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March 29, 2006

BY HAND DELIVERY

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

060291-PU

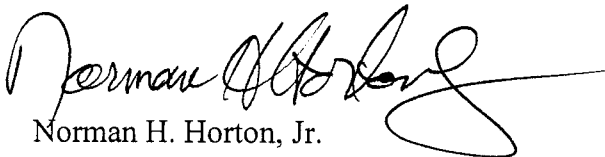
Dear Ms. Bayo:

Enclosed for filing on behalf of Florida Public Utilities Company is an original and fifteen copies of Florida Public Utilities Company's Gas Forecasted Earnings Surveillance Report and Electric Forecasted Earnings Surveillance Report together with a Request for Confidential Treatment of the Surveillance Reports.

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.

- CMP _____
- COM _____
- CTR _____
- ECR 1
- GCL 1
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC 1
- OTH 1 conf records

NHH/amb
Enclosures
cc: Mr. John Slemkewicz

E 02804-06 - redacted
02805-06 - request
E 02806-06 - Conf
G 02817-06 - Conf
G 02818-06 - redacted

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

02804 MAR 29 06

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT

SCHEDULE 1

Company: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
Year: 2006

060291-PU

	(1) <u>ACTUAL PER BOOKS</u>	(2) <u>FPSC ADJUSTMENTS</u>	(3) <u>FPSC ADJUSTED</u>
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>			
NET OPERATING INCOME	[REDACTED]		
AVERAGE RATE BASE			
AVERAGE RATE OF RETURN			
(a) INCLUDES AFUDC EARNINGS			
(b) INCLUDES REVERSAL OF AFUDC EARNINGS			

<u>III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)</u>			
LOW	[REDACTED]		
MIDPOINT			
HIGH			
<u>IV. FINANCIAL INTEGRITY INDICATORS</u>			
A. TIE WITH AFUDC			(SYSTEM PER BOOKS BASIS)
B. TIE WITHOUT AFUDC			(SYSTEM PER BOOKS BASIS)
C. AFUDC TO NET INCOME			(SYSTEM PER BOOKS BASIS)
D. INTERNALLY GENERATED FUNDS			(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS			(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS			(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY			(FPSC ADJUSTED BASIS)

FLORIDA PUBLIC SERVICE COMMISSION
 ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
 AVERAGE RATE OF RETURN
 RATE BASE

SCHEDULE 2
 PAGE 1 OF 3

Company FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 Year: 2006

	(1) PLANT IN SERVICE	(2) ACCUM DEPREC & AMORT*	(3) NET PLANT IN SERVICE	(4) PROP HELD FOR FUT. USE	(5) CONS WORK IN PROG	(6) NUCLEAR FUEL (NET)	(7) NET UTILITY PLANT	(8) WORKING CAPITAL	(9) TOTAL RATE BASE
SYSTEM PER BOOKS	[REDACTED]								
JURISDICTIONAL PER BOOKS	[REDACTED]								
<u>FPSC ADJUSTMENTS:</u>									
1/2 RATE CASE EXPENSE								[REDACTED]	
TOTAL FPSC ADJUSTMENTS	[REDACTED]								
FPSC ADJUSTED	[REDACTED]								

FLORIDA PUBLIC SERVICE COMMISSION
 ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
 AVERAGE RATE OF RETURN
 INCOME STATEMENT

Company FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 Year: 2006

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING	O & M	O & M	DEP.&	TAXES	INC. TAXES	DEFERRED	INVESTMENT	GAIN/LOSS	TOTAL	NET
	REVENUES	FUEL & NET	OTHER	AMORT	OTHER	CURRENT	INC. TAXES	TAX CREDIT	ON	OPERATING	OPERATING
		INTERCHANGE			THAN INC.		(NET)	(NET)	DISPOSITION	EXPENSES	INCOME(a)
SYSTEM PER BOOKS	[REDACTED]										
JURISDICTIONAL PER BOOKS	[REDACTED]										
FPSC ADJUSTMENTS:	[REDACTED]										
FUEL COST RECOVERIES	[REDACTED]										
FUEL OVER/UNDER RECOVERY	[REDACTED]										
CONSERVATION RECOVERIES	[REDACTED]										
INTEREST SYNCHRONIZATION	[REDACTED]										
TOTAL FPSC ADJUSTMENTS	[REDACTED]										
FPSC ADJUSTED	[REDACTED]										

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS

SCHEDULE 2
PAGE 3 OF 3

Company: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
Year: 2006

RATE BASE ADJUSTMENTS

AMOUNT

(SEE SCHEDULE 2, PAGE 1)

INCOME STATEMENT ADJUSTMENTS

AMOUNT

TAX EFFECT

(SEE SCHEDULE 2, PAGE 2)

FLORIDA PUBLIC SERVICE COMMISSION
 ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS

SCHEDULE 3

Company: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 Year: 2006

AVERAGE	SYSTEM PER BOOKS	ADJ. FOR FLO-GAS	RETAIL PER BOOKS	ADJUSTMENTS		ADJ. RETAIL	RATIO (%)	LOW POINT		MID POINT		HIGH POINT	
				PRORATA	SPECIFIC			COST RATE (%)	WGHT COST (%)	COST RATE (%)	WGHT COST (%)	COST RATE (%)	WGHT COST (%)
LONG TERM DEBT													
SHORT TERM DEBT													
PREFERRED STOCK													
CUSTOMER DEPOSITS													
COMMON EQUITY													
DEFERRED INCOME TAXES													
TAX CREDITS-ZERO COST													
TAX CREDITS-WEIGHTED COST													
TOTAL													

Company FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 Year: 2006

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST [REDACTED]
 AFUDC - DEBT [REDACTED]
 INCOME TAXES [REDACTED]
 TOTAL [REDACTED]
 INTEREST CHARGES (BEFORE DEDUCTING AFUDC-DEBT) [REDACTED]
 TIE WITH AFUDC [REDACTED]

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST [REDACTED]
 AFUDC - OTHER [REDACTED]
 INCOME TAXES [REDACTED]
 TOTAL [REDACTED]
 INTEREST CHARGES (BEFORE DEDUCTING AFUDC-DEBT) [REDACTED]
 TIE WITHOUT AFUDC [REDACTED]

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

AFUDC - DEBT [REDACTED]
 X (1 - INCOME TAX RATE) [REDACTED]
 SUBTOTAL [REDACTED]
 AFUDC - OTHER [REDACTED]
 TOTAL [REDACTED]
 NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS [REDACTED]
 PERCENT AFUDC TO AVAILABLE NET INCOME [REDACTED]

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME [REDACTED]
 PREFERRED DIVIDENDS [REDACTED]
 COMMON DIVIDENDS [REDACTED]
 AFUDC (DEBT & OTHER) [REDACTED]
 DEPRECIATION & AMORTIZATION [REDACTED]
 DEFERRED INCOME TAXES [REDACTED]
 INVESTMENT TAX CREDITS [REDACTED]
 OTHER [REDACTED]
 TOTAL [REDACTED]
 CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC OTHER & DEBT) [REDACTED]
 PERCENT INTERNALLY GENERATED FUNDS [REDACTED]

E. LONG TERM DEBT AS PERCENT OF TOTAL INVESTOR CAPITAL

F. SHORT TERM DEBT AS PERCENT OF TOTAL INVESTOR CAPITAL

RECONCILED AVERAGE RETAIL AMOUNTS

LONG TERM DEBT [REDACTED]
 SHORT TERM DEBT [REDACTED]
 PREFERRED STOCK [REDACTED]
 COMMON EQUITY [REDACTED]
 TOTAL [REDACTED]
 % LONG TERM DEBT TO TOTAL [REDACTED]
 % SHORT TERM DEBT TO TOTAL [REDACTED]

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN [REDACTED]
 LESS: RECONCILED AVERAGE RETAIL WEIGHTED COST RATES FOR:
 LONG TERM DEBT [REDACTED]
 SHORT TERM DEBT [REDACTED]
 PREFERRED STOCK [REDACTED]
 CUSTOMER DEPOSITS [REDACTED]
 TAX CREDITS - WEIGHTED COST (MIDPOINT) [REDACTED]
 SUBTOTAL [REDACTED]
 TOTAL [REDACTED]
 DIVIDED BY COMMON EQUITY RATIO [REDACTED]
 JURISDICTIONAL RETURN ON COMMON EQUITY [REDACTED]

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
FORECAST ASSUMPTIONS

SCHEDULE 5

Company: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
Year: 2006

FORECAST ASSUMPTIONS

Customers

Residential
Commercial
Industrial
Other
Total

Forecast Year

[REDACTED]

Prior Year

[REDACTED]

KWH Sales

Residential
Commercial
Industrial
Other
Total

Forecast Year

[REDACTED]

Prior Year

[REDACTED]

OTHER MAJOR FORECAST ASSUMPTIONS

1. FIGURES COME FROM THE OPERATING BUDGET.
2. DEFERRED TAXES ARE INCLUDED IN CURRENT INCOME TAXES.

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Cheryl M. Martin, Controller
(Name & Title of CFO)

Cheryl M. Martin
(Signature)

2/28/06
(Date)