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COMMISSION CLERK

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

July 12, 2006

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

DISTRIBUTION CENTER
06 JUL 17 AM 8:59

Re: Docket No. 060001-EI
CONTINUING SURVEILLANCE AND REVIEW OF FUEL COST
RECOVERY CLAUSES OF ELECTRIC UTILITIES

Dear Ms. Bayo:

We are enclosing ten (10) copies of the revised June 2006 Fuel Schedules for our Marianna and Fernandina Beach divisions.

The under-recovery in our Marianna division is higher than estimated primarily due to fuel costs being higher than projected. The under-recovery in our Fernandina Beach division is higher than estimated primarily due to fuel revenues being lower than projected.

If you have any questions, please contact me at cyoung@fpuc.com or Cheryl Martin at cmmartin@fpuc.com.

Sincerely,

Curtis D. Young
Curtis D. Young
Senior Regulatory Accountant

Enclosure

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

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6 Fuel Monthly June 2006

DOCUMENT NUMBER-DATE

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PO BOX 3395 ▲ West Palm Beach, Florida 33402-3395 ▲ Phone: 561.832.0872 ▲ Web: www.fpuc.com

FPSC-COMMISSION CLERK



COMPARISON OF ESTIMATED AND ACTUAL
FUEL AND PURCHASED POWER COST RECOVERY FACTOR
MONTH: JUNE 2006

FPSC-COMMISSION CLERK

06231 JUL 17 8

DOCUMENT NUMBER - DATE

| | DOLLARS | | | | MWH | | | | CENTS/KWH | | | |
|--|------------------|------------------|-------------------|---------|--------|-----------|-------------------|---------|-----------|-----------|-------------------|---------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| 1 Fuel Cost of System Net Generation (A3) | | | | | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 2 Nuclear Fuel Disposal Cost (A13) | | | | | | | | | | | | |
| 3 Coal Car Investment | | | | | | | | | | | | |
| 4 Adjustments to Fuel Cost (A2, Page 1) | | | | | | | | | | | | |
| 5 TOTAL COST OF GENERATED POWER | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8) | 808,270 | 742,396 | 65,874 | 8.87% | 34,990 | 32,138 | 2,852 | 8.87% | 2.31 | 2.31003 | 0.0000 | 0.00% |
| 7 Energy Cost of Sched C & X Econ Purch (Broker)(A9) | | | | | | | | | | | | |
| 8 Energy Cost of Other Econ Purch (Non-Broker)(A9) | | | | | | | | | | | | |
| 9 Energy Cost of Sched E Economy Purch (A9) | | | | | | | | | | | | |
| 10 Demand and Non Fuel Cost of Purchased Power (A9) | 560,613 | 505,886 | 54,727 | 10.82% | 34,990 | 32,138 | 2,852 | 8.87% | 1.60221 | 1.57411 | 0.0281 | 1.79% |
| 11 Energy Payments to Qualifying Facilities (A8a) | | | | | | | | | | | | |
| 12 TOTAL COST OF PURCHASED POWER | <u>1,368,883</u> | <u>1,248,282</u> | <u>120,601</u> | 9.66% | 34,990 | 32,138 | 2,852 | 8.87% | 3.91221 | 3.88413 | 0.02808 | 0.72% |
| 13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12) | | | | | 34,990 | 32,138 | 2,852 | 8.87% | | | | |
| 14 Fuel Cost of Economy Sales (A7) | | | | | | | | | | | | |
| 15 Gain on Economy Sales (A7a) | | | | | | | | | | | | |
| 16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7) | | | | | | | | | | | | |
| 17 Fuel Cost of Other Power Sales (A7) | | | | | | | | | | | | |
| 18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17) | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 19 NET INADVERTENT INTERCHANGE (A10) | | | | | | | | | | | | |
| 20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19) | <u>1,368,883</u> | <u>1,248,282</u> | <u>120,601</u> | 9.66% | 34,990 | 32,138 | 2,852 | 8.87% | 3.91221 | 3.88413 | 0.02808 | 0.72% |
| 21 Net Unbilled Sales (A4) | 116,383 * | 60,748 * | 55,635 | 91.58% | 2,975 | 1,564 | 1,411 | 90.21% | 0.38038 | 0.20764 | 0.17274 | 83.19% |
| 22 Company Use (A4) | 743 * | 1,204 * | (461) | -38.29% | 19 | 31 | (12) | -38.71% | 0.00243 | 0.00412 | -0.00169 | -41.02% |
| 23 T & D Losses (A4) | 54,771 * | 49,950 * | 4,821 | 9.65% | 1,400 | 1,286 | 114 | 8.86% | 0.17901 | 0.17073 | 0.00828 | 4.85% |
| 24 SYSTEM KWH SALES | 1,368,883 | 1,248,282 | 120,601 | 9.66% | 30,596 | 29,257 | 1,339 | 4.58% | 4.47403 | 4.26662 | 0.20741 | 4.86% |
| 25 Wholesale KWH Sales | | | | | | | | | | | | |
| 26 Jurisdictional KWH Sales | 1,368,883 | 1,248,282 | 120,601 | 9.66% | 30,596 | 29,257 | 1,339 | 4.58% | 4.47403 | 4.26662 | 0.20741 | 4.86% |
| 26a Jurisdictional Loss Multiplier | 1.000 | 1.000 | 0.000 | 0.00% | 1.000 | 1.000 | 0.000 | 0.00% | 1.000 | 1.000 | 0.000 | 0.00% |
| 27 Jurisdictional KWH Sales Adjusted for Line Losses | 1,368,883 | 1,248,282 | 120,601 | 9.66% | 30,596 | 29,257 | 1,339 | 4.58% | 4.47403 | 4.26662 | 0.20741 | 4.86% |
| 28 GPIF** | | | | | | | | | | | | |
| 29 TRUE-UP** | <u>61,847</u> | <u>61,847</u> | <u>0</u> | 0.00% | 30,596 | 29,257 | 1,339 | 4.58% | 0.20214 | 0.21139 | -0.00925 | -4.38% |
| 30 TOTAL JURISDICTIONAL FUEL COST | <u>1,430,730</u> | <u>1,310,129</u> | <u>120,601</u> | 9.21% | 30,596 | 29,257 | 1,339 | 4.58% | 4.6762 | 4.478 | 0.1982 | 4.43% |
| 31 Revenue Tax Factor | | | | | | | | | 1.00072 | 1.00072 | 0 | 0.00% |
| 32 Fuel Factor Adjusted for Taxes | | | | | | | | | 4.67957 | 4.48122 | 0.19835 | 4.43% |
| 33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH) | | | | | | | | | 4.680 | 4.481 | 0.199 | 4.44% |

*Included for Informational Purposes Only
**Calculation Based on Jurisdictional KWH Sales

COMPARISON OF ESTIMATED AND ACTUAL
FUEL AND PURCHASED POWER COST RECOVERY FACTOR
MONTH: JUNE 2006

| | PERIOD TO DATE DOLLARS | | | | PERIOD TO DATE MWH | | | | CENTS/KWH | | | |
|--|------------------------|------------------|-------------------|---------|--------------------|-----------|-------------------|---------|-----------|-----------|-------------------|---------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| 1 Fuel Cost of System Net Generation (A3) | | | | | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 2 Nuclear Fuel Disposal Cost (A13) | | | | | | | | | | | | |
| 3 Coal Car Investment | | | | | | | | | | | | |
| 4 Adjustments to Fuel Cost (A2, Page 1) | | | | | | | | | | | | |
| 5 TOTAL COST OF GENERATED POWER | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8) | 3,973,066 | 3,799,855 | 173,211 | 4.56% | 171,994 | 164,496 | 7,498 | 4.56% | 2.31 | 2.31 | 0 | 0.00% |
| 7 Energy Cost of Sched C & X Econ Purch (Broker)(A9) | | | | | | | | | | | | |
| 8 Energy Cost of Other Econ Purch (Non-Broker)(A9) | | | | | | | | | | | | |
| 9 Energy Cost of Sched E Economy Purch (A9) | | | | | | | | | | | | |
| 10 Demand and Non Fuel Cost of Purchased Power (A9) | 2,937,290 | 2,744,868 | 192,422 | 7.01% | 171,994 | 164,496 | 7,498 | 4.56% | 1.70779 | 1.66865 | 0.03914 | 2.35% |
| 11 Energy Payments to Qualifying Facilities (A8a) | | | | | | | | | | | | |
| 12 TOTAL COST OF PURCHASED POWER | <u>6,910,356</u> | <u>6,544,723</u> | <u>365,633</u> | 5.59% | 171,994 | 164,496 | 7,498 | 4.56% | 4.01779 | 3.97865 | 0.03914 | 0.98% |
| 13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12) | | | | | 171,994 | 164,496 | 7,498 | 4.56% | | | | |
| 14 Fuel Cost of Economy Sales (A7) | | | | | | | | | | | | |
| 15 Gain on Economy Sales (A7a) | | | | | | | | | | | | |
| 16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7) | | | | | | | | | | | | |
| 17 Fuel Cost of Other Power Sales (A7) | | | | | | | | | | | | |
| 18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17) | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 19 NET INADVERTENT INTERCHANGE (A10) | | | | | | | | | | | | |
| 20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19) | <u>6,910,356</u> | <u>6,544,723</u> | <u>365,633</u> | 5.59% | 171,994 | 164,496 | 7,498 | 4.56% | 4.01779 | 3.97865 | 0.03914 | 0.98% |
| 21 Net Unbilled Sales (A4) | 202,087 * | 97,915 * | 104,172 | 106.39% | 5,030 | 2,461 | 2,569 | 104.38% | 0.12633 | 0.06305 | 0.06328 | 100.36% |
| 22 Company Use (A4) | 4,620 * | 6,485 ** | (1,865) | -28.76% | 115 | 163 | (48) | -29.45% | 0.00289 | 0.00418 | -0.00129 | -30.86% |
| 23 T & D Losses (A4) | 276,424 * | 261,795 * | 14,629 | 5.59% | 6,880 | 6,580 | 300 | 4.56% | 0.1728 | 0.16858 | 0.00422 | 2.50% |
| 24 SYSTEM KWH SALES | 6,910,356 | 6,544,723 | 365,633 | 5.59% | 159,969 | 155,292 | 4,677 | 3.01% | 4.31981 | 4.21446 | 0.10535 | 2.50% |
| 25 Wholesale KWH Sales | | | | | | | | | | | | |
| 26 Jurisdictional KWH Sales | 6,910,356 | 6,544,723 | 365,633 | 5.59% | 159,969 | 155,292 | 4,677 | 3.01% | 4.31981 | 4.21446 | 0.10535 | 2.50% |
| 26a Jurisdictional Loss Multiplier | 1.000 | 1.000 | 0.000 | 0.00% | 1.000 | 1.000 | 0.000 | 0.00% | 1.000 | 1.000 | 0.000 | 0.00% |
| 27 Jurisdictional KWH Sales Adjusted for Line Losses | 6,910,356 | 6,544,723 | 365,633 | 5.59% | 159,969 | 155,292 | 4,677 | 3.01% | 4.31981 | 4.21446 | 0.10535 | 2.50% |
| 28 GPIF** | | | | | | | | | | | | |
| 29 TRUE-UP** | <u>371,091</u> | <u>371,091</u> | <u>0</u> | 0.00% | 159,969 | 155,292 | 4,677 | 3.01% | 0.23198 | 0.23896 | -0.00698 | -2.92% |
| 30 TOTAL JURISDICTIONAL FUEL COST | <u>7,281,447</u> | <u>6,915,814</u> | <u>365,633</u> | 5.29% | 159,969 | 155,292 | 4,677 | 3.01% | 4.55179 | 4.45343 | 0.09836 | 2.21% |
| 31 Revenue Tax Factor | | | | | | | | | 1.00072 | 1.00072 | 0 | 0.00% |
| 32 Fuel Factor Adjusted for Taxes | | | | | | | | | 4.55507 | 4.45664 | 0.09843 | 2.21% |
| 33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH) | | | | | | | | | 4.555 | 4.457 | 0.098 | 2.20% |

*Included for Informational Purposes Only
**Calculation Based on Jurisdictional KWH Sales

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: JUNE 2006

| | CURRENT MONTH | | | | PERIOD TO DATE | | | | |
|---|---------------|--------------|------------|--------------|----------------|--------------|------------|--------------|--|
| | ACTUAL | ESTIMATED | AMOUNT | DIFFERENCE % | ACTUAL | ESTIMATED | AMOUNT | DIFFERENCE % | |
| A. Fuel Cost & Net Power Transactions | | | | | | | | | |
| 1. Fuel Cost of System Net Generation | \$ | \$ | \$ | | \$ | \$ | \$ | | |
| 1a. Fuel Related Transactions (Nuclear Fuel Disposal) | | | | | | | | | |
| 2. Fuel Cost of Power Sold | | | | | | | | | |
| 3. Fuel Cost of Purchased Power | 808,270 | 742,396 | 65,874 | 8.87% | 3,973,066 | 3,799,855 | 173,211 | 4.56% | |
| 3a. Demand & Non Fuel Cost of Purchased Power | 560,613 | 505,886 | 54,727 | 10.82% | 2,937,290 | 2,744,868 | 192,422 | 7.01% | |
| 3b. Energy Payments to Qualifying Facilities | | | | | | | | | |
| 4. Energy Cost of Economy Purchases | | | | | | | | | |
| 5. Total Fuel & Net Power Transactions | 1,368,883 | 1,248,282 | 120,601 | 9.66% | 6,910,356 | 6,544,723 | 365,633 | 5.59% | |
| 6. Adjustments to Fuel Cost (Describe Items) | | | | | | | | | |
| 6a. Special Meetings - Fuel Market Issue | 27,018 | | 27,018 | 0.00% | 36,635 | | 36,635 | 0.00% | |
| 7. Adjusted Total Fuel & Net Power Transactions | \$ 1,395,901 | \$ 1,248,282 | \$ 147,619 | 11.83% | \$ 6,946,991 | \$ 6,544,723 | \$ 402,268 | 6.15% | |

CALCULATION OF TRUE-UP AND INTEREST PROVISION

SCHEDULE A2

Page 2 of 4

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: JUNE 2006

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|--------------|----------------------|--------|----------------|---------------|----------------------|--------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| B. Sales Revenues (Exclude Revenue Taxes & Franchise Taxes) | | | | | | | | |
| 1. Jurisdictional Sales Revenue | \$ | \$ | \$ | | \$ | \$ | \$ | |
| a. Base Fuel Revenue | | | | | | | | |
| b. Fuel Recovery Revenue | 1,333,093 | 1,275,659 | 57,434 | 4.50% | 6,969,776 | 6,778,425 | 191,351 | 2.82% |
| c. Jurisdictional Fuel Revenue | 1,333,093 | 1,275,659 | 57,434 | 4.50% | 6,969,776 | 6,778,425 | 191,351 | 2.82% |
| d. Non Fuel Revenue | 718,079 | 624,341 | 93,738 | 15.01% | 3,989,668 | 3,488,575 | 501,093 | 14.36% |
| e. Total Jurisdictional Sales Revenue | 2,051,172 | 1,900,000 | 151,172 | 7.96% | 10,959,444 | 10,267,000 | 692,444 | 6.74% |
| 2. Non Jurisdictional Sales Revenue | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 3. Total Sales Revenue | \$ 2,051,172 | \$ 1,900,000 | \$ 151,172 | 7.96% | \$ 10,959,444 | \$ 10,267,000 | \$ 692,444 | 6.74% |
| C. KWH Sales | | | | | | | | |
| 1. Jurisdictional Sales | | KWH | | | | | | |
| 2. Non Jurisdictional Sales | 30,596,141 | 29,256,700 | 1,339,441 | 4.58% | 159,969,200 | 155,291,600 | 4,677,600 | 3.01% |
| 3. Total Sales | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 4. Jurisdictional Sales % of Total KWH Sales | 30,596,141 | 29,256,700 | 1,339,441 | 4.58% | 159,969,200 | 155,291,600 | 4,677,600 | 3.01% |
| | 100.00% | 100.00% | 0.00% | 0.00% | 100.00% | 100.00% | 0.00% | 0.00% |

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: JUNE 2006

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|--------------|----------------------|----------|----------------|--------------|----------------------|----------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| D. True-up Calculation | | | | | | | | |
| 1. Jurisdictional Fuel Rev. (line B-1c) | \$ 1,333,093 | \$ 1,275,659 | \$ 57,434 | 4.50% | 6,969,776 | \$ 6,778,425 | \$ 191,351 | 2.82% |
| 2. Fuel Adjustment Not Applicable | | | | | | | | |
| a. True-up Provision | 61,847 | 61,847 | 0 | 0.00% | 371,091 | 371,091 | 0 | 0.00% |
| b. Incentive Provision | | | | | | | | |
| c. Transition Adjustment (Regulatory Tax Refund) | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 3. Jurisdictional Fuel Revenue Applicable to Period | 1,271,246 | 1,213,812 | 57,434 | 4.73% | 6,598,685 | 6,407,334 | 191,351 | 2.99% |
| 4. Adjusted Total Fuel & Net Power Transaction (Line A-7) | 1,395,901 | 1,248,282 | 147,619 | 11.83% | 6,946,991 | 6,544,723 | 402,268 | 6.15% |
| 5. Jurisdictional Sales % of Total KWH Sales (Line C-4) | 100% | 100% | 0.00% | 0.00% | N/A | N/A | | |
| 6. Jurisdictional Total Fuel & Net Power Transactions (Line D-4 x Line D-5 x *) | 1,395,901 | 1,248,282 | 147,619 | 11.83% | 6,946,991 | 6,544,723 | 402,268 | 6.15% |
| 7. True-up Provision for the Month Over/Under Collection (Line D-3 - Line D-6) | (124,655) | (34,470) | (90,185) | 261.63% | (348,306) | (137,389) | (210,917) | 153.52% |
| 8. Interest Provision for the Month | (3,002) | | (3,002) | 0.00% | (14,430) | | (14,430) | 0.00% |
| 9. True-up & Inst. Provision Beg. of Month | (668,008) | 810,109 | (1,478,117) | -182.46% | (742,173) | 603,784 | (1,345,957) | -222.92% |
| 9a. Deferred True-up Beginning of Period | | | | | | | | |
| 10. True-up Collected (Refunded) | 61,847 | 61,847 | 0 | 0.00% | 371,091 | 371,091 | 0 | 0.00% |
| 11. End of Period - Total Net True-up (Lines D7 through D10) | \$ (733,818) | \$ 837,486 | \$ (1,571,304) | -187.62% | (733,818) | \$ 837,486 | \$ (1,571,304) | -187.62% |

* Jurisdictional Loss Multiplier

CALCULATION OF TRUE-UP AND INTEREST PROVISION

SCHEDULE A2

Page 4 of 4

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: JUNE 2006

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|------------|----------------------|----------|----------------|-----------|----------------------|----|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| E. Interest Provision | | | | | | | | |
| 1. Beginning True-up Amount (lines D-9 + 9a) | \$ (668,008) | \$ 810,109 | \$ (1,478,117) | -182.46% | N/A | N/A | -- | -- |
| 2. Ending True-up Amount Before Interest (line D-7 + Lines D-9 + 9a + D-10) | (730,816) | 837,486 | (1,568,302) | -187.26% | N/A | N/A | -- | -- |
| 3. Total of Beginning & Ending True-up Amount | (1,398,824) | 1,647,595 | (3,046,419) | -184.90% | N/A | N/A | -- | -- |
| 4. Average True-up Amount (50% of Line E-3) | \$ (699,412) | \$ 823,798 | \$ (1,523,210) | -184.90% | N/A | N/A | -- | -- |
| 5. Interest Rate - First Day Reporting Business Month | 5.0100% | N/A | -- | -- | N/A | N/A | -- | -- |
| 6. Interest Rate - First Day Subsequent Business Month | 5.2900% | N/A | -- | -- | N/A | N/A | -- | -- |
| 7. Total (Line E-5 + Line E-6) | 10.3000% | N/A | -- | -- | N/A | N/A | -- | -- |
| 8. Average Interest Rate (50% of Line E-7) | 5.1500% | N/A | -- | -- | N/A | N/A | -- | -- |
| 9. Monthly Average Interest Rate (Line E-8 / 12) | 0.4292% | N/A | -- | -- | N/A | N/A | -- | -- |
| 10. Interest Provision (Line E-4 x Line E-9) | (3,002) | N/A | -- | -- | N/A | N/A | -- | -- |

ELECTRIC ENERGY ACCOUNT
Month of: JUNE 2006

| CURRENT MONTH | | | | | PERIOD TO DATE | | | |
|---------------|-----------|----------------------|---|--------|----------------|----------------------|---|--|
| ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | |

(MWH)

| | | | | | | | | | |
|----|--|------------|--------|--------|---------|---------|---------|--------|---------|
| 1 | System Net Generation | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 2 | Power Sold | | | | | | | | |
| 3 | Inadvertent Interchange Delivered - NET | | | | | | | | |
| 4 | Purchased Power | 34,990 | 32,138 | 2,852 | 8.87% | 171,994 | 164,496 | 7,498 | 4.56% |
| 4a | Energy Purchased For Qualifying Facilities | | | | | | | | |
| 5 | Economy Purchases | | | | | | | | |
| 6 | Inadvertent Interchange Received - NET | | | | | | | | |
| 7 | Net Energy for Load | 34,990 | 32,138 | 2,852 | 8.87% | 171,994 | 164,496 | 7,498 | 4.56% |
| 8 | Sales (Billed) | 30,596 | 29,257 | 1,339 | 4.58% | 159,969 | 155,292 | 4,677 | 3.01% |
| 8a | Unbilled Sales Prior Month (Period) | | | | | | | | |
| 8b | Unbilled Sales Current Month (Period) | | | | | | | | |
| 9 | Company Use | 19 | 31 | (12) | -38.71% | 115 | 163 | (48) | -29.45% |
| 10 | T&D Losses Estimated | 0.04 1,400 | 1,286 | 114 | 8.86% | 6,880 | 6,580 | 300 | 4.56% |
| 11 | Unaccounted for Energy (estimated) | 2,975 | 1,564 | 1,411 | 90.21% | 5,030 | 2,461 | 2,569 | 104.38% |
| 12 | | | | | | | | | |
| 13 | % Company Use to NEL | 0.05% | 0.10% | -0.05% | -50.00% | 0.07% | 0.10% | -0.03% | -30.00% |
| 14 | % T&D Losses to NEL | 4.00% | 4.00% | 0.00% | 0.00% | 4.00% | 4.00% | 0.00% | 0.00% |
| 15 | % Unaccounted for Energy to NEL | 8.50% | 4.87% | 3.63% | 74.54% | 2.92% | 1.50% | 1.42% | 94.67% |

(\$)

| | | | | | | | | | |
|-----|--|-----------|-----------|---------|--------|-----------|-----------|---------|-------|
| 16 | Fuel Cost of Sys Net Gen | | | | | | | | |
| 16a | Fuel Related Transactions | | | | | | | | |
| 16b | Adjustments to Fuel Cost | | | | | | | | |
| 17 | Fuel Cost of Power Sold | | | | | | | | |
| 18 | Fuel Cost of Purchased Power | 808,270 | 742,396 | 65,874 | 8.87% | 3,973,066 | 3,799,855 | 173,211 | 4.56% |
| 18a | Demand & Non Fuel Cost of Pur Power | 560,613 | 505,886 | 54,727 | 10.82% | 2,937,290 | 2,744,868 | 192,422 | 7.01% |
| 18b | Energy Payments To Qualifying Facilities | | | | | | | | |
| 19 | Energy Cost of Economy Purch. | | | | | | | | |
| 20 | Total Fuel & Net Power Transactions | 1,368,883 | 1,248,282 | 120,601 | 9.66% | 6,910,356 | 6,544,723 | 365,633 | 5.59% |

(Cents/KWH)

| | | | | | | | | | |
|-----|--|--------|--------|--------|-------|--------|--------|--------|-------|
| 21 | Fuel Cost of Sys Net Gen | | | | | | | | |
| 21a | Fuel Related Transactions | | | | | | | | |
| 22 | Fuel Cost of Power Sold | | | | | | | | |
| 23 | Fuel Cost of Purchased Power | 2.3100 | 2.3100 | - | 0.00% | 2.3100 | 2.3100 | - | 0.00% |
| 23a | Demand & Non Fuel Cost of Pur Power | 1.6020 | 1.5740 | 0.0280 | 1.78% | 1.7080 | 1.6690 | 0.0390 | 2.34% |
| 23b | Energy Payments To Qualifying Facilities | | | | | | | | |
| 24 | Energy Cost of Economy Purch. | | | | | | | | |
| 25 | Total Fuel & Net Power Transactions | 3.9120 | 3.8840 | 0.0280 | 0.72% | 4.0180 | 3.9790 | 0.0390 | 0.98% |

PURCHASED POWER

(Exclusive of Economy Energy Purchases)
 For the Period/Month of: JUNE 2006

| PURCHASED FROM | TYPE & SCHEDULE | TOTAL KWH PURCHASED (000) | KWH FOR OTHER UTILITIES (000) | KWH FOR INTERRUPTIBLE (000) | KWH FOR FIRM (000) | CENTS/KWH | | TOTAL \$ FOR FUEL ADJ. (6)X(7)(a) \$ |
|----------------|-----------------|---------------------------|-------------------------------|-----------------------------|--------------------|---------------|----------------|--------------------------------------|
| | | | | | | (a) FUEL COST | (b) TOTAL COST | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (8) |
| | | | | | | | | |
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| | | | | | | | | |

ESTIMATED:

| | | | | | | | | |
|--------------------|----|--------|---|---|--------|-----------|-----------|---------|
| GULF POWER COMPANY | RE | 32,138 | | | 32,138 | 2,310,026 | 3,884,131 | 742,396 |
| TOTAL | | 32,138 | 0 | 0 | 32,138 | 2,310,026 | 3,884,131 | 742,396 |

ACTUAL:

| | | | | | | | | |
|--------------------|----|--------|---|---|--------|-----------|-----------|---------|
| GULF POWER COMPANY | RE | 34,990 | | | 34,990 | 2,310,003 | 3,912,212 | 808,270 |
| TOTAL | | 34,990 | 0 | 0 | 34,990 | 2,310,003 | 3,912,212 | 808,270 |

| CURRENT MONTH: DIFFERENCE (%) | PERIOD TO DATE: ACTUAL ESTIMATED DIFFERENCE (%) | RE | 2,852 8.90% | 0 0.00% | 0 0.00% | 0 0.00% | 2,852 8.90% | 0.000000 2.310003 0.000005 0.00% | 0.028081 0.70% | 65,874 8.90% |
|----------------------------------|---|----|--------------------------------------|----------------------|----------------------|----------------------|--------------------------------------|--|--|--|
| | | RE | 171,994 164,496 7,498 4.60% | 0 0 0 0.00% | 0 0 0 0.00% | 0 0 0 0.00% | 171,994 164,496 7,498 4.60% | 2,310,003 2,309,998 0,000,005 0.00% | 4,017,789 3,978,652 0,039,137 1.00% | 3,973,066 3,799,855 173,211 4.60% |

ECONOMY ENERGY PURCHASES

INCLUDING LONG TERM PURCHASES
For the Period/Month of: JUNE 2006

| (1) | (2) | (3) | (4) | (5) | (6) | | (7) |
|----------------|-----------------|---------------------------|-----------------------|-------------------------------------|-------------------|-------------------|----------------------------|
| PURCHASED FROM | TYPE & SCHEDULE | TOTAL KWH PURCHASED (000) | TRANS. COST CENTS/KWH | TOTAL \$ FOR FUEL ADJ. (3) X (4) \$ | COST IF GENERATED | | FUEL SAVINGS (6)(b)-(5) \$ |
| | | | | | (a) CENTS/KWH | (b) TOTAL COST \$ | |

ESTIMATED:

| | | | | | | | |
|-------|--|--|--|--|--|--|--|
| TOTAL | | | | | | | |
|-------|--|--|--|--|--|--|--|

ACTUAL:

| | | | | | | | |
|-------|--|--|--|--|--|--|--|
| TOTAL | | | | | | | |
|-------|--|--|--|--|--|--|--|

FOOTNOTE: PURCHASED POWER COSTS INCLUDE CUSTOMER, DEMAND & ENERGY CHARGE 560,613

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| CURRENT MONTH: DIFFERENCE DIFFERENCE (%) | | | | | | | |
| PERIOD TO DATE: ACTUAL ESTIMATED DIFFERENCE DIFFERENCE (%) | | | | | | | |

COMPARISON OF ESTIMATED AND ACTUAL
 FUEL AND PURCHASED POWER COST RECOVERY FACTOR
 MONTH: JUNE 2006

| | DOLLARS | | | | MWH | | | | CENTS/KWH | | | |
|---|-----------|-----------|----------------------|--------|--------|-----------|----------------------|--------|-----------|-----------|----------------------|--------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| 1 Fuel Cost of System Net Generation (A3) | | | | | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 2 Nuclear Fuel Disposal Cost (A13) | | | | | | | | | | | | |
| 3 Coal Car Investment | | | | | | | | | | | | |
| 4 Adjustments to Fuel Cost (A2, Page 1) | | | 0 | 0.0% | | | | | | | | |
| 5 TOTAL COST OF GENERATED POWER | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8) | 855,363 | 862,875 | (7,512) | -0.9% | 47,893 | 48,313 | (420) | -0.9% | 1.78599 | 1.78601 | (0.00002) | 0.0% |
| 7 Energy Cost of Sched C & X Econ Purch (Broker)(A9) | | | | | | | | | | | | |
| 8 Energy Cost of Other Econ Purch (Non-Broker)(A9) | | | | | | | | | | | | |
| 9 Energy Cost of Sched E Economy Purch (A9) | | | | | | | | | | | | |
| 10 Demand and Non Fuel Cost of Purchased Power (A9) | 581,155 | 661,458 | (80,303) | -12.1% | 47,893 | 48,313 | (420) | -0.9% | 1.21344 | 1.36911 | (0.15567) | -11.4% |
| 11 Energy Payments to Qualifying Facilities (A8a) | 2,992 | 5,610 | (2,618) | -46.7% | 160 | 300 | (140) | -46.7% | 1.87000 | 1.87000 | 0.00000 | 0.0% |
| 12 TOTAL COST OF PURCHASED POWER | 1,439,510 | 1,529,943 | (90,433) | -5.9% | 48,053 | 48,613 | (560) | -1.2% | 2.99567 | 3.14719 | (0.15152) | -4.8% |
| 13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12) | | | | | 48,053 | 48,613 | (560) | -1.2% | | | | |
| 14 Fuel Cost of Economy Sales (A7) | | | | | | | | | | | | |
| 15 Gain on Economy Sales (A7a) | | | | | | | | | | | | |
| 16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7) | | | | | | | | | | | | |
| 17 Fuel Cost of Other Power Sales (A7) | | | | | | | | | | | | |
| 18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17) | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 19 NET INADVERTENT INTERCHANGE (A10) | | | | | | | | | | | | |
| 20 LESS GSLD APPORTIONMENT OF FUEL COST | 346,122 | 362,797 | (16,675) | -65.6% | 0 | 0 | 0 | 0.0% | | | | |
| 20a TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19) | 1,093,388 | 1,167,146 | (73,758) | -6.3% | 48,053 | 48,613 | (560) | -1.2% | 2.27538 | 2.40089 | (0.12551) | -5.2% |
| 21 Net Unbilled Sales (A4) | 51,173 * | 35,653 * | 15,520 | 43.5% | 2,249 | 1,485 | 764 | 51.5% | 0.11936 | 0.08073 | 0.03863 | 47.9% |
| 22 Company Use (A4) | 1,092 * | 1,104 * | (12) | -1.1% | 48 | 46 | 2 | 4.4% | 0.00255 | 0.00250 | 0.00005 | 2.0% |
| 23 T & D Losses (A4) | 65,599 * | 70,034 * | (4,435) | -6.3% | 2,883 | 2,917 | (34) | -1.2% | 0.15301 | 0.15857 | (0.00556) | -3.5% |
| 24 SYSTEM KWH SALES | 1,093,388 | 1,167,146 | (73,758) | -6.3% | 42,873 | 44,165 | (1,292) | -2.9% | 2.55030 | 2.64269 | (0.09239) | -3.5% |
| 25 Wholesale KWH Sales | | | | | | | | | | | | |
| 26 Jurisdictional KWH Sales | 1,093,388 | 1,167,146 | (73,758) | -6.3% | 42,873 | 44,165 | (1,292) | -2.9% | 2.55030 | 2.64269 | (0.09239) | -3.5% |
| 26a Jurisdictional Loss Multiplier | 1.000 | 1.000 | 0.000 | 0.0% | 1.000 | 1.000 | 0.000 | 0.0% | 1.000 | 1.000 | 0.00000 | 0.0% |
| 27 Jurisdictional KWH Sales Adjusted for Line Losses | 1,093,388 | 1,167,146 | (73,758) | -6.3% | 42,873 | 44,165 | (1,292) | -2.9% | 2.55030 | 2.64269 | (0.09239) | -3.5% |
| 28 GPIF** | | | | | | | | | | | | |
| 29 TRUE-UP** | (23,602) | (23,602) | 0 | 0.0% | 42,873 | 44,165 | (1,292) | -2.9% | (0.05505) | (0.05344) | (0.00161) | 3.0% |
| 30 TOTAL JURISDICTIONAL FUEL COST (Excluding GSLD Apportionment) | 1,069,786 | 1,143,544 | (73,758) | -6.5% | 42,873 | 44,165 | (1,292) | -2.9% | 2.49524 | 2.58925 | (0.09401) | -3.6% |
| 31 Revenue Tax Factor | | | | | | | | | 1.01609 | 1.01609 | 0.00000 | 0.0% |
| 32 Fuel Factor Adjusted for Taxes | | | | | | | | | 2.53539 | 2.63091 | (0.09552) | -3.6% |
| 33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH) | | | | | | | | | 2.535 | 2.631 | (0.096) | -3.7% |

*Included for Informational Purposes Only
 **Calculation Based on Jurisdictional KWH Sales

COMPARISON OF ESTIMATED AND ACTUAL
FUEL AND PURCHASED POWER COST RECOVERY FACTOR
MONTH: JUNE 2006

| | PERIOD TO DATE DOLLARS | | | | PERIOD TO DATE MWH | | | | CENTS/KWH | | | |
|--|------------------------|-------------|-------------------|--------|--------------------|-----------|-------------------|--------|-----------|-----------|-------------------|--------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| 1 Fuel Cost of System Net Generation (A3) | | | | | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 2 Nuclear Fuel Disposal Cost (A13) | | | | | | | | | | | | |
| 3 Coal Car Investment | | | | | | | | | | | | |
| 4 Adjustments to Fuel Cost (A2, Page 1) | 0 | 0 | 0 | 0.0% | | | | | | | | |
| 5 TOTAL COST OF GENERATED POWER | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8) | 4,575,163 | 4,154,553 | 420,610 | 10.1% | 256,168 | 232,617 | 23,551 | 10.1% | 1.78600 | 1.78601 | (0.00001) | 0.0% |
| 7 Energy Cost of Sched C & X Econ Purch (Broker)(A9) | | | | | | | | | | | | |
| 8 Energy Cost of Other Econ Purch (Non-Broker)(A9) | | | | | | | | | | | | |
| 9 Energy Cost of Sched E Economy Purch (A9) | | | | | | | | | | | | |
| 10 Demand and Non Fuel Cost of Purchased Power (A9) | 3,501,103 | 3,304,837 | 196,266 | 5.9% | 256,168 | 232,617 | 23,551 | 10.1% | 1.36672 | 1.42072 | (0.05400) | -3.8% |
| 11 Energy Payments to Qualifying Facilities (A8a) | 30,107 | 48,807 | (18,700) | -38.3% | 1,610 | 2,610 | (1,000) | -38.3% | 1.87000 | 1.87000 | 0.00000 | 0.0% |
| 12 TOTAL COST OF PURCHASED POWER | 8,106,373 | 7,508,197 | 598,176 | 8.0% | 257,778 | 235,227 | 22,551 | 9.6% | 3.14471 | 3.19189 | (0.04718) | -1.5% |
| 13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12) | | | | | 257,778 | 235,227 | 22,551 | 9.6% | | | | |
| 14 Fuel Cost of Economy Sales (A7) | | | | | | | | | | | | |
| 15 Gain on Economy Sales (A7a) | | | | | | | | | | | | |
| 16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7) | | | | | | | | | | | | |
| 17 Fuel Cost of Other Power Sales (A7) | | | | | | | | | | | | |
| 18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17) | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 19 NET INADVERTENT INTERCHANGE (A10) | | | | | | | | | | | | |
| 20 LESS GSLD APPORTIONMENT OF FUEL COST | 2,459,535 | 2,082,257 | 377,278 | 18.1% | 0 | 0 | 0 | 0.0% | | | | |
| 20a TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19) | 5,646,838 | 5,425,940 | 220,898 | 4.1% | 257,778 | 235,227 | 22,551 | 9.6% | 2.19058 | 2.30668 | (0.11610) | -5.0% |
| 21 Net Unbilled Sales (A4) | (48,653) * | (371,399) * | 322,746 | -86.9% | (2,221) | (16,101) | 13,880 | -86.2% | (0.01992) | (0.15673) | 0.13681 | -87.3% |
| 22 Company Use (A4) | 5,455 * | 5,721 * | (266) | -4.7% | 249 | 248 | 1 | 0.4% | 0.00223 | 0.00241 | (0.00018) | -7.5% |
| 23 T & D Losses (A4) | 338,817 * | 325,565 * | 13,252 | 4.1% | 15,467 | 14,114 | 1,353 | 9.6% | 0.13870 | 0.13739 | 0.00131 | 1.0% |
| 24 SYSTEM KWH SALES | 5,646,838 | 5,425,940 | 220,898 | 4.1% | 244,283 | 236,966 | 7,317 | 3.1% | 2.31159 | 2.28975 | 0.02184 | 1.0% |
| 25 Wholesale KWH Sales | | | | | | | | | | | | |
| 26 Jurisdictional KWH Sales | 5,646,838 | 5,425,940 | 220,898 | 4.1% | 244,283 | 236,966 | 7,317 | 3.1% | 2.31159 | 2.28975 | 0.02184 | 1.0% |
| 26a Jurisdictional Loss Multiplier | 1.000 | 1.000 | 0.000 | 0.0% | 1.000 | 1.000 | 0.000 | 0.0% | 1.000 | 1.000 | 0.00000 | 0.0% |
| 27 Jurisdictional KWH Sales Adjusted for Line Losses | 5,646,838 | 5,425,940 | 220,898 | 4.1% | 244,283 | 236,966 | 7,317 | 3.1% | 2.31159 | 2.28975 | 0.02184 | 1.0% |
| 28 GPIF** | | | | | | | | | | | | |
| 29 TRUE-UP** | (141,609) | (141,609) | 0 | 0.0% | 244,283 | 236,966 | 7,317 | 3.1% | (0.05797) | (0.05976) | 0.00179 | -3.0% |
| 30 TOTAL JURISDICTIONAL FUEL COST | 5,505,229 | 5,284,331 | 220,898 | 4.2% | 244,283 | 236,966 | 7,317 | 3.1% | 2.25363 | 2.23000 | 0.02363 | 1.1% |
| 31 Revenue Tax Factor | | | | | | | | | 1.01609 | 1.01609 | 0.00000 | 0.0% |
| 32 Fuel Factor Adjusted for Taxes | | | | | | | | | 2.28989 | 2.26588 | 0.02401 | 1.1% |
| 33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH) | | | | | | | | | 2.290 | 2.266 | 0.024 | 1.1% |

*Included for Informational Purposes Only
**Calculation Based on Jurisdictional KWH Sales

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

Month of: JUNE 2006

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|---|---------------|--------------|-------------------|--------|----------------|--------------|-------------------|--------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| A. Fuel Cost & Net Power Transactions | | | | | | | | |
| 1. Fuel Cost of System Net Generation | \$ | \$ | \$ | | \$ | \$ | \$ | |
| 1a. Fuel Related Transactions (Nuclear Fuel Disposal) | | | | | | | | |
| 2. Fuel Cost of Power Sold | | | | | | | | |
| 3. Fuel Cost of Purchased Power | 855,363 | 862,875 | (7,512) | -0.9% | 4,575,163 | 4,154,553 | 420,610 | 10.1% |
| 3a. Demand & Non Fuel Cost of Purchased Power | 581,155 | 661,458 | (80,303) | -12.1% | 3,501,103 | 3,304,837 | 196,266 | 5.9% |
| 3b. Energy Payments to Qualifying Facilities | 2,992 | 5,610 | (2,618) | -46.7% | 30,107 | 48,807 | (18,700) | -38.3% |
| 4. Energy Cost of Economy Purchases | | | | | | | | |
| 5. Total Fuel & Net Power Transactions | 1,439,510 | 1,529,943 | (90,433) | -5.9% | 8,106,373 | 7,508,197 | 598,176 | 8.0% |
| 6. Adjustments to Fuel Cost (Describe Items) | | | | | | | | |
| 6a. Special Meetings - Fuel Market Issue | 27,121 | | 27,121 | 0.0% | 50,677 | | 50,677 | 0.0% |
| | | | | | | | | |
| 7. Adjusted Total Fuel & Net Power Transactions | 1,466,631 | 1,529,943 | (63,312) | -4.1% | 8,157,050 | 7,508,197 | 648,853 | 8.6% |
| 8. Less Apportionment To GSLD Customers | 346,122 | 362,797 | (16,675) | -4.6% | 2,459,535 | 2,082,257 | 377,278 | 18.1% |
| 9. Net Total Fuel & Power Transactions To Other Classes | \$ 1,120,509 | \$ 1,167,146 | \$ (46,637) | -4.0% | \$ 5,697,515 | \$ 5,425,940 | \$ 271,575 | 5.0% |

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

Month of: JUNE 2006

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|--------------|-------------------|--------|----------------|---------------|-------------------|--------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| B. Sales Revenues (Exclude Revenue Taxes & Franchise Taxes) | | | | | | | | |
| 1. Jurisdictional Sales Revenue (Excluding GSLD) | \$ | \$ | \$ | | \$ | \$ | \$ | |
| a. Base Fuel Revenue | | | | | | | | |
| b. Fuel Recovery Revenue | 963,809 | 1,063,533 | (99,724) | -9.4% | 5,018,503 | 5,442,362 | (423,859) | -7.8% |
| c. Jurisdictional Fuel Revenue | 963,809 | 1,063,533 | (99,724) | -9.4% | 5,018,503 | 5,442,362 | (423,859) | -7.8% |
| d. Non Fuel Revenue | 664,480 | 923,370 | (258,890) | -28.0% | 3,638,962 | 4,989,981 | (1,351,019) | -27.1% |
| e. Total Jurisdictional Sales Revenue | 1,628,289 | 1,986,903 | (358,614) | -18.1% | 8,657,465 | 10,432,343 | (1,774,878) | -17.0% |
| 2. Non Jurisdictional Sales Revenue | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% |
| 3. Total Sales Revenue (Excluding GSLD) | \$ 1,628,289 | \$ 1,986,903 | \$ (358,614) | -18.1% | \$ 8,657,465 | \$ 10,432,343 | \$ (1,774,878) | -17.0% |
| C. KWH Sales (Excluding GSLD) | | | | | | | | |
| 1. Jurisdictional Sales | | | | | | | | |
| 2. Non Jurisdictional Sales | | | | | | | | |
| 3. Total Sales | | | | | | | | |
| 4. Jurisdictional Sales % of Total KWH Sales | | | | | | | | |
| | 40,535,770 | 41,914,200 | (1,378,430) | -3.3% | 230,896,340 | 223,444,200 | 7,452,140 | 3.3% |
| | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% |
| | 40,535,770 | 41,914,200 | (1,378,430) | -3.3% | 230,896,340 | 223,444,200 | 7,452,140 | 3.3% |
| | 100.00% | 100.00% | 0.00% | 0.0% | 100.00% | 100.00% | 0.00% | 0.0% |

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

Month of: JUNE 2006

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|--------------|-------------------|--------|----------------|--------------|-------------------|---------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| D. True-up Calculation (Excluding GSLD) | | | | | | | | |
| 1. Jurisdictional Fuel Rev. (line B-1c) | \$ 963,809 | \$ 1,063,533 | \$ (99,724) | -9.4% | \$ 5,018,503 | \$ 5,442,362 | \$ (423,859) | -7.8% |
| 2. Fuel Adjustment Not Applicable | | | | | | | | |
| a. True-up Provision | (23,602) | (23,602) | 0 | 0.0% | (141,609) | (141,609) | 0 | 0.0% |
| b. Incentive Provision | | | | | | | | |
| c. Transition Adjustment (Regulatory Tax Refund) | | | | | | | 0 | 0.0% |
| 3. Jurisdictional Fuel Revenue Applicable to Period | 987,411 | 1,087,135 | (99,724) | -9.2% | 5,160,112 | 5,583,971 | (423,859) | -7.6% |
| 4. Adjusted Total Fuel & Net Power Transaction (Line A-7) | 1,120,509 | 1,167,146 | (46,637) | -4.0% | 5,697,515 | 5,425,940 | 271,575 | 5.0% |
| 5. Jurisdictional Sales % of Total KWH Sales (Line C-4) | 100.00% | 100.00% | 0.00% | 0.0% | N/A | N/A | | |
| 6. Jurisdictional Total Fuel & Net Power Transactions (Line D-4 x Line D-5 x *) | 1,120,509 | 1,167,146 | (46,637) | -4.0% | 5,697,515 | 5,425,940 | 271,575 | 5.0% |
| 7. True-up Provision for the Month Over/Under Collection (Line D-3 - Line D-6) | (133,098) | (80,011) | (53,087) | 66.4% | (537,403) | 158,031 | (695,434) | -440.1% |
| 8. Interest Provision for the Month | (1,356) | | (1,356) | 0.0% | 77 | | 77 | 0.0% |
| 9. True-up & Inst. Provision Beg. of Month | (237,658) | (580,546) | 342,888 | -59.1% | 283,221 | (700,581) | 983,802 | -140.4% |
| 9a. Deferred True-up Beginning of Period | | | | | | | | |
| 10. True-up Collected (Refunded) | (23,602) | (23,602) | 0 | 0.0% | (141,609) | (141,609) | 0 | 0.0% |
| 11. End of Period - Total Net True-up (Lines D7 through D10) | \$ (395,714) | \$ (684,159) | \$ 288,445 | -42.2% | \$ (395,714) | \$ (684,159) | \$ 288,445 | -42.2% |
| | | | | | 0 | 0 | | |

* Jurisdictional Loss Multiplier

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

Month of: JUNE 2006

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|--------------|-------------------|--------|----------------|-----------|-------------------|----|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| E. Interest Provision (Excluding GSLD) | | | | | | | -- | -- |
| 1. Beginning True-up Amount (lines D-9 + 9a) | \$ (237,658) | \$ (580,546) | \$ 342,888 | -59.1% | N/A | N/A | -- | -- |
| 2. Ending True-up Amount Before Interest (line D-7 + Lines D-9 + 9a + D-10) | (394,358) | (684,159) | 289,801 | -42.4% | N/A | N/A | -- | -- |
| 3. Total of Beginning & Ending True-up Amount | (632,016) | (1,264,705) | 632,689 | -50.0% | N/A | N/A | -- | -- |
| 4. Average True-up Amount (50% of Line E-3) | \$ (316,008) | \$ (632,353) | \$ 316,345 | -50.0% | N/A | N/A | -- | -- |
| 5. Interest Rate - First Day Reporting Business Month | 5.0100% | N/A | -- | -- | N/A | N/A | -- | -- |
| 6. Interest Rate - First Day Subsequent Business Month | 5.2900% | N/A | -- | -- | N/A | N/A | -- | -- |
| 7. Total (Line E-5 + Line E-6) | 10.3000% | N/A | -- | -- | N/A | N/A | -- | -- |
| 8. Average Interest Rate (50% of Line E-7) | 5.1500% | N/A | -- | -- | N/A | N/A | -- | -- |
| 9. Monthly Average Interest Rate (Line E-8 / 12) | 0.4292% | N/A | -- | -- | N/A | N/A | -- | -- |
| 10. Interest Provision (Line E-4 x Line E-9) | (1,356) | N/A | -- | -- | N/A | N/A | -- | -- |

ELECTRIC ENERGY ACCOUNT

Month of: JUNE 2006

| | CURRENT MONTH | | | | PERIOD TO DATE | | | | |
|-------|--|-----------|----------------------|---------|----------------|-----------|----------------------|---------|---------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | |
| (MWH) | | | | | | | | | |
| 1 | System Net Generation | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 2 | Power Sold | | | | | | | | |
| 3 | Inadvertent Interchange Delivered - NET | | | | | | | | |
| 4 | Purchased Power | 47,893 | 48,313 | (420) | -0.87% | 256,168 | 232,617 | 23,551 | 10.12% |
| 4a | Energy Purchased For Qualifying Facilities | 160 | 300 | (140) | -46.67% | 1,610 | 2,610 | (1,000) | -38.31% |
| 5 | Economy Purchases | | | | | | | | |
| 6 | Inadvertent Interchange Received - NET | | | | | | | | |
| 7 | Net Energy for Load | 48,053 | 48,613 | (560) | -1.15% | 257,778 | 235,227 | 22,551 | 9.59% |
| 8 | Sales (Billed) | 42,873 | 44,165 | (1,292) | -2.93% | 244,283 | 236,966 | 7,317 | 3.09% |
| 8a | Unbilled Sales Prior Month (Period) | | | | | | | | |
| 8b | Unbilled Sales Current Month (Period) | | | | | | | | |
| 9 | Company Use | 48 | 46 | 2 | 4.35% | 249 | 248 | 1 | 0.40% |
| 10 | T&D Losses Estimated @ 0.06 | 2,883 | 2,917 | (34) | -1.17% | 15,467 | 14,114 | 1,353 | 9.59% |
| 11 | Unaccounted for Energy (estimated) | 2,249 | 1,485 | 764 | 51.45% | (2,221) | (16,101) | 13,880 | -86.21% |
| 12 | | | | | | | | | |
| 13 | % Company Use to NEL | 0.10% | 0.09% | 0.01% | 11.11% | 0.10% | 0.11% | -0.01% | -9.09% |
| 14 | % T&D Losses to NEL | 6.00% | 6.00% | 0.00% | 0.00% | 6.00% | 6.00% | 0.00% | 0.00% |
| 15 | % Unaccounted for Energy to NEL | 4.68% | 3.05% | 1.63% | 53.44% | -0.86% | -6.84% | 5.98% | -87.43% |

(\$)

| | | | | | | | | | |
|-----|--|-----------|-----------|----------|---------|-----------|-----------|----------|---------|
| 16 | Fuel Cost of Sys Net Gen | | | | | | | | |
| 16a | Fuel Related Transactions | | | | | | | | |
| 16b | Adjustments to Fuel Cost | | | | | | | | |
| 17 | Fuel Cost of Power Sold | | | | | | | | |
| 18 | Fuel Cost of Purchased Power | 855,363 | 862,875 | (7,512) | -0.87% | 4,575,163 | 4,154,553 | 420,610 | 10.12% |
| 18a | Demand & Non Fuel Cost of Pur Power | 581,155 | 661,458 | (80,303) | -12.14% | 3,501,103 | 3,304,837 | 196,266 | 5.94% |
| 18b | Energy Payments To Qualifying Facilities | 2,992 | 5,610 | (2,618) | -46.67% | 30,107 | 48,807 | (18,700) | -38.31% |
| 19 | Energy Cost of Economy Purch. | | | | | | | | |
| 20 | Total Fuel & Net Power Transactions | 1,439,510 | 1,529,943 | (90,433) | -5.91% | 8,106,373 | 7,508,197 | 598,176 | 7.97% |

(Cents/KWH)

| | | | | | | | | | |
|-----|--|-------|-------|---------|---------|-------|-------|---------|--------|
| 21 | Fuel Cost of Sys Net Gen | | | | | | | | |
| 21a | Fuel Related Transactions | | | | | | | | |
| 22 | Fuel Cost of Power Sold | | | | | | | | |
| 23 | Fuel Cost of Purchased Power | 1.786 | 1.786 | 0.000 | 0.00% | 1.786 | 1.786 | 0.000 | 0.00% |
| 23a | Demand & Non Fuel Cost of Pur Power | 1.213 | 1.369 | (0.156) | -11.40% | 1.367 | 1.421 | (0.054) | -3.80% |
| 23b | Energy Payments To Qualifying Facilities | 1.870 | 1.870 | 0.000 | 0.00% | 1.870 | 1.870 | 0.000 | 0.00% |
| 24 | Energy Cost of Economy Purch. | | | | | | | | |
| 25 | Total Fuel & Net Power Transactions | 2.996 | 3.147 | (0.151) | -4.80% | 3.145 | 3.192 | (0.047) | -1.47% |

PURCHASED POWER

(Exclusive of Economy Energy Purchases)
 For the Period/Month of: JUNE 2006

| (1) PURCHASED FROM | (2) TYPE & SCHEDULE | (3) TOTAL KWH PURCHASED (000) | (4) KWH FOR OTHER UTILITIES (000) | (5) KWH FOR INTERRUPTIBLE (000) | (6) KWH FOR FIRM (000) | (7) CENTS/KWH | | (8) TOTAL \$ FOR FUEL ADJ. (6)X(7)(a) \$ |
|-----------------------|------------------------|----------------------------------|--------------------------------------|------------------------------------|---------------------------|------------------|-------------------|---|
| | | | | | | (a) FUEL COST | (b) TOTAL COST | |

ESTIMATED:

| | | | | | | | | |
|---------------------------------|----|--------|---|---|--------|----------|----------|---------|
| JACKSONVILLE ELECTRIC AUTHORITY | MS | 48,313 | | | 48,313 | 1.786010 | 3.155120 | 862,875 |
| TOTAL | | 48,313 | 0 | 0 | 48,313 | 1.786010 | 3.155120 | 862,875 |

ACTUAL:

| | | | | | | | | |
|---------------------------------|----|--------|---|---|--------|----------|----------|---------|
| JACKSONVILLE ELECTRIC AUTHORITY | MS | 47,893 | | | 47,893 | 1.785988 | 2.999432 | 855,363 |
| TOTAL | | 47,893 | 0 | 0 | 47,893 | 1.785988 | 2.999432 | 855,363 |

| | | | | | | | | |
|------------------------------|----|---------|------|------|---------|------------|-----------|-----------|
| CURRENT MONTH: DIFFERENCE | | (420) | 0 | 0 | (420) | -0.000022 | -0.155688 | (7,512) |
| DIFFERENCE (%) | | -0.9% | 0.0% | 0.0% | -0.9% | 0.0% | -4.9% | -0.9% |
| PERIOD TO DATE: ACTUAL | MS | 256,168 | | | 256,168 | 1.786001 | 3.152722 | 4,575,163 |
| ESTIMATED | MS | 232,617 | | | 232,617 | 1.786006 | 3.206726 | 4,154,553 |
| DIFFERENCE | | 23,551 | 0 | 0 | 23,551 | (0.000005) | -0.054004 | 420,610 |
| DIFFERENCE (%) | | 10.1% | 0.0% | 0.0% | 10.1% | 0.0% | -1.7% | 10.1% |

ENERGY PAYMENT TO QUALIFYING FACILITIES

For the Period/Month of: JUNE 2006

| (1) PURCHASED FROM | (2) TYPE & SCHEDULE | (3) TOTAL KWH PURCHASED (000) | (4) KWH FOR OTHER UTILITIES (000) | (5) KWH FOR INTERRUPTIBLE (000) | (6) KWH FOR FIRM (000) | (7) CENTS/KWH | | (8) TOTAL \$ FOR FUEL ADJ. (6)X(7)(a) \$ |
|-----------------------|------------------------|----------------------------------|--------------------------------------|------------------------------------|---------------------------|------------------|-------------------|---|
| | | | | | | (a) FUEL COST | (b) TOTAL COST | |

ESTIMATED:

| | | | | | | | | |
|-------------------------------|--|-----|---|---|-----|----------|----------|-------|
| JEFFERSON SMURFIT CORPORATION | | 300 | | | 300 | 1.870000 | 1.870000 | 5,610 |
| TOTAL | | 300 | 0 | 0 | 300 | 1.870000 | 1.870000 | 5,610 |

ACTUAL:

| | | | | | | | | |
|-------------------------------|--|-----|---|---|-----|----------|----------|-------|
| JEFFERSON SMURFIT CORPORATION | | 160 | | | 160 | 1.870000 | 1.870000 | 2,992 |
| TOTAL | | 160 | 0 | 0 | 160 | 1.870000 | 1.870000 | 2,992 |

| | | | | | | | | |
|------------------------------|----|---------|------|------|---------|----------|----------|----------|
| CURRENT MONTH: DIFFERENCE | | (140) | 0 | 0 | (140) | 0.000000 | 0.000000 | (2,618) |
| DIFFERENCE (%) | | -46.7% | 0.0% | 0.0% | -46.7% | 0.0% | 0.0% | -46.7% |
| PERIOD TO DATE: ACTUAL | MS | 1,610 | | | 1,610 | 1.870000 | 1.870000 | 30,107 |
| ESTIMATED | MS | 2,610 | | | 2,610 | 1.870000 | 1.870000 | 48,807 |
| DIFFERENCE | | (1,000) | 0 | 0 | (1,000) | 0 | 0 | (18,700) |
| DIFFERENCE (%) | | -38.3% | 0.0% | 0.0% | -38.3% | 0.0% | 0.0% | -38.3% |

ECONOMY ENERGY PURCHASES

INCLUDING LONG TERM PURCHASES
 For the Period/Month of: JUNE 2006

| (1) PURCHASED FROM | (2) TYPE & SCHEDULE | (3) TOTAL KWH PURCHASED (000) | (4) TRANS. COST CENTS/KWH | (5) TOTAL \$ FOR FUEL ADJ. (3) X (4) \$ | (6) COST IF GENERATED | | (7) FUEL SAVINGS (6)(b)-(5) \$ |
|-----------------------|------------------------|----------------------------------|------------------------------|--|--------------------------|----------------------|---|
| | | | | | (a) CENTS/KWH | (b) TOTAL COST \$ | |

ESTIMATED:

| | | | | | | | |
|-------|--|--|--|--|--|--|--|
| TOTAL | | | | | | | |
|-------|--|--|--|--|--|--|--|

ACTUAL:

| | | | | | | | |
|-------|--|--|--|--|--|--|--|
| TOTAL | | | | | | | |
|-------|--|--|--|--|--|--|--|

FOOTNOTE: PURCHASED POWER COSTS INCLUDE CUSTOMER, DEMAND & ENERGY CHARGES TOTALING

\$581,155

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| CURRENT MONTH: DIFFERENCE DIFFERENCE (%) | | | | | | | |
| PERIOD TO DATE: ACTUAL ESTIMATED DIFFERENCE DIFFERENCE (%) | | | | | | | |