3,348,610	3,265,143	2,616,858	2,150,018	2,096,240	1,726,378	1,710,282	1,609,851	1,706,314	2,777,997	3,949,919	30,738,533
THERMS PURCHASED														
15	COMMODITY (Pipeline)	4,941,010	4,328,390	4,419,454	3,678,700	2,989,457	2,317,311	2,424,271	2,340,240	2,151,410	2,848,530	3,492,450	4,754,310	40,685,533
16	NO NOTICE SERVICE	1,860,000	1,377,500	1,224,500	819,000	347,200	336,000	344,100	344,100	330,000	651,000	1,059,000	1,472,500	10,164,900
17	SWING SERVICE	-	-	-	-	12,540	-	-	-	108,120	-	(108,120)	-	12,540
18	COMMODITY (Other)	4,939,220	4,364,610	4,392,310	3,635,720	2,912,760	2,291,700	2,401,020	2,316,170	2,206,150	2,821,330	3,462,450	4,757,420	40,500,860
19	DEMAND	8,524,690	5,944,710	6,354,690	6,418,200	3,233,300	3,127,800	2,183,547	2,889,820	2,790,300	3,211,290	7,512,300	7,741,320	59,931,967
20	OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-
LESS END-USE CONTRACT														
21	COMMODITY (Pipeline)	-	-	-	-	-	-	-	-	-	-	-	-	-
22	DEMAND	-	-	-	-	-	-	-	-	-	-	-	-	-
23	COMMODITY (Other)	-	-	-	-	-	-	-	-	-	-	-	-	-
24	TOTAL PURCHASES (+17+18+20)-(21+23)	4,939,220	4,364,610	4,392,310	3,635,720	2,925,300	2,291,700	2,401,020	2,316,170	2,314,270	2,821,330	3,354,330	4,757,420	40,513,400
25	NET UNBILLED	-	-	-	-	-	-	-	-	-	-	-	-	-
26	COMPANY USE	3,053	4,445	5,156	5,889	6,620	10,264	8,423	8,403	8,233	6,204	5,033	4,251	75,974
27	TOTAL THERM SALES (For Estimated, 24 - 26)	6,769,054	6,209,753	6,280,286	5,800,656	4,831,617	4,342,460	4,041,774	4,041,050	3,588,968	4,111,322	4,674,144	6,015,833	40,437,426
CENTS PER THERM														
28	COMMODITY (Pipeline) (1/15)	0.357	0.352	0.360	0.390	0.455	0.457	0.462	0.423	0.429	0.914	0.843	0.872	0.528
29	NO NOTICE SERVICE (2/16)	0.590	0.590	0.590	0.495	0.495	0.495	0.495	0.495	0.495	0.495	0.495	0.495	0.537
30	SWING SERVICE (3/17)	0.000	0.000	0.000	0.000	120.893	0.000	0.000	0.000	123.077	0.000	123.077	0.000	120.893
31	COMMODITY (Other) (4/18)	63.512	56.091	54.691	57.825	66.107	70.127	57.734	59.390	48.572	64.114	75.373	79.095	63.300
32	DEMAND (5/19)	5.765	7.421	7.421	6.772	5.035	5.034	6.895	5.143	5.143	5.092	6.322	6.325	6.223
33	OTHER (6/20)	-	-	-	-	-	-	-	-	-	-	-	-	-
LESS END-USE CONTRACT														
34	COMMODITY Pipeline (7/21)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
35	DEMAND (8/22)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
36	COMMODITY Other (9/23)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
37	TOTAL COST OF PURCHASES (11/24)	76.289	66.734	65.955	70.285	72.601	77.534	64.541	67.042	62.966	70.946	89.026	90.412	73.760
38	NET UNBILLED (12/25)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
39	COMPANY USE (13/26)	74.648	74.623	64.663	61.674	66.662	74.786	69.655	69.642	69.647	69.649	91.357	91.367	72.271
40	TOTAL COST OF THERM SOLD (11/27)	55.666	46.905	46.127	44.053	43.957	40.918	38.341	38.426	40.603	48.686	63.888	71.499	73.898
41	TRUE-UP (E-4)	0.458	0.458	0.458	0.458	0.458	0.458	0.458	0.458	0.458	0.458	0.458	0.458	0.458
42	TOTAL COST OF GAS (40+41)	56.124	47.363	46.585	44.511	44.415	41.376	38.799	38.884	41.061	49.144	64.346	71.957	74.356
43	REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	56.40622	47.60110	46.81950	44.73491	44.63771	41.58376	38.99378	39.07920	41.26684	49.39050	64.66972	72.31858	74.72979
45	PGA FACTOR ROUNDED TO NEAREST .001	56.406	47.601	46.819	44.735	44.638	41.584	38.994	39.079	41.267	49.391	64.670	72.319	74.730

COMPANY: FLORIDA PUBLIC UTILITIES		PURCHASED GAS ADJUSTMENT CALCULATION OF TRUE-UP AMOUNT ACTUAL FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004												SCHEDULE E-2
		----- ACTUAL -----												
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1	TRUE-UP CALCULATION													
1	PURCHASED GAS COST	3,137,006	2,448,172	2,402,207	2,102,348	1,925,530	1,607,111	1,386,194	1,375,572	1,071,562	1,808,855	2,609,747	3,762,866	25,637,170
2	TRANSPORTATION COST	631,070	464,519	494,726	453,029	198,281	169,730	163,455	177,235	385,649	192,765	376,488	538,394	4,245,341
3	TOTAL	3,768,075	2,912,691	2,896,933	2,555,377	2,123,811	1,776,841	1,549,649	1,552,807	1,457,211	2,001,620	2,986,235	4,301,260	29,882,510
4	FUEL REVENUES (NET OF REVENUE TAX)	3,780,923	3,348,610	2,971,297	2,616,858	2,150,018	2,096,240	1,726,378	1,710,282	1,609,851	1,706,314	2,777,997	3,949,919	30,444,687
5	TRUE-UP - (COLLECTED) OR REFUNDED	43,854	43,854	43,854	43,866	43,858	43,858	43,858	43,858	43,858	43,858	43,858	43,858	526,292
6	FUEL REVENUE APPLICABLE TO PERIOD TRUE-UP - OVER(Under) - THIS PERIOD	3,824,777	3,392,464	3,015,151	2,660,724	2,193,876	2,140,098	1,770,236	1,754,140	1,653,709	1,750,172	2,821,855	3,993,777	30,970,979
7	INTEREST PROVISION - THIS PERIOD	56,702	479,773	118,218	105,347	70,065	363,257	220,587	201,333	196,498	(251,448)	(164,380)	(307,483)	1,088,469
8	BEGINNING OF PERIOD TRUE-UP AND INTEREST TRUE-UP COLLECTED OR (REFUNDED)	464	634	828	906	972	1,284	1,808	2,199	2,634	2,794	2,701	2,435	19,659
9	FLEX RATE REFUND (if applicable)	526,293	539,605	976,158	1,051,350	1,113,737	1,140,916	1,461,599	1,640,136	1,799,810	1,955,084	1,662,572	1,457,035	526,293
10	TOTAL ESTIMATED/ACTUAL TRUE-UP	(43,854)	(43,854)	(43,854)	(43,866)	(43,858)	(43,858)	(43,858)	(43,858)	(43,858)	(43,858)	(43,858)	(43,858)	(526,292)
10a														
11	TOTAL ESTIMATED/ACTUAL TRUE-UP	539,605	976,158	1,051,350	1,113,737	1,140,916	1,461,599	1,640,136	1,799,810	1,955,084	1,662,572	1,457,035	1,108,129	1,108,129
INTEREST PROVISION														
12	BEGINNING TRUE-UP	526,293	539,605	976,158	1,051,350	1,113,737	1,140,916	1,461,599	1,640,136	1,799,810	1,955,084	1,662,572	1,457,035	526,293
13	ENDING TRUE-UP BEFORE INTEREST	539,141	975,524	1,050,522	1,112,831	1,139,944	1,460,315	1,638,328	1,797,611	1,952,450	1,659,778	1,454,334	1,105,694	1,088,470
14	TOTAL (12+13)	1,065,434	1,515,129	2,026,680	2,164,181	2,253,681	2,601,231	3,099,927	3,437,747	3,752,260	3,614,862	3,116,906	2,562,729	1,614,763
15	AVERAGE INTEREST RATE - FIRST DAY OF MONTH	532,717	757,564	1,013,340	1,082,090	1,126,840	1,300,615	1,549,963	1,718,873	1,876,130	1,807,431	1,558,453	1,281,364	807,381
16	INTEREST RATE - FIRST DAY OF SUBSEQUENT	1.06%	1.03%	0.98%	0.98%	1.03%	1.04%	1.33%	1.47%	1.60%	1.77%	1.94%	2.22%	2.22%
17	INTEREST RATE - FIRST DAY OF SUBSEQUENT	1.03%	0.98%	0.98%	1.03%	1.04%	1.33%	1.47%	1.60%	1.77%	1.94%	2.22%	2.34%	2.34%
18	TOTAL	2.09%	2.01%	1.96%	2.01%	2.07%	2.37%	2.80%	3.07%	3.37%	3.71%	4.16%	4.56%	4.56%
19	AVERAGE	1.045%	1.005%	0.980%	1.005%	1.035%	1.185%	1.400%	1.535%	1.685%	1.855%	2.080%	2.280%	2.280%
20	MONTHLY AVERAGE	0.08708%	0.08375%	0.08167%	0.08375%	0.08625%	0.09875%	0.11667%	0.12792%	0.14042%	0.15458%	0.17333%	0.19000%	0.19000%
21	INTEREST PROVISION	464	634	828	906	972	1,284	1,808	2,199	2,634	2,794	2,701	2,435	19,659

COMPANY: FLORIDA PUBLIC UTILITIES

PURCHASED GAS ADJUSTMENT
 TRANSPORTATION PURCHASES
 SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ACTUAL FOR THE PERIOD JANUARY 2005 THROUGH JULY 2005
 ESTIMATE FOR THE PROJECTED PERIOD: AUGUST 2005 THROUGH DECEMBER 2005

MONTH	PURCHASED FROM	PURCHASED FOR	SCH TYPE	UNITS SYSTEM SUPPLY	UNITS END USE	UNITS TOTAL PURCHASED	COMMODITY COST		DEMAND COST	OTHER CHARGES ACA/GRI/FUEL	TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
JANUARY	VARIOUS	SYS SUPPLY	N/A	4,855,020	0	4,855,020	3,202,099	101,439	498,847	INCLUDED IN COST	78.32
FEBRUARY	VARIOUS	SYS SUPPLY	N/A	4,219,930	0	4,219,930	2,869,601	36,772	447,196	INCLUDED IN COST	79.47
MARCH	VARIOUS	SYS SUPPLY	N/A	4,443,540	0	4,443,540	3,019,960	38,190	495,153	INCLUDED IN COST	79.97
APRIL	VARIOUS	SYS SUPPLY	N/A	3,654,570	0	3,654,570	2,634,885	24,968	437,389	INCLUDED IN COST	84.75
MAY	VARIOUS	SYS SUPPLY	N/A	2,922,910	0	2,922,910	1,918,803	21,441	160,208	INCLUDED IN COST	71.86
JUNE	VARIOUS	SYS SUPPLY	N/A	2,503,380	0	2,503,380	1,664,232	18,332	143,325	INCLUDED IN COST	72.94
JULY	VARIOUS	SYS SUPPLY	N/A	2,358,160	0	2,358,160	1,800,612	144,928	148,038	INCLUDED IN COST	88.78
AUGUST	VARIOUS	SYS SUPPLY	N/A	2,373,740	0	2,373,740	1,886,572	13,817	145,901	INCLUDED IN COST	86.21
SEPTEMBER	VARIOUS	SYS SUPPLY	N/A	2,488,230	0	2,488,230	4,206,203	14,695	141,181	INCLUDED IN COST	175.31
OCTOBER	VARIOUS	SYS SUPPLY	N/A	2,475,290	0	2,475,290	4,621,029	14,347	162,671	INCLUDED IN COST	193.84
NOVEMBER	VARIOUS	SYS SUPPLY	N/A	3,029,020	0	3,029,020	5,701,462	13,347	457,231	INCLUDED IN COST	203.76
DECEMBER	VARIOUS	SYS SUPPLY	N/A	4,385,820	0	4,385,820	8,381,684	22,496	493,875	INCLUDED IN COST	202.88
TOTAL				39,709,610	0	39,709,610	41,907,142	464,772	3,731,015		116.10

COMPANY: FLORIDA PUBLIC UTILITIES		PURCHASED GAS ADJUSTMENT CALCULATION OF TRUE-UP AMOUNT PROJECTED PERIOD ESTIMATE FOR THE PROJECTED PERIOD: AUGUST 2005 THROUGH DECEMBER 2005			SCHEDULE E-4
		PRIOR PERIOD: JANUARY 2003 THROUGH DECEMBER 2003			CURRENT PERIOD: JANUARY 2004 THROUGH DECEMBER 2004
		(1) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS PROJECTED	(2) ACTUAL	(3) (2) - (1) DIFFERENCE	(4) TWELVE MONTHS ACTUAL
1	TOTAL THERM SALES (\$)				
	Consolidated Gas 2003	\$27,414,371	\$27,881,566	\$467,195	
	Consolidated Gas 2004				30,970,980
2	TRUE-UP PROVISION FOR THIS PERIOD OVER/(UNDER) COLLECTION (\$)				
	Consolidated Gas 2003	(\$294,288)	\$43,905	\$338,193	
	Consolidated Gas 2004				1,088,472
3	INTEREST PROVISION FOR THIS PERIOD (\$)				
	COMBINED FPUC & SFNG CUSTOMERS	\$1,946	\$2,655	\$709	
	COMBINED FPUC & SFNG CUSTOMERS				\$19,659
4	END OF PERIOD TOTAL NET TRUE-UP (\$)	(\$292,342)	\$46,560	\$338,902	1,108,131
TOTAL TRUE-UP DOLLARS - OVER/(UNDER) RECOVERY					\$1,108,131
ACTUAL THERM SALES FOR JANUARY 2005 - JULY 2005 AND PROJECTED THERM SALES FOR AUGUST 2005 - DECEMBER 2005					43,381,821
CENTS PER THERM NECESSARY TO REFUND OVERRECOVERY					2.554
NOTE: TWELVE MONTHS ACTUAL DATA OBTAINED FROM SCHEDULE (E-2).					

COMPANY: FLORIDA PUBLIC UTILITIES		PURCHASED GAS ADJUSTMENT												SCHEDULE E-5
		THERM SALES AND CUSTOMER DATA												
		ACTUAL FOR THE PERIOD JANUARY 2005 THROUGH JULY 2005												
ESTIMATE FOR THE PROJECTED PERIOD: AUGUST 2005 THROUGH DECEMBER 2005														
		ACTUAL						PROJECTE						
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
THERM SALES (Thm) (FIRM)														
GENERAL SERVICE (11)		1,508,225	1,489,184	1,399,366	1,193,483	990,831	717,168	631,259	693,250	714,340	764,630	1,051,430	1,568,500	12,721,666
RESIDENTIAL (31)		1,743,963	1,672,433	1,525,678	1,232,851	944,963	736,431	627,401	562,090	597,560	602,610	811,850	1,393,500	12,451,330
LARGE VOLUME (51)		1,694,356	1,624,930	1,607,773	1,578,787	1,440,878	1,314,917	1,345,846	1,230,350	1,270,910	1,236,700	1,408,410	1,473,220	17,227,077
OTHER		0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL FIRM		4,946,544	4,786,547	4,532,817	4,005,121	3,376,672	2,768,516	2,604,506	2,485,690	2,582,810	2,603,940	3,271,690	4,435,220	42,400,073
THERM SALES (Thm) (INTERRUPTIBLE)														
INTERRUPTIBLE (61)		83,006	73,952	83,949	78,001	66,750	65,963	66,397	87,070	298,100	(120,530)	94,950	104,140	981,748
GS/COMM SMALL TRANS (90)		84,175	80,790	80,731	76,123	65,112	54,480	53,138	36,490	37,600	40,240	55,340	82,550	746,769
FIRM TRANSPORT (91)(94)		1,309,610	1,226,339	1,307,939	1,265,099	1,213,379	1,068,206	1,126,960	1,006,650	1,039,830	1,011,840	1,152,340	1,205,370	13,933,562
INTERR TRANSPORT (92)		474,998	431,581	488,370	439,193	482,814	400,731	361,812	348,290	1,192,390	(482,100)	379,800	416,580	4,934,459
LARGE VOLUME INT (93)		5,372	4,949	5,644	6,035	6,168	6,324	6,545	0	0	0	0	0	41,037
LESS: TRANSPORTATION		(1,874,155)	(1,743,659)	(1,882,684)	(1,786,450)	(1,767,473)	(1,529,741)	(1,548,455)	(1,391,430)	(2,269,820)	(569,980)	(1,587,480)	(1,704,500)	(19,655,827)
TOTAL INTERRUPTIBLE		83,006	73,952	83,949	78,001	66,750	65,963	66,397	87,070	298,100	(120,530)	94,950	104,140	981,748
TOTAL THERM SALES		5,029,550	4,860,499	4,616,766	4,083,122	3,443,422	2,834,479	2,670,903	2,572,760	2,880,910	2,483,410	3,366,640	4,539,360	43,381,821
NUMBER OF CUSTOMERS (FIRM)														
GENERAL SERVICE (11)		3,289	3,295	3,312	3,301	3,296	3,257	3,250	3,337	3,337	3,337	3,337	3,337	3,307
RESIDENTIAL (31)		45,156	45,436	45,709	45,669	45,669	45,460	45,463	44,500	44,500	44,500	44,500	44,500	45,089
LARGE VOLUME (51)		905	907	905	911	913	914	918	625	625	625	625	625	792
OTHER		0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL FIRM		49,350	49,638	49,926	49,881	49,878	49,631	49,631	48,463	48,463	48,463	48,463	48,463	49,188
NUMBER OF CUSTOMERS (INT.)														
INTERRUPTIBLE (61)		2	2	2	2	2	2	2	3	3	3	3	3	2
GS/COMM SMALL TRANS (90)		114	115	115	117	121	119	119	176	176	176	176	176	142
FIRM TRANSPORT (91)(94)		291	292	292	295	300	299	297	512	512	512	512	512	385
INTERR TRANSPORT (92)		11	11	11	11	11	11	11	11	11	11	11	11	11
LARGE VOLUME INT (93)		0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERRUPTIBLE		418	420	420	425	434	431	429	701	701	701	701	701	540
TOTAL CUSTOMERS		49,768	50,058	50,346	50,306	50,312	50,062	50,060	49,164	49,164	49,164	49,164	49,164	49,728
THERM USE PER CUSTOMER														
GENERAL SERVICE (11)		459	452	423	362	301	220	194	208	214	229	315	470	3,847
RESIDENTIAL (31)		39	37	33	27	21	16	14	13	13	14	18	31	276
LARGE VOLUME (51)		1,872	1,792	1,777	1,733	1,578	1,439	1,466	1,967	2,032	1,978	2,252	2,356	21,751
OTHER		0	0	0	0	0	0	0	0	0	0	0	0	0
INTERRUPTIBLE (61)		41,503	36,976	41,975	39,001	33,375	32,982	33,199	31,096	106,464	(43,046)	33,911	37,193	490,874
GS/COMM SMALL TRANS (90)		738	703	702	651	538	458	447	208	214	229	315	470	5,259
FIRM TRANSPORT (91)(94)		4,500	4,200	4,479	4,288	4,045	3,573	3,794	1,967	2,032	1,978	2,252	2,356	36,191
INTERR TRANSPORT (92)		42,411	38,534	43,604	39,214	43,108	35,780	32,305	31,097	106,463	(43,045)	33,911	37,195	448,587
LARGE VOLUME INT (93)		0	0	0	0	0	0	0	0	0	0	0	0	0

BILLING ADJUSTMENTS

Applicability

Gas service under all rate schedules which specify that the rates are subject to adjustment in accordance with the provisions of the "Billing Adjustments" Rider.

Purchased Gas Cost Recovery Factor - Traditional Customers Only

The energy charge of the Monthly Rate for gas supplied in any billing period shall be adjusted by the Company's expected weighted average costs of gas (WACOGs). The WACOGs may not exceed the Commission approved purchased gas cost recovery factor based on estimated gas purchases for the 12-month periods of January through December, in accordance with the methodology adopted by the Commission on May 19, 1991, in Order No. PSC-98-0691-FOF-PU, or as such methodology may be amended from time to time by further order of the Commission. The factors determined as set forth above were grossed up by 1.00503 for regulatory fees (1.00000 for customers using the gas supply solely for the generation of electricity), and rounded to the nearest \$.00001 per therm, to be applied to the total number of therms consumed by the customer during the billing period.

The purchased gas cost recovery factor approved by the Commission for the billing months of October 2005 through December 2005 is 114.334 cents per therm.

The purchased gas cost recovery factor shall serve as a cap or maximum recovery factor. If re-projected expenses for the remaining period exceed projected recoveries by at least 10% for the twelve-month period, a mid-course correction may formally be requested by the Company. For changes in market conditions and costs, the Company, upon one day's notice to the Commission, shall have the option of flexing downward (reducing the WACOGs) or upward (increasing the WACOGs) to the extent that the increase does not exceed the authorized cap. The current month's WACOGs may be adjusted for prior months' differences between projected and actual costs of gas purchased, but may not exceed the approved cap for the period.

Any over recovery or under recovery of purchased gas costs by the Company shall be "trued-up" (refunded to Customer or collected by Company), with interest, during the next twelve month period, in accordance with the methodology adopted by the Florida Public Service Commission on May 19, 1998 in Order No. PSC-98-0691-FOF-PU, or as such methodology may be amended from time to time by further order to the Florida Public Service Commission.

Taxes and Other Adjustments

There will be added to all bills rendered, all applicable local utility and franchise taxes and state sales taxes presently assessed by any duly authorized governmental authorities, as well as any future changes or new assessments by and duly authorized governmental authorities subsequent to the effective date of any rate schedule.

(Continued to Sheet No. 35.1)

BILLING ADJUSTMENTS

Applicability

Gas service under all rate schedules which specify that the rates are subject to adjustment in accordance with the provisions of the "Billing Adjustments" Rider.

Purchased Gas Cost Recovery Factor - Traditional Customers Only

The energy charge of the Monthly Rate for gas supplied in any billing period shall be adjusted by the Company's expected weighted average costs of gas (WACOGs). The WACOGs may not exceed the Commission approved purchased gas cost recovery factor based on estimated gas purchases for the 12-month periods of January through December, in accordance with the methodology adopted by the Commission on May 19, 1991, in Order No. PSC-98-0691-FOF-PU, or as such methodology may be amended from time to time by further order of the Commission. The factors determined as set forth above were grossed up by 1.00503 for regulatory fees (1.00000 for customers using the gas supply solely for the generation of electricity), and rounded to the nearest \$.00001 per therm, to be applied to the total number of therms consumed by the customer during the billing period.

The purchased gas cost recovery factor approved by the Commission for the billing months of January ~~October~~ 2005 through December 2005 is ~~89.484~~ 114.334 cents per therm.

The purchased gas cost recovery factor shall serve as a cap or maximum recovery factor. If re-projected expenses for the remaining period exceed projected recoveries by at least 10% for the twelve-month period, a mid-course correction may formally be requested by the Company. For changes in market conditions and costs, the Company, upon one day's notice to the Commission, shall have the option of flexing downward (reducing the WACOGs) or upward (increasing the WACOGs) to the extent that the increase does not exceed the authorized cap. The current month's WACOGs may be adjusted for prior months' differences between projected and actual costs of gas purchased, but may not exceed the approved cap for the period.

Any over recovery or under recovery of purchased gas costs by the Company shall be "trued-up" (refunded to Customer or collected by Company), with interest, during the next twelve month period, in accordance with the methodology adopted by the Florida Public Service Commission on May 19, 1998 in Order No. PSC-98-0691-FOF-PU, or as such methodology may be amended from time to time by further order to the Florida Public Service Commission.

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(Continued to Sheet No. 35.1)