

State of Florida



## Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

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**DATE:** July 2, 2007  
**TO:** Shevie B. Brown, Regulatory Analyst III, Division of Economic Regulation  
**FROM:** Denise N. Vandiver, Chief of Auditing, Division of Regulatory Compliance & Consumer Assistance  
**RE:** **Docket No: 070004-GU; Company Name: Florida Public Utilities Company;**  
**Audit Purpose: Audit 2006 Gas Conservation Filings;**  
**Audit Control No: 07-074-4-2**

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Attached is the final audit report for the utility stated above. I am sending the utility a copy of this memo and the audit report. If the utility desires to file a response to the audit report, it should send the response to the Division of Commission Clerk. There are no confidential work papers associated with this audit.

DNV:bj  
Attachments

Copy: Division of Regulatory Compliance and Consumer Assistance (Hoppe, District Offices, File Folder)  
Division of Commission Clerk (2)  
Division of Competitive Markets and Enforcement (Harvey)  
General Counsel  
Office of Public Counsel

Mr. John T. English  
Florida Public Utilities Co.  
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West Palm Bch, FL 33402

Norman H. Horton, Jr.  
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Tallahassee, FL 32317

DOCUMENT NUMBER-DATE

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**FLORIDA PUBLIC SERVICE COMMISSION**


*DIVISION OF REGULATORY COMPLIANCE AND  
CONSUMER ASSISTANCE  
BUREAU OF AUDITING*

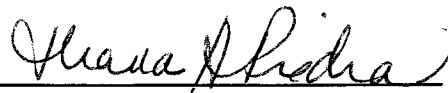
*Miami District Office*

**Florida Public Utilities Company  
Gas Energy Conservation Clause Audit**

**Twelve Months Ended December 31, 2006**

**DOCKET #070004-GU  
AUDIT CONTROL NO. 07-074-4-2**

  
\_\_\_\_\_  
*Kathy L. Welch*  
**Audit Manager**

  
\_\_\_\_\_  
*Iliana Piedra*  
**Regulatory Analyst**

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**DIVISION OF REGULATORY COMPLIANCE AND CONSUMER ASSISTANCE  
AUDITOR'S REPORT**

**JUNE 21, 2007**

**TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED  
PARTIES**

We have performed the procedures enumerated later in this report to meet the agreed upon objectives set forth by the Division of Economic Regulation in its audit service request. We have applied these procedures to the attached schedules prepared by Florida Public Utilities Company in support of its gas energy conservation clause filing for 2006.

This audit is performed following general standards and field work standards found in the AICPA Statements on Standards for Attestation Engagements. This report is based on agreed upon procedures which are only for internal Commission use.

## I. OBJECTIVES AND PROCEDURES:

**A. Objective:** To determine if there were changes in the conservation programs. Also, to determine if the expenses for the year were materially different than in prior years and to determine if the actual expenses for the year were within the budget.

1. We compared the programs in the filing to the programs in effect in the prior year.
2. Each type of expense was compared to the prior year and to the budget.
3. The utility was asked to explain all material differences.

**B. Objective:** To determine that the company applied the Commission approved cost recovery factor to actual therm sales.

1. We obtained the company therm sales reports for the year and applied the Commission approved factors to the therm sales.
2. We compared the totals to the reported sales on the company filing.
3. We also recalculated the bills of a random sample of individual customers. We determined that conservation revenues are not included in the firm transport rates billed.

**C. Objective:** To determine that the actual program expenses are representative of company activity and are properly computed and recorded on the company books. Also, to determine if the advertisements paid for by the utility comply with Rule 25-17.015(5), Florida Administrative Code. To determine if tankless water heater rebates complied with Commission Order PSC-06-0749-PAA-GU.

1. We tied the expenses in the filing to the general ledger. We determined that the entries made to post the corrections for the last audit were not booked correctly and understated the 2006 filing expenses. See audit finding number 2.
2. We reviewed a judgmental sample of all expenses to the source documentation to make sure the item was a conservation expense and charged to the correct account. We determined that one invoice was not allocated according to the utility strategy brief. See audit finding number 1.
3. We reviewed advertisements for compliance with Rule 25-17.015(5), F.A.C.
4. We reviewed the tankless water heater and other rebates included in the sample in conjunction with Commission Order PSC-06-0749-PAA-GU which established new incentive amounts.

5. We compiled payroll from the general ledger and reconciled it to the detail support and the filing. We reviewed the company list of conservation employees to make sure the employees who charged time to gas conservation were on the list as gas conservation employees and that the percent of time charged matched the list percents.
6. We compared the payroll overheads to support for the percent of taxes, insurance and vacation. We determined that the utility had an error in its computer program to calculate overhead on the payroll. The entries made only recorded vacation and non-direct labor and not taxes and insurance. See audit finding number 4.
7. We compared incentives paid to individuals and builders to the incentives approved in the company's conservation program. We found that the problem found in the last audit, for Transeastern Homes overpayment of incentives, continued in 2006. See audit finding number 3.

**D. Objective:** To determine if the true-up calculation and interest provision as filed was properly calculated.

1. We agreed the beginning true-up to the PSC order.
2. We recalculated the true-up for the year using the Wall Street Journal interest rates. We determined that the true-up in the filing did not agree with the true-up in the ledger due to errors in posting in 2003 and 2006. These differences did not affect the filing amounts but need to be corrected. The utility was provided with entries to correct the balance.

## II. AUDIT FINDINGS

### AUDIT FINDING NO. 1

#### SUBJECT: Volusia County Fair

**AUDIT ANALYSIS:** The utility charged \$11,500 to account 123.4010.908, Conservation Customer Assistance expense, in September 2006 to sponsor the Volusia County Fair and Youth Show. The utility had a booth to promote the conservation programs. They intended to use the registration for free gifts as leads for conservation programs. The strategy brief prepared by the marketing staff showed that 15% of the cost should have been allocated to non-conservation marketing expense (Account 123.4010.9132) and 7.5% allocated to propane advertising (Account 991.4010.913). However, these allocations were not made. Therefore, based on the strategy brief, 22.5% of the \$11,500 or \$2,587.50 should be removed from conservation expenses. The schedule on the following page calculates the interest of \$39.

**EFFECT ON THE GENERAL LEDGER:** The following entry should be made to correct the ledger:

ACCOUNT		DEBIT	CREDIT
121.4010.913	ADVERTISING	1,725.00	
993.4010.913	PROPANE ADVERTISING	862.50	
121.1860.61	DEFERRED CREDIT OVERRECOVERY		2,587.50
	INTEREST EXPENSE	39.00	
121.2530.61	DEFERRED CREDIT OVERRECOVERY		39.00

**EFFECT ON THE FILING:** Conservation expenses should be reduced by \$2,587.50 and interest expense increased by \$39. The net effect on the true-up is an increase in the over-recovery of \$2,626.50.

INTEREST RATES	01/06	02/06	03/06	04/06	05/06	06/06	07/06	08/06	09/06	10/06	11/06	12/06
Beginning	4.300%	4.510%	4.530%	4.780%	4.960%	5.010%	5.290%	5.360%	5.270%	5.260%	5.270%	5.250%
Ending	<u>4.510%</u>	<u>4.530%</u>	<u>4.780%</u>	<u>4.960%</u>	<u>5.010%</u>	<u>5.290%</u>	<u>5.360%</u>	<u>5.270%</u>	<u>5.260%</u>	<u>5.270%</u>	<u>5.250%</u>	<u>5.270%</u>
Total	8.810%	9.040%	9.310%	9.740%	9.970%	10.300%	10.650%	10.630%	10.530%	10.530%	10.520%	10.520%
Average	4.405%	4.520%	4.655%	4.870%	4.985%	5.150%	5.325%	5.315%	5.265%	5.265%	5.260%	5.260%
Monthly Average	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%

CALCULATION OF TRUE-UP	01/06	02/06	03/06	04/06	05/06	06/06	07/06	08/06	09/06	10/06	11/06	12/06	TOTAL
Total Conservation Revenues	293,587	285,533	256,529	224,919	182,624	159,988	150,436	142,312	147,035	152,126	187,616	232,205	2,414,910
(1/12) of Prior True-Up	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-36,383
Revenue current period	290,555	282,501	253,497	221,887	179,592	156,956	147,404	139,280	144,003	149,094	184,584	229,173	2,378,527
Cost per filing	156,456	194,460	189,341	143,433	108,222	263,233	139,811	131,658	249,095	189,615	132,489	134,891	2,032,704
Adjustment 1 Volusia Fair									-2,588				-2,588
Conservation Cost	156,456	194,460	189,341	143,433	108,222	263,233	139,811	131,658	246,507	189,615	132,489	134,891	2,030,116
True-up this period	134,099	88,041	64,156	78,454	71,370	-106,277	7,593	7,622	-102,504	-40,521	52,095	94,282	348,411
Interest provision	118	551	877	1,223	1,581	1,578	1,433	1,484	1,281	986	1,029	1,367	13,508
Adj. to interest prov.(a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred true-up beginning (9a)	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up & interest beginning (9)	-36,383	100,866	192,491	260,556	343,264	419,247	317,580	329,637	341,775	243,584	207,082	263,237	-36,383
Regulatory asses. fee adj (9b)	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior true-up collected ref. (10)	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	36,383
Total net true-up-over over(under)	100,866	192,491	260,556	343,264	419,247	317,580	329,637	341,775	243,584	207,082	263,237	361,919	361,919
True-up for the month per Filing	100,866	192,490	260,555	343,264	419,247	317,580	329,638	341,776	240,992	204,478	260,622	359,292	359,292
Difference	0	1	1	0	0	0	-1	-1	2,592	2,604	2,615	2,627	2,627
CALCULATION OF INTEREST	01/06	02/06	03/06	04/06	05/06	06/06	07/06	08/06	09/06	10/06	11/06	12/06	TOTAL
Beginning true up and interest	-36,383	100,866	192,491	260,556	343,264	419,247	317,580	329,637	341,775	243,584	207,082	263,237	
Ending true-up before int	100,748	191,939	259,679	342,042	417,666	316,002	328,205	340,291	242,303	206,095	262,209	360,551	
Total	64,365	292,805	452,169	602,597	760,931	735,249	645,784	669,929	584,078	449,680	469,291	623,789	
Average true up	32,183	146,403	226,085	301,299	380,465	367,624	322,892	334,964	292,039	224,840	234,645	311,894	
Interest rate per above	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%	
Interest per staff	118	551	877	1,223	1,581	1,578	1,433	1,484	1,281	986	1,029	1,367	13,508
Interest per filing	118	551	877	1,223	1,581	1,578	1,433	1,484	1,276	975	\$1,017	\$1,356	13,469
Difference	0	0	0	0	0	0	0	0	5	11	12	11	39



## AUDIT FINDING NO. 2

### SUBJECT: Error in Posting the 2005 Audit Adjustments

**AUDIT ANALYSIS:** The last audit included a total of \$28,238 of adjustments to expenses. The \$28,238 was made up of an adjustment for Transeastern Homes incentives of \$24,784.77, an adjustment to interest of \$453.23, and adjustments to advertising of \$2,997. Since these corrections affected the beginning true-up and not current expenses, the utility should have adjusted the deferred true-up account in 2006.

The utility adjusted the beginning true-up balance in the filing for these audit adjustments. The ending true-up in the last filing was a \$64,618 under-recovery. This was reduced by the \$28,235 for an adjusted beginning true-up in January 2006. The adjusted true-up was an under-recovery of \$36,383. This is the balance that the utility used as a beginning balance in the filing.

However, the utility did not book the \$2,997 of adjustments that were made to advertising expense at all. The utility did post a net credit of \$24,784.77 but they posted the adjustment to expense account 121.4010.908, West Palm Conservation Customer Assistance Expense instead of the deferred account. They also credited the same account by \$453.23 in October of 2006 for the interest related to the adjustment. This adjustment reduced expenses in the current period instead of correcting the deferred true-up for the beginning balance. The ledger amount net of the credit was recorded in the filing as expenses.

Since the utility already adjusted the beginning true-up in the filing for the adjustments, to reduce expenses for the adjustments duplicates the effect of the adjustment. The entry in the ledger should have been to the deferred true-up account. Therefore, expenses are understated by the adjustments that were posted to expense of \$25,238 and the interest of \$59 associated with this error. The following page shows the interest calculation.

**EFFECT ON THE GENERAL LEDGER:** Since the utility did not post the adjustment to the beginning balance of the true-up in the ledger, the entries offset by the end of the year and the following entry should be made:

ACCOUNT	DEBIT	CREDIT
121.4010.913 ADVERTISING	2,997.00	
121.2530.61 DEFERRED CREDIT OVERRECOVERY		2,997.00
121.2530.61 DEFERRED CREDIT OVERRECOVERY	59.00	
INTEREST EXPENSE		59.00

**EFFECT ON THE FILING:** Conservation expenses should be increased by \$25,238 and interest expense decreased by \$59. The over-recovery should be reduced by \$25,297.

<b>INTEREST RATES</b>	<b>01/06</b>	<b>02/06</b>	<b>03/06</b>	<b>04/06</b>	<b>05/06</b>	<b>06/06</b>	<b>07/06</b>	<b>08/06</b>	<b>09/06</b>	<b>10/06</b>	<b>11/06</b>	<b>12/06</b>
Beginning	4.300%	4.510%	4.530%	4.780%	4.960%	5.010%	5.290%	5.360%	5.270%	5.260%	5.270%	5.250%
Ending	<u>4.510%</u>	<u>4.530%</u>	<u>4.780%</u>	<u>4.960%</u>	<u>5.010%</u>	<u>5.290%</u>	<u>5.360%</u>	<u>5.270%</u>	<u>5.260%</u>	<u>5.270%</u>	<u>5.250%</u>	<u>5.270%</u>
Total	8.810%	9.040%	9.310%	9.740%	9.970%	10.300%	10.650%	10.630%	10.530%	10.530%	10.520%	10.520%
Average	4.405%	4.520%	4.655%	4.870%	4.985%	5.150%	5.325%	5.315%	5.265%	5.265%	5.260%	5.260%
Monthly Average	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%

<b>CALCULATION OF TRUE-UP</b>	<b>01/06</b>	<b>02/06</b>	<b>03/06</b>	<b>04/06</b>	<b>05/06</b>	<b>06/06</b>	<b>07/06</b>	<b>08/06</b>	<b>09/06</b>	<b>10/06</b>	<b>11/06</b>	<b>12/06</b>	<b>TOTAL</b>
Total Conservation Revenues (line 3)	293,587	285,533	256,529	224,919	182,624	159,988	150,436	142,312	147,035	152,126	187,616	232,205	2,414,910
(1/12) of Prior True-Up (4)	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-36,383
Total conservation revenue current period	290,555	282,501	253,497	221,887	179,592	156,956	147,404	139,280	144,003	149,094	184,584	229,173	2,378,527
Cost per filing	156,456	194,460	189,341	143,433	108,222	263,233	139,811	131,658	249,095	189,615	132,489	134,891	2,032,704
Adjustment 2 Prior Audit Correction											453	24,785	25,238
Conservation Cost	156,456	194,460	189,341	143,433	108,222	263,233	139,811	131,658	249,095	189,615	132,942	159,676	2,057,942
True-up this period	134,099	88,041	64,156	78,454	71,370	-106,277	7,593	7,622	-105,092	-40,521	51,642	69,497	320,585
Interest provision (line 8)	118	551	877	1,223	1,581	1,578	1,433	1,484	1,276	975	1,016	1,299	13,410
Adj. to interest prov.(a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred true-up beginning (9a)	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up & interest beginning (9)	-36,383	100,866	192,491	260,556	343,264	419,247	317,580	329,637	341,775	240,991	204,477	260,167	-36,383
Regulatory asses. fee adj (9b)	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior true-up collected ref. (10)	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	36,383
Total net true-up-over over(under)	100,866	192,491	260,556	343,264	419,247	317,580	329,637	341,775	240,991	204,477	260,167	333,995	333,995
True-up for the month per Filing	100,866	192,490	260,555	343,264	419,247	317,580	329,638	341,776	240,992	204,478	260,622	359,292	359,292
Difference	0	1	1	0	0	0	-1	-1	-1	-1	-455	-25,297	-25,297
<b>CALCULATION OF INTEREST</b>	<b>01/06</b>	<b>02/06</b>	<b>03/06</b>	<b>04/06</b>	<b>05/06</b>	<b>06/06</b>	<b>07/06</b>	<b>08/06</b>	<b>09/06</b>	<b>10/06</b>	<b>11/06</b>	<b>12/06</b>	<b>TOTAL</b>
Beginning true up and interest	-36,383	100,866	192,491	260,556	343,264	419,247	317,580	329,637	341,775	240,991	204,477	260,167	
Ending true-up before int	100,748	191,939	259,679	342,042	417,666	316,002	328,205	340,291	239,715	203,502	259,151	332,696	
Total	64,365	292,805	452,169	602,597	760,931	735,249	645,784	669,929	581,490	444,492	463,627	592,863	
Average true up	32,183	146,403	226,085	301,299	380,465	367,624	322,892	334,964	290,745	222,246	231,814	296,431	
Interest rate per above	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%	
Interest per staff	118	551	877	1,223	1,581	1,578	1,433	1,484	1,276	975	1,016	1,299	13,410
Interest per filing	118	551	877	1,223	1,581	1,578	1,433	1,484	1,276	975	\$1,017	\$1,356	13,469
Difference	0	0	0	0	0	0	0	0	0	0	-1	-57	-59

**AUDIT FINDING NO. 3**

**SUBJECT: Transeastern Homes**

**AUDIT ANALYSIS:** The utility had a contract with Transeastern Homes that required payment of a portion of the allowed incentive amount to Transeastern and payment of \$192.27 to a piping company. The incentive paid to Transeastern for each customer plus the payment to the piping company, was over the allowed incentive amount by \$92.27 for each home. Most of the overstatement was adjusted in the 2005 audit. There were sixteen homes remaining that Transeastern was paid for in April 2006. The overstatement totaled \$1,476.32 and should be removed from April expenses. Interest expense should be increased by \$54. The following page shows the calculation of the interest.

**EFFECT ON THE GENERAL LEDGER:** The following entry should be made to the general ledger:

<b>ACCOUNT</b>		<b>DEBIT</b>	<b>CREDIT</b>
121.1860.31	DEFERRED PIPING	1,476.32	
121.1860.61	DEFERRED CREDIT OVERRECOVERY		1,476.32
	INTEREST EXPENSE	54.00	
121.2530.61	DEFERRED CREDIT OVERRECOVERY		54.00

**EFFECT ON THE FILING:** Conservation expenses should be reduced by \$1,476.32 and interest expense increased by \$54. The net effect on the true-up is an increase in the over-recovery of \$1,530.32.

<b>INTEREST RATES</b>	<b>01/06</b>	<b>02/06</b>	<b>03/06</b>	<b>04/06</b>	<b>05/06</b>	<b>06/06</b>	<b>07/06</b>	<b>08/06</b>	<b>09/06</b>	<b>10/06</b>	<b>11/06</b>	<b>12/06</b>
Beginning	4.300%	4.510%	4.530%	4.780%	4.960%	5.010%	5.290%	5.360%	5.270%	5.260%	5.270%	5.250%
Ending	<u>4.510%</u>	<u>4.530%</u>	<u>4.780%</u>	<u>4.960%</u>	<u>5.010%</u>	<u>5.290%</u>	<u>5.360%</u>	<u>5.270%</u>	<u>5.260%</u>	<u>5.270%</u>	<u>5.250%</u>	<u>5.270%</u>
Total	8.810%	9.040%	9.310%	9.740%	9.970%	10.300%	10.650%	10.630%	10.530%	10.530%	10.520%	10.520%
Average	4.405%	4.520%	4.655%	4.870%	4.985%	5.150%	5.325%	5.315%	5.265%	5.265%	5.260%	5.260%
Monthly Average	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%

<b>CALCULATION OF TRUE-UP</b>	<b>01/06</b>	<b>02/06</b>	<b>03/06</b>	<b>04/06</b>	<b>05/06</b>	<b>06/06</b>	<b>07/06</b>	<b>08/06</b>	<b>09/06</b>	<b>10/06</b>	<b>11/06</b>	<b>12/06</b>	<b>TOTAL</b>
Total Conservation Revenues (line 3)	293,587	285,533	256,529	224,919	182,624	159,988	150,436	142,312	147,035	152,126	187,616	232,205	2,414,910
(1/12) of Prior True-Up (4)	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-36,383
Total conservation revenue current period	290,555	282,501	253,497	221,887	179,592	156,956	147,404	139,280	144,003	149,094	184,584	229,173	2,378,527
Cost per filing	156,456	194,460	189,341	143,433	108,222	263,233	139,811	131,658	249,095	189,615	132,489	134,891	2,032,704
Adjustment 3 Transeastern Homes				-1,476									-1,476
Conservation Cost	156,456	194,460	189,341	141,957	108,222	263,233	139,811	131,658	249,095	189,615	132,489	134,891	2,031,228
True-up this period	134,099	88,041	64,156	79,930	71,370	-106,277	7,593	7,622	-105,092	-40,521	52,095	94,282	347,299
Interest provision (line 8)	118	551	877	1,226	1,587	1,584	1,439	1,490	1,282	982	1,024	1,362	13,523
Adj. to interest prov.(a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred true-up beginning (9a)	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up & interest beginning (9)	-36,383	100,866	192,491	260,556	344,744	420,732	319,071	331,136	343,280	242,502	205,995	262,146	-36,383
Regulatory asses. fee adj (9b)	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior true-up collected ref. (10)	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	36,383
Total net true-up-over over(under)	<u>100,866</u>	<u>192,491</u>	<u>260,556</u>	<u>344,744</u>	<u>420,732</u>	<u>319,071</u>	<u>331,136</u>	<u>343,280</u>	<u>242,502</u>	<u>205,995</u>	<u>262,146</u>	<u>360,822</u>	<u>360,822</u>
True-up for the month per Filing	<u>100,866</u>	<u>192,490</u>	<u>260,555</u>	<u>343,264</u>	<u>419,247</u>	<u>317,580</u>	<u>329,638</u>	<u>341,776</u>	<u>240,992</u>	<u>204,478</u>	<u>260,622</u>	<u>359,292</u>	<u>359,292</u>
<b>Difference</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1,480</b>	<b>1,485</b>	<b>1,491</b>	<b>1,498</b>	<b>1,504</b>	<b>1,510</b>	<b>1,517</b>	<b>1,524</b>	<b>1,530</b>	<b>1,530</b>
<b>CALCULATION OF INTEREST</b>	<b>01/06</b>	<b>02/06</b>	<b>03/06</b>	<b>04/06</b>	<b>05/06</b>	<b>06/06</b>	<b>07/06</b>	<b>08/06</b>	<b>09/06</b>	<b>10/06</b>	<b>11/06</b>	<b>12/06</b>	<b>TOTAL</b>
Beginning true up and interest	-36,383	100,866	192,491	260,556	344,744	420,732	319,071	331,136	343,280	242,502	205,995	262,146	
Ending true-up before int	100,748	191,939	259,679	343,518	419,146	317,487	329,696	341,790	241,220	205,013	261,122	359,460	
Total	64,365	292,805	452,169	604,074	763,889	738,220	648,768	672,926	584,500	447,516	467,117	621,606	
Average true up	32,183	146,403	226,085	302,037	381,945	369,110	324,384	336,463	292,250	223,758	233,559	310,803	
Interest rate per above	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%	
Interest per staff	118	551	877	1,226	1,587	1,584	1,439	1,490	1,282	982	1,024	1,362	13,523
Interest per filing	118	551	877	1,223	1,581	1,578	1,433	1,484	1,276	975	\$1,017	\$1,356	13,469
<b>Difference</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>54</b>

**AUDIT FINDING NO. 4**

**SUBJECT: Payroll Overhead**

**AUDIT ANALYSIS:** We reviewed and traced payroll overhead rates to a detailed company schedule, by employee, of payroll overhead added to base pay. We determined that the only charge allocated to the gas salaries was unproductive time. Electric conservation payroll included FUTA, SUTA, and FICA taxes, an allocation of pension, group insurance and workmen's compensation insurance. Gas payroll did not include these items because of a computer programming error. Therefore, \$67,968 was not allocated to gas conservation expenses. Interest expense should be decreased by \$1,875. The following page shows the utility calculation of the amount of the error and the next page shows the calculation of the interest expense.

**EFFECT ON THE GENERAL LEDGER:** The following entry should be made to the general ledger:

ACCOUNT		DEBIT	CREDIT
121.2530.61	DEFERRED CREDIT OVERRECOVERY	67,968.00	
	TAXES AND BENEFITS NON-CONSERVATION		67,968.00
121.2530.61	DEFERRED CREDIT OVERRECOVERY	1,875.00	
	INTEREST EXPENSE		1,875.00

**EFFECT ON THE FILING:** Conservation expenses should be increased by \$67,968 and interest expense decreased by \$1,875. The over-recovery should be reduced by \$69,843.

		SALARY	FUTA	SUTA	FICA	PENSION PLAN GROUP	INS COMP - SOUTH FL	WORKMEN'S WORKMEN'S CENTRAL FL	WORKMEN'S WORKMEN'S CENTRAL FL	TOTAL OVERHEAD	TOTAL %
			0.8%	1.29%	7.65%	11.14%	9.70%	3.46%	3.35%		
<b>JANUARY</b>	SOUTH FLORIDA	10,034.45						347.19			
	CENTRAL FLORIDA	5,899.61								197.64	
	<b>TOTAL</b>	<b>15,934.06</b>	127.47	205.55	1,218.96	1,775.05	1,545.60	347.19		197.64	34.00%
<b>FEBRUARY</b>	SOUTH FLORIDA	10,987.02						380.15			
	CENTRAL FLORIDA	6,211.77								208.09	
	<b>TOTAL</b>	<b>17,198.79</b>	137.59	221.86	1,315.71	1,725.04	1,979.58	380.15		208.09	34.70%
<b>MARCH</b>	SOUTH FLORIDA	11,401.55						394.49			
	CENTRAL FLORIDA	5,602.71								187.69	
	<b>TOTAL</b>	<b>17,004.26</b>	136.03	219.35	1,300.83	1,290.62	1,265.12	394.49		187.69	28.19%
<b>APRIL</b>	SOUTH FLORIDA	18,444.29						638.17			
	CENTRAL FLORIDA	9,998.46								334.95	
	<b>TOTAL</b>	<b>28,442.75</b>	227.54	366.91	2,175.87	2,983.64	2,764.64	638.17		334.95	33.37%
<b>MAY</b>	SOUTH FLORIDA	11,602.24						401.44			
	CENTRAL FLORIDA	8,789.87								294.46	
	<b>TOTAL</b>	<b>20,392.11</b>	163.14	263.06	1,560.00	2,126.90	2,086.11	401.44		294.46	33.81%
<b>JUNE</b>	SOUTH FLORIDA	6,951.62						240.53			
	CENTRAL FLORIDA	7,287.61								244.13	
	<b>TOTAL</b>	<b>14,239.23</b>	113.91	183.69	1,089.30	1,102.12	1,090.73	240.53		244.13	28.54%
<b>JULY</b>	SOUTH FLORIDA	13,684.68						473.49			
	CENTRAL FLORIDA	11,430.18								382.91	
	<b>TOTAL</b>	<b>25,114.86</b>	-	-	1,921.29	2,599.39	2,529.07	473.49		382.91	31.48%
<b>AUGUST</b>	SOUTH FLORIDA	9,447.04						326.87			
	CENTRAL FLORIDA	7,775.06								260.46	
	<b>TOTAL</b>	<b>17,222.10</b>	-	-	1,317.49	609.66	1,494.88	326.87		260.46	23.28%
<b>SEPTEMBER</b>	SOUTH FLORIDA	8,625.87						298.46			
	CENTRAL FLORIDA	7,257.61								243.13	
	<b>TOTAL</b>	<b>15,883.48</b>	-	-	1,215.09	573.39	1,678.88	298.46		243.13	25.24%
<b>OCTOBER</b>	SOUTH FLORIDA	11,168.52						386.43			
	CENTRAL FLORIDA	8,522.56								285.51	
	<b>TOTAL</b>	<b>19,691.08</b>	-	-	1,506.37	11.81	2,223.12	386.43		285.51	22.41%
<b>NOVEMBER</b>	SOUTH FLORIDA	10,680.26						369.54			
	CENTRAL FLORIDA	8,466.43								283.63	
	<b>TOTAL</b>	<b>19,146.69</b>	-	-	1,464.72	1,560.46	1,937.65	289.44		276.01	28.87%
<b>DECEMBER</b>	SOUTH FLORIDA	13,575.72						469.72			
	CENTRAL FLORIDA	10,748.17								360.06	
	<b>TOTAL</b>	<b>24,323.89</b>	-	-	1,860.78	1,123.76	1,768.35	367.90		350.39	22.49%
	<b>TOTAL S. FLORIDA</b>	<b>136,603.26</b>									
	<b>TOTAL C. FLORIDA</b>	<b>97,990.04</b>									
	<b>GRAND TOTAL</b>	<b>234,593.30</b>	905.69	1,460.42	17,946.39	17,481.85	22,363.72	4,544.55		3,265.37	28.97%

INTEREST RATES	01/06	02/06	03/06	04/06	05/06	06/06	07/06	08/06	09/06	10/06	11/06	12/06
Beginning	4.300%	4.510%	4.530%	4.780%	4.960%	5.010%	5.290%	5.360%	5.270%	5.260%	5.270%	5.250%
Ending	<u>4.510%</u>	<u>4.530%</u>	<u>4.780%</u>	<u>4.960%</u>	<u>5.010%</u>	<u>5.290%</u>	<u>5.360%</u>	<u>5.270%</u>	<u>5.260%</u>	<u>5.270%</u>	<u>5.250%</u>	<u>5.270%</u>
Total	8.810%	9.040%	9.310%	9.740%	9.970%	10.300%	10.650%	10.630%	10.530%	10.530%	10.520%	10.520%
Average	4.405%	4.520%	4.655%	4.870%	4.985%	5.150%	5.325%	5.315%	5.265%	5.265%	5.260%	5.260%
Monthly Average	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%

CALCULATION OF TRUE-UP	01/06	02/06	03/06	04/06	05/06	06/06	07/06	08/06	09/06	10/06	11/06	12/06	TOTAL
Total Conservation Revenues (line 3)	293,587	285,533	256,529	224,919	182,624	159,988	150,436	142,312	147,035	152,126	187,616	232,205	2,414,910
(1/12) of Prior True-Up (4)	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-36,383
Total conservation revenue current period	290,555	282,501	253,497	221,887	179,592	156,956	147,404	139,280	144,003	149,094	184,584	229,173	2,378,527
Cost per filing	156,456	194,460	189,341	143,433	108,222	263,233	139,811	131,658	249,095	189,615	132,489	134,891	2,032,704
Adj. 5 Payroll Overhead	5,417	5,968	4,794	9,492	6,895	4,064	7,906	4,009	4,009	4,413	5,528	5,471	67,968
Conservation Cost	161,873	200,428	194,135	152,925	115,117	267,297	147,717	135,667	253,104	194,028	138,017	140,362	2,100,672
True-up this period	128,682	82,073	59,362	68,962	64,475	-110,341	-313	3,613	-109,101	-44,934	46,567	88,811	277,855
Interest provision (line 8)	108	520	823	1,137	1,459	1,428	1,251	1,275	1,050	730	750	1,063	11,594
Adj. to interest prov.(a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred true-up beginning (9a)	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up & interest beginning (9)	-36,383	95,439	181,063	244,281	317,412	386,378	280,497	284,466	292,386	187,367	146,195	196,543	-36,383
Regulatory asses. fee adj (9b)	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior true-up collected ref. (10)	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	36,383
Total net true-up-over over(under)	95,439	181,063	244,281	317,412	386,378	280,497	284,466	292,386	187,367	146,195	196,543	289,449	289,449
True-up for the month per Filin g	100,866	192,490	260,555	343,264	419,247	317,580	329,638	341,776	240,992	204,478	260,622	359,292	359,292
Difference	-5,427	-11,427	-16,274	-25,852	-32,869	-37,083	-45,172	-49,390	-53,625	-58,283	-64,079	-69,843	-69,843
CALCULATION OF INTEREST	01/06	02/06	03/06	04/06	05/06	06/06	07/06	08/06	09/06	10/06	11/06	12/06	TOTAL
Beginning true up and interest	-36,383	95,439	181,063	244,281	317,412	386,378	280,497	284,466	292,386	187,367	146,195	196,543	
Ending true-up before int	95,331	180,544	243,457	316,275	384,919	279,069	283,216	291,111	186,317	145,465	195,793	288,386	
Total	58,948	275,982	424,521	560,556	702,332	665,447	563,712	575,577	478,702	332,831	341,988	484,929	
Average true up	29,474	137,991	212,260	280,278	351,166	332,723	281,856	287,789	239,351	166,416	170,994	242,464	
Interest rate per above	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%	
Interest per staff	108	520	823	1,137	1,459	1,428	1,251	1,275	1,050	730	750	1,063	11,594
Interest per filing	118	551	877	1,223	1,581	1,578	1,433	1,484	1,276	975	\$1,017	\$1,356	13,469
Difference	-10	-31	-54	-86	-122	-150	-182	-209	-226	-245	-267	-293	-1,875

**III. EXHIBITS**

**A. COMPANY FILING**

**B. STAFF FILING WITH AUDIT ADJUSTMENTS**



COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC

SCHEDULE CT-3  
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ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION  
SUMMARY OF EXPENSES BY PROGRAM BY MONTH

FOR MONTHS		January-06	THROUGH	December-06										
A. CONSERVATION EXPENSE BY PROGRAM		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.														0
2.														0
3.														0
4.														0
5.														0
6.														0
7.														0
8.														0
9.														0
10.	Common	11,100	10,535	14,418	9,700	12,897	10,183	7,556	10,766	10,994	11,746	10,991	21,298	142,184
11.	Residential Geothermal Heat Pump	0	3,310	(3,112)	127	0	0	0	0	0	0	0	0	325
12.	GoodCents Home/Energy Star Program	5,648	9,185	7,518	2,279	6,416	2,886	10,393	5,315	12,477	1,824	9,498	7,560	80,799
13.	GoodCents Energy Survey Program	7,694	3,587	9,970	5,618	12,426	14,526	5,747	7,828	5,107	9,271	10,646	6,296	98,716
14.	GoodCents Loan Program	(10)	(20)	(20)	(20)	(10)	(20)	(20)	4,010	(1,624)	(10)	(10)	(20)	2,226
15.	GoodCents Commercial Building Program	3,540	302	3,800	233	1,027	266	654	704	1,822	1,388	1,900	2,377	18,013
16.	GoodCents Commercial Tech. Assist. Program	1,839	4,881	1,855	1,756	9,148	13,499	(2,997)	4,735	2,106	4,900	6,636	2,207	50,565
17.	Low Income	0	0	0	0	0	0	0	0	0	0	0	0	0
18.	Affordable Housing Builders & Providers Program	0	0	0	0	0	0	0	0	0	0	0	0	0
19.	Residential Heat and Cool Eff. Upgrade Program	5,031	(1,667)	5,861	(697)	2,146	1,391	5,170	2,927	5,321	1,907	2,529	2,075	31,994
20.	Residential Ceiling Insulation Upgrade Program	4,767	(2,551)	5,327	(943)	1,572	858	3,926	1,685	5,384	1,077	(471)	922	21,553
21.	Comm. Indoor Eff. Light. Rebate Program	4,685	(2,317)	4,522	(994)	1,486	(5,965)	3,579	886	5,418	219	(1,733)	0	9,786
22.	Educ./Conserv. Demo. And Devel. Program	0	0	0	0	0	0	0	0	0	0	0	0	0
21.	TOTAL ALL PROGRAMS	44,294	25,245	50,139	17,059	47,108	37,424	34,008	38,856	47,005	32,322	39,986	42,715	456,161
22.	LESS AMOUNT INCLUDED IN RATE BASE													
23.	RECOVERABLE CONSERVATION EXPENSES	44,294	25,245	50,139	17,059	47,108	37,424	34,008	38,856	47,005	32,322	39,986	42,715	456,161

EXHIBIT NO. \_\_\_\_\_  
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COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC

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CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-06 THROUGH December-06

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ. REVENUES	(31,750)	(32,411)	(29,635)	(27,695)	(30,436)	(33,739)	(40,128)	(37,828)	(38,769)	(32,137)	(25,711)	(29,573)	(389,812)
3. TOTAL REVENUES	(31,750)	(32,411)	(29,635)	(27,695)	(30,436)	(33,739)	(40,128)	(37,828)	(38,769)	(32,137)	(25,711)	(29,573)	(389,812)
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	(8,916)	(8,916)	(8,916)	(8,916)	(8,916)	(8,916)	(8,916)	(8,916)	(8,916)	(8,916)	(8,916)	(8,921)	(106,997)
5. CONSERVATION REVENUE APPLICABLE	(40,666)	(41,327)	(38,551)	(36,611)	(39,352)	(42,655)	(49,044)	(46,744)	(47,685)	(41,053)	(34,627)	(38,494)	(496,809)
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	44,294	25,245	50,139	17,059	47,108	37,424	34,008	38,856	47,005	32,322	39,986	42,715	456,161
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	3,628	(16,082)	11,588	(19,552)	7,756	(5,231)	(15,036)	(7,888)	(680)	(8,731)	5,359	4,221	(40,648)
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	(370)	(371)	(357)	(355)	(353)	(322)	(340)	(352)	(330)	(313)	(282)	(223)	(3,968)
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(106,997)	(94,823)	(102,360)	(82,213)	(93,204)	(76,885)	(73,522)	(79,982)	(79,306)	(71,400)	(71,528)	(57,535)	(106,997)
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	8,916	8,916	8,916	8,916	8,916	8,916	8,916	8,916	8,916	8,916	8,916	8,921	106,997
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	(94,823)	(102,360)	(82,213)	(93,204)	(76,885)	(73,522)	(79,982)	(79,306)	(71,400)	(71,528)	(57,535)	(44,616)	(44,616)

EXHIBIT NO. \_\_\_\_\_  
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COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC

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CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-06 THROUGH December-06

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	(106,997)	(94,823)	(102,360)	(82,213)	(93,204)	(76,885)	(73,522)	(79,982)	(79,308)	(71,400)	(71,528)	(57,535)	(106,997)
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	(94,453)	(101,989)	(81,856)	(92,849)	(76,532)	(73,200)	(79,842)	(78,954)	(71,070)	(71,215)	(57,253)	(44,393)	(40,648)
3. TOTAL BEG. AND ENDING TRUE-UP	(201,450)	(196,812)	(184,216)	(175,062)	(169,736)	(150,085)	(153,164)	(158,936)	(150,376)	(142,615)	(128,781)	(101,928)	(147,645)
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	(100,725)	(98,406)	(92,108)	(87,531)	(84,868)	(75,043)	(76,582)	(79,468)	(75,188)	(71,308)	(64,391)	(50,964)	(73,823)
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	4.30%	4.51%	4.53%	4.78%	4.96%	5.01%	5.29%	5.36%	5.27%	5.26%	5.27%	5.25%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	4.51%	4.53%	4.78%	4.96%	5.01%	5.29%	5.36%	5.27%	5.26%	5.27%	5.25%	5.27%	
7. TOTAL (LINE C-5 + C-6)	8.81%	9.04%	9.31%	9.74%	9.97%	10.30%	10.65%	10.63%	10.53%	10.53%	10.52%	10.52%	
8. AVG. INTEREST RATE (C-7 X 50%)	4.41%	4.52%	4.66%	4.87%	4.99%	5.15%	5.33%	5.32%	5.27%	5.27%	5.26%	5.26%	
9. MONTHLY AVERAGE INTEREST RATE	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%	
10. INTEREST PROVISION (LINE C-4 X C-9)	(370)	(371)	(357)	(355)	(353)	(322)	(340)	(352)	(330)	(313)	(282)	(223)	(3,968)

EXHIBIT NO. \_\_\_\_\_  
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<b>INTEREST RATES</b>	<b>01/06</b>	<b>02/06</b>	<b>03/06</b>	<b>04/06</b>	<b>05/06</b>	<b>06/06</b>	<b>07/06</b>	<b>08/06</b>	<b>09/06</b>	<b>10/06</b>	<b>11/06</b>	<b>12/06</b>
Beginning	4.300%	4.510%	4.530%	4.780%	4.960%	5.010%	5.290%	5.360%	5.270%	5.260%	5.270%	5.250%
Ending	<u>4.510%</u>	<u>4.530%</u>	<u>4.780%</u>	<u>4.960%</u>	<u>5.010%</u>	<u>5.290%</u>	<u>5.360%</u>	<u>5.270%</u>	<u>5.260%</u>	<u>5.270%</u>	<u>5.250%</u>	<u>5.270%</u>
Total	8.810%	9.040%	9.310%	9.740%	9.970%	10.300%	10.650%	10.630%	10.530%	10.530%	10.520%	10.520%
Average	4.405%	4.520%	4.655%	4.870%	4.985%	5.150%	5.325%	5.315%	5.265%	5.265%	5.260%	5.260%
Monthly Average	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%

<b>CALCULATION OF TRUE-UP</b>	<b>01/06</b>	<b>02/06</b>	<b>03/06</b>	<b>04/06</b>	<b>05/06</b>	<b>06/06</b>	<b>07/06</b>	<b>08/06</b>	<b>09/06</b>	<b>10/06</b>	<b>11/06</b>	<b>12/06</b>	<b>TOTAL</b>
Total Conservation Revenues (line 3)	293,587	285,533	256,529	224,919	182,624	159,988	150,436	142,312	147,035	152,126	187,616	232,205	2,414,910
(1/12) of Prior True-Up (4)	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-3,032	-36,383
Total conservation revenue current period	290,555	282,501	253,497	221,887	179,592	156,956	147,404	139,280	144,003	149,094	184,584	229,173	2,378,527
Cost per filing	156,456	194,460	189,341	143,433	108,222	263,233	139,811	131,658	249,095	189,615	132,489	134,891	2,032,704
Adjustment 1 Volusia Fair									-2,588				-2,588
Adjustment 2 Prior Audit Adj.											453	24,785	25,238
Adjustment 3 Transeastern				-1,476									-1,476
Adjustment 4 Payroll Overhead	5,417	5,968	4,794	9,492	6,895	4,064	7,906	4,009	4,009	4,413	5,528	5,471	67,968
Conservation Cost	161,873	200,428	194,135	151,448	115,117	267,297	147,717	135,667	250,517	194,028	138,470	165,147	2,121,846
True-up this period	128,682	82,073	59,362	70,439	64,475	-110,341	-313	3,613	-106,513	-44,934	46,114	64,026	256,681
Interest provision (line 8)	108	520	823	1,140	1,465	1,434	1,257	1,281	1,062	748	767	1,025	11,632
Adj. to interest prov.(a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred true-up beginning (9a)	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up & interest beginning (9)	-36,383	95,439	181,063	244,281	318,892	387,864	281,989	285,965	293,891	191,472	150,318	200,230	-36,383
Regulatory asses. fee adj (9b)	0	0	0	0	0	0	0	0	0	0	0	0	-0
Prior true-up collected ref. (10)	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	3,032	36,383
Total net true-up-over over(under)	95,439	181,063	244,281	318,892	387,864	281,989	285,965	293,891	191,472	150,318	200,230	268,313	268,313
True-up for the month per Filing	100,866	192,490	260,555	343,264	419,247	317,580	329,638	341,776	240,992	204,478	260,622	359,292	359,292
<b>Difference</b>	<b>-5,427</b>	<b>-11,427</b>	<b>-16,274</b>	<b>-24,372</b>	<b>-31,383</b>	<b>-35,591</b>	<b>-43,673</b>	<b>-47,885</b>	<b>-49,520</b>	<b>-54,160</b>	<b>-60,392</b>	<b>-90,979</b>	<b>-90,979</b>
<b>CALCULATION OF INTEREST</b>	<b>01/06</b>	<b>02/06</b>	<b>03/06</b>	<b>04/06</b>	<b>05/06</b>	<b>06/06</b>	<b>07/06</b>	<b>08/06</b>	<b>09/06</b>	<b>10/06</b>	<b>11/06</b>	<b>12/06</b>	<b>TOTAL</b>
Beginning true up and interest	-36,383	95,439	181,063	244,281	318,892	387,864	281,989	285,965	293,891	191,472	150,318	200,230	
Ending true-up before int	95,331	180,544	243,457	317,751	386,399	280,554	284,707	292,609	190,409	149,570	199,464	267,288	
Total	58,948	275,982	424,521	562,032	705,290	668,418	566,696	578,574	484,300	341,041	349,781	467,518	
Average true up	29,474	137,991	212,260	281,016	352,645	334,209	283,348	289,287	242,150	170,521	174,891	233,759	
Interest rate per above	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.444%	0.443%	0.439%	0.439%	0.438%	0.438%	
Interest per staff	108	520	823	1,140	1,465	1,434	1,257	1,281	1,062	748	767	1,025	11,632
Interest per filing	118	551	877	1,223	1,581	1,578	1,433	1,484	1,276	975	\$1,017	\$1,356	13,469
<b>Difference</b>	<b>-10</b>	<b>-31</b>	<b>-54</b>	<b>-83</b>	<b>-116</b>	<b>-144</b>	<b>-176</b>	<b>-203</b>	<b>-214</b>	<b>-227</b>	<b>-250</b>	<b>-331</b>	<b>-1,837</b>