

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION

SCHEDULE C-1
PAGE 1 OF 1

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION

FOR MONTHS January-08 THROUGH December-08

| | | |
|----|--|--------------------|
| 1. | TOTAL INCREMENTAL COSTS (SCHEDULE C-2,PAGE 1, LINE 33) | <u>552,000</u> |
| 2. | TRUE-UP (SCHEDULE C-3,PAGE 4,LINE 11) | <u>(26,381)</u> |
| 3. | TOTAL (LINE 1 AND LINE 2) | <u>525,619</u> |
| 4. | RETAIL KWH/THERM SALES | <u>780,004,211</u> |
| 5. | COST PER KWH/THERM | <u>0.00067387</u> |
| 6. | REVENUE TAX MULTIPLIER * | <u>1.00072</u> |
| 7. | ADJUSTMENT FACTOR ADJUSTED FOR TAXES (LINE 5 X LINE 6) | <u>0.00067400</u> |
| 8. | CONSERVATION ADJUSTMENT FACTOR- (ROUNDED TO THE NEAREST .001 CENTS PER KWH/THERM) | <u>0.067</u> |

EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-2)
PAGE 1 OF 23

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION

SCHEDULE C-2
PAGE 1 OF 3

ESTIMATED CONSERVATION PROGRAM COSTS

FOR MONTHS January-08 THROUGH December-08

| A. ESTIMATED EXPENSE BY PROGRAM | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | TOTAL |
|---|---------|----------|--------|--------|--------|--------|--------|--------|-----------|---------|----------|----------|---------|
| 10 Common | 15,960 | 15,990 | 15,990 | 15,990 | 15,990 | 15,990 | 15,990 | 15,990 | 15,990 | 15,990 | 15,990 | 15,990 | 191,850 |
| 11 Residential Geothermal Heat Pump | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 1,200 |
| 12 GoodCents Home/Energy Star | 11,200 | 11,150 | 11,150 | 11,150 | 11,150 | 11,150 | 11,150 | 11,150 | 11,150 | 11,150 | 11,150 | 11,150 | 133,850 |
| 13 GoodCents Energy Survey Program | 10,060 | 10,090 | 10,090 | 10,090 | 10,090 | 10,090 | 10,090 | 10,090 | 10,090 | 10,090 | 10,090 | 10,090 | 121,050 |
| 14 Good Cents Loan Prgram (Discontinued) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 GoodCents Commercial Building | 2,750 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 | 33,550 |
| 16 GoodCents Commercial Tech. Assistance | 2,800 | 2,850 | 2,850 | 2,850 | 2,850 | 2,850 | 2,850 | 2,850 | 2,850 | 2,850 | 2,850 | 2,850 | 34,150 |
| 17 Low Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 Affordable Housing/Builders Program | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 GoodCents Heating and Cooling Upgrade | 1,230 | 1,270 | 1,270 | 1,270 | 1,270 | 1,270 | 1,270 | 1,270 | 1,270 | 1,270 | 1,270 | 1,270 | 15,200 |
| 20 GoodCents Ceiling Insulation upgrade Program | 700 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 7,850 |
| 21 GoodCents Commercial Indoor Lighting Rebate | 910 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 10,700 |
| 22 Conservation Demonstration & Development | 180 | 220 | 220 | 220 | 220 | 220 | 220 | 220 | 220 | 220 | 220 | 220 | 2,600 |
| 31. TOTAL ALL PROGRAMS | 45,890 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 552,000 |
| 32. LESS AMOUNT INCLUDED IN RATE BASE | | | | | | | | | | | | | |
| 33. RECOVERABLE CONSERVATION EXPENSES | 45,890 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 46,010 | 552,000 |

EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-2)
PAGE 2 OF 23

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-08 THROUGH December-08

| PROGRAM NAME | LABOR | ADVERTISING | LEGAL | OUTSIDE SERVICES | VEHICLE COST | MATERIALS | TRAVEL | GENERAL | INCENTIVES | OTHER | SUB TOTAL | PROGRAM REVENUES | TOTAL |
|--|-----------|-------------|-------|------------------|--------------|------------|--------|----------|------------|-------|-----------|------------------|---------|
| | & PAYROLL | | | | | & SUPPLIES | | & ADMIN. | | | | | |
| 10. Common | 125,000 | 3,100 | 1,400 | 2,700 | 20,500 | 5,950 | 200 | 33,000 | 0 | 0 | 191,850 | 0 | 191,850 |
| 11. Residential Geothermal Heat Pump | 300 | 0 | 0 | 0 | 0 | 900 | 0 | 0 | 0 | 0 | 1,200 | 0 | 1,200 |
| 12. GoodCents Home/Energy Star | 50,200 | 59,550 | 0 | 3,600 | 950 | 4,350 | 5,650 | 9,550 | 0 | 0 | 133,850 | 0 | 133,850 |
| 13. GoodCents Energy Survey Program | 44,050 | 65,750 | 0 | 0 | 0 | 7,500 | 2,700 | 1,050 | 0 | 0 | 121,050 | 0 | 121,050 |
| 5. Good Cents Loan Prgram (Discontinued) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. GoodCents Commercial Building | 19,100 | 14,450 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 33,550 | 0 | 33,550 |
| 16. GoodCents Commercial Tech. Assistance | 22,600 | 10,750 | 0 | 200 | 0 | 0 | 600 | 0 | 0 | 0 | 34,150 | 0 | 34,150 |
| 17. Low Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18. Affordable Housing/Builders Program | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19. GoodCents Heating and Cooling Upgrade | 2,250 | 8,250 | 0 | 0 | 0 | 0 | 250 | 0 | 4,450 | 0 | 15,200 | 0 | 15,200 |
| 20. GoodCents Ceiling Insulation upgrade Program | 550 | 7,150 | 0 | 0 | 0 | 0 | 150 | 0 | 0 | 0 | 7,850 | 0 | 7,850 |
| 21. GoodCents Commercial Indoor Lighting Rebate | 0 | 10,700 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,700 | 0 | 10,700 |
| 22. Conservation Demonstration & Development | 0 | 2,600 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,600 | 0 | 2,600 |
| 31. TOTAL ALL PROGRAMS | 264,050 | 182,300 | 1,400 | 6,500 | 21,450 | 18,700 | 9,550 | 43,600 | 4,450 | 0 | 552,000 | 0 | 552,000 |
| 32. LESS: BASE RATE RECOVERY | | | | | | | | | | | | | |
| 33. NET PROGRAM COSTS | 264,050 | 182,300 | 1,400 | 6,500 | 21,450 | 18,700 | 9,550 | 43,600 | 4,450 | 0 | 552,000 | 0 | 552,000 |

EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-2)
PAGE 3 OF 23

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION

SCHEDULE C-2
PAGE 3 OF 3

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

ESTIMATED FOR MONTHS January-08 THROUGH December-08

PROGRAM NAME:

| | BEGINNING OF PERIOD | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | TOTAL |
|--|------------------------|---------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|-------|
| 1. INVESTMENT | | | | | | | | | | | | | | |
| 2. DEPRECIATION BASE | | | | | | | | | | | | | | |
| 3. DEPRECIATION EXPENSE | | | | | | | | | | | | | | |
| 4. CUMULATIVE INVESTMENT | | | | | | | | | | | | | | |
| 5. LESS-ACCUMULATED DEPRECIATION | | | | | | | | | | | | | | |
| 6. NET INVESTMENT | | | | | | | | | | | | | | |
| 7. AVERAGE NET INVESTMENT | | | | | | | | | | | | | | |
| 8. RETURN ON AVERAGE INVESTMENT | | | | | | | | | | | | | | |
| 9. EXPANSION FACTOR | | | | | | | | | | | | | | |
| 10. RETURN REQUIREMENTS | | | | | | | | | | | | | | |
| 11. TOTAL DEPRECIATION EXPENSE AND RETURN REQUIREMENT | | | | | | | | | | | | | | NONE |

EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-2)
PAGE 4 OF 23

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3
 PAGE 1 OF 5

| PROGRAM NAME | ACTUAL FOR MONTHS | January-07 | THROUGH | July-07 | | | | | | | | SUB | PROGRAM | TOTAL | | | |
|--|----------------------|-------------|---------|-------------|-----------------|-------------|--------|------------------|--------------|----------------------|--------|------------------|------------|-------|---------|----------|-------|
| | ESTIMATED FOR MONTHS | August-07 | THROUGH | December-07 | LABOR & PAYROLL | ADVERTISING | LEGAL | OUTSIDE SERVICES | VEHICLE COST | MATERIALS & SUPPLIES | TRAVEL | GENERAL & ADMIN. | INCENTIVES | OTHER | TOTAL | REVENUES | TOTAL |
| 10. Common | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 55,686 | 35,046 | 754 | 1,869 | 8,027 | 10,786 | 236 | 7,184 | 0 | (311) | 119,276 | | | 119,276 | | |
| B. ESTIMATED | | 48,950 | 1,250 | 520 | 1,040 | 9,170 | 2,500 | 100 | 12,920 | 0 | 0 | 76,450 | | | 76,450 | | |
| C. TOTAL | | 104,636 | 36,296 | 1,274 | 2,909 | 17,197 | 13,286 | 336 | 20,104 | 0 | (311) | 195,726 | | | 195,726 | | |
| 11. Residential Geothermal Heat Pump | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. ESTIMATED | | 200 | 0 | 0 | 0 | 0 | 300 | 0 | 0 | 0 | 0 | 500 | | | 500 | | |
| C. TOTAL | | 200 | 0 | 0 | 0 | 0 | 300 | 0 | 0 | 0 | 0 | 500 | | | 500 | | |
| 12. GoodCents Home/Energy Star | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 20,971 | 6,882 | 0 | 0 | 0 | 388 | 1,724 | 350 | 0 | 180 | 30,494 | | | 30,494 | | |
| B. ESTIMATED | | 19,780 | 23,330 | 0 | 1,460 | 420 | 1,670 | 2,290 | 3,750 | 0 | 0 | 52,700 | | | 52,700 | | |
| C. TOTAL | | 40,751 | 30,212 | 0 | 1,460 | 420 | 2,058 | 4,014 | 4,100 | 0 | 180 | 83,194 | | | 83,194 | | |
| 13. GoodCents Energy Survey Program | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 18,924 | 24,444 | 0 | 0 | 0 | 358 | 1,240 | 350 | 0 | 0 | 45,317 | | | 45,317 | | |
| B. ESTIMATED | | 17,490 | 25,830 | 0 | 0 | 0 | 2,920 | 1,040 | 420 | 0 | 0 | 47,700 | | | 47,700 | | |
| C. TOTAL | | 36,414 | 50,274 | 0 | 0 | 0 | 3,278 | 2,280 | 770 | 0 | 0 | 93,017 | | | 93,017 | | |
| 14. Good Cents Loan Program (Discontinued) | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 0 | 0 | 93 | 0 | 0 | 0 | 0 | (80) | 0 | 0 | 13 | | | 13 | | |
| B. ESTIMATED | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | 0 | | |
| C. TOTAL | | 0 | 0 | 93 | 0 | 0 | 0 | 0 | (80) | 0 | 0 | 13 | | | 13 | | |
| 15. GoodCents Commercial Building | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 3,021 | 18,381 | 0 | 0 | 0 | 215 | 0 | 0 | 0 | 0 | 21,617 | | | 21,617 | | |
| B. ESTIMATED | | 7,510 | 5,740 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13,250 | | | 13,250 | | |
| C. TOTAL | | 10,531 | 24,121 | 0 | 0 | 0 | 215 | 0 | 0 | 0 | 0 | 34,867 | | | 34,867 | | |
| 16. GoodCents Commercial Tech. Assistance | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 3,087 | 5,538 | 0 | 3,499 | 0 | 661 | 0 | 54 | 0 | 150 | 12,987 | | | 12,987 | | |
| B. ESTIMATED | | 8,750 | 4,170 | 0 | 80 | 0 | 0 | 250 | 0 | 0 | 0 | 13,250 | | | 13,250 | | |
| C. TOTAL | | 11,837 | 9,708 | 0 | 3,579 | 0 | 661 | 250 | 54 | 0 | 150 | 26,237 | | | 26,237 | | |
| SUB-TOTAL ACTUAL | | 101,688 | 90,291 | 847 | 5,368 | 8,027 | 12,407 | 3,200 | 7,858 | 0 | 18 | 229,704 | | | 229,704 | | |
| SUB-TOTAL ESTIMATED | | 102,680 | 60,320 | 520 | 2,580 | 9,590 | 7,390 | 3,680 | 17,090 | 0 | 0 | 203,650 | | | 203,650 | | |
| LESS: PRIOR YEAR AUDIT ADJ. | | | | | | | | | | | | | | | | | |
| ACTUAL | | | | | | | | | | | | | | | 0 | | 0 |
| ESTIMATED | | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | | |
| NET PROGRAM COSTS | | SEE PAGE 1A | | | | | | | | | | | | | | | |

EXHIBIT NO. _____
 DOCKET NO. 070002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MSS-2)
 PAGE 5 OF 23

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3
 PAGE 1A OF 5

| PROGRAM NAME | ACTUAL FOR MONTHS | January-07 | THROUGH | July-07 | | | | | | | | | SUB | PROGRAM | TOTAL | | |
|--|----------------------|------------|---------|-------------|-----------------|-------------|--------|------------------|--------------|----------------------|--------|------------------|-----|---------|-------|------------|-------|
| | ESTIMATED FOR MONTHS | August-07 | THROUGH | December-07 | LABOR & PAYROLL | ADVERTISING | LEGAL | OUTSIDE SERVICES | VEHICLE COST | MATERIALS & SUPPLIES | TRAVEL | GENERAL & ADMIN. | | | | INCENTIVES | OTHER |
| 17. Low Income | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,446 | 0 | 0 | 0 | 126 | 1,572 | 0 | 1,572 |
| B. ESTIMATED | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. TOTAL | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,446 | 0 | 0 | 0 | 126 | 1,572 | 0 | 1,572 |
| 18. Affordable Housing/Builders Program | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 0 | 100 | 0 | 100 |
| B. ESTIMATED | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. TOTAL | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 0 | 100 | 0 | 100 |
| 19. GoodCents Heating and Cooling Upgrade | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 5,103 | 200 | 0 | 0 | 0 | 0 | 26 | 781 | 0 | 10,975 | 0 | 0 | 17,085 | 0 | 17,085 | |
| B. ESTIMATED | | 830 | 3,340 | 0 | 0 | 0 | 0 | 0 | 100 | 0 | 1,680 | 0 | 0 | 5,950 | 0 | 5,950 | |
| C. TOTAL | | 5,933 | 3,540 | 0 | 0 | 0 | 0 | 26 | 881 | 0 | 12,655 | 0 | 0 | 23,035 | 0 | 23,035 | |
| 20. GoodCents Ceiling Insulation upgrade Program | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 2,207 | (200) | 0 | 0 | 0 | 0 | 0 | 634 | 0 | 1,800 | 0 | 0 | 4,441 | 0 | 4,441 | |
| B. ESTIMATED | | 290 | 2,510 | 0 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 | 2,900 | 0 | 2,900 | |
| C. TOTAL | | 2,497 | 2,310 | 0 | 0 | 0 | 0 | 0 | 734 | 0 | 1,800 | 0 | 0 | 7,341 | 0 | 7,341 | |
| 21. GoodCents Commercial Indoor Lighting Rebate | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 1,149 | 24,902 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 26,051 | 0 | 26,051 | |
| B. ESTIMATED | | 0 | 4,150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,150 | 0 | 4,150 | |
| C. TOTAL | | 1,149 | 29,052 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 30,201 | 0 | 30,201 | |
| 22. Conservation Demonstration & Development | | | | | | | | | | | | | | | | | |
| A. ACTUAL | | 0 | 8,577 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,577 | 0 | 8,577 | |
| B. ESTIMATED | | 0 | 1,050 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,050 | 0 | 1,050 | |
| C. TOTAL | | 0 | 9,627 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,627 | 0 | 9,627 | |
| TOTAL ACTUAL | | 110,148 | 123,770 | 847 | 5,368 | 8,027 | 13,879 | 4,614 | 7,858 | 12,875 | 144 | 0 | 0 | 287,530 | 0 | 287,530 | |
| TOTAL ESTIMATED | | 103,800 | 71,370 | 520 | 2,580 | 9,590 | 7,390 | 3,880 | 17,090 | 1,680 | 0 | 0 | 0 | 217,900 | 0 | 217,900 | |
| LESS: PRIOR YEAR AUDIT ADJ. | | | | | | | | | | | | | | | | | |
| ACTUAL | | | | | | | | | | | | | | 0 | | | 0 |
| ESTIMATED | | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | | |
| NET PROGRAM COSTS | | 213,948 | 195,140 | 1,367 | 7,948 | 17,617 | 21,269 | 8,494 | 24,948 | 14,555 | 144 | 0 | 0 | 505,430 | 0 | 505,430 | |

EXHIBIT NO. _____
 DOCKET NO. 070002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MSS-2)
 PAGE 6 OF 23

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN

SCHEDULE C-3
 PAGE 2 OF 5

ACTUAL FOR MONTHS ESTIMATED FOR MONTHS
 January-07 August-07 THROUGH THROUGH July-07 December-07

| | BEGINNING OF PERIOD | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | TOTAL |
|--|------------------------|---------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|-------|
| 1. INVESTMENT | | | | | | | | | | | | | | |
| 2. DEPRECIATION BASE | | | | | | | | | | | | | | |
| 3. DEPRECIATION EXPENSE | | | | | | | | | | | | | | |
| 4. CUMULATIVE INVESTMENT | | | | | | | | | | | | | | |
| 5. LESS: ACCUMULATED DEPRECIATION | | | | | | | | | | | | | | |
| 6. NET INVESTMENT | | | | | | | | | | | | | | |
| 7. AVERAGE NET INVESTMENT | | | | | | | | | | | | | | |
| 8. RETURN ON AVERAGE INVESTMENT | | | | | | | | | | | | | | |
| 9. EXPANSION FACTOR | | | | | | | | | | | | | | |
| 10. RETURN REQUIREMENTS | | | | | | | | | | | | | | |
| 11. TOTAL DEPRECIATION EXPENSE AND RETURN REQUIREMENT | | | | | | | | | | | | | | NONE |

EXHIBIT NO. _____
 DOCKET NO. 070002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MSS-2)
 PAGE 7 OF 23

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3
 PAGE 3 OF 5

ACTUAL FOR MONTHS January-07 THROUGH July-07
 ESTIMATED FOR MONTHS August-07 THROUGH December-07

| A. ESTIMATED EXPENSE BY PROGRAM | ACTUAL | | | | | | | TOTAL ACTUAL | ESTIMATED | | | | | TOTAL ESTIMATED | GRAND TOTAL |
|---|---------|----------|--------|--------|--------|---------|----------|-----------------|-----------|-----------|---------|----------|----------|--------------------|----------------|
| | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | | |
| 10 Common | 13,894 | 12,012 | 17,560 | 36,338 | 15,240 | 9,609 | 14,622 | 119,276 | 15,290 | 15,290 | 15,290 | 15,290 | 15,290 | 76,450 | 195,726 |
| 11 Residential Geothermal Heat Pump | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 100 | 100 | 100 | 100 | 500 | 500 |
| 12 GoodCents Home/Energy Star | 5,791 | 6,380 | 6,866 | 4,609 | 3,066 | (1,639) | 5,421 | 30,494 | 10,540 | 10,540 | 10,540 | 10,540 | 10,540 | 52,700 | 83,194 |
| 13 GoodCents Energy Survey Program | 4,738 | 4,716 | 4,900 | 4,720 | 3,104 | 15,936 | 7,204 | 45,317 | 9,540 | 9,540 | 9,540 | 9,540 | 9,540 | 47,700 | 93,017 |
| 14 Good Cents Loan Prgram (Discontinued) | (10) | (10) | (20) | (10) | 83 | (10) | (10) | 13 | 0 | 0 | 0 | 0 | 0 | 0 | 13 |
| 15 GoodCents Commercial Building | (265) | 921 | 1,208 | 928 | (3) | 14,359 | 4,468 | 21,617 | 2,650 | 2,650 | 2,650 | 2,650 | 2,650 | 13,250 | 34,867 |
| 16 GoodCents Commercial Tech. Assistance | 1,522 | 2,065 | 2,229 | 2,174 | 1,964 | 2,757 | 278 | 12,987 | 2,650 | 2,650 | 2,650 | 2,650 | 2,650 | 13,250 | 26,237 |
| 17 Low Income | 0 | 0 | 0 | 1,179 | 393 | 0 | 0 | 1,572 | 0 | 0 | 0 | 0 | 0 | 0 | 1,572 |
| 18 Affordable Housing/Builders Program | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| 19 GoodCents Heating and Cooling Upgrade | 1,029 | 1,731 | 1,651 | 2,124 | 3,812 | 3,169 | 3,568 | 17,085 | 1,190 | 1,190 | 1,190 | 1,190 | 1,190 | 5,950 | 23,035 |
| 20 GoodCents Ceiling Insulation upgrade Program | 573 | 363 | 1,019 | 344 | 458 | 704 | 980 | 4,441 | 580 | 580 | 580 | 580 | 580 | 2,900 | 7,341 |
| 21 GoodCents Commercial Indoor Lighting Rebat | 0 | 0 | 9,726 | 14,083 | 17,182 | (4,172) | (10,768) | 26,051 | 830 | 830 | 830 | 830 | 830 | 4,150 | 30,201 |
| 22 Conservation Demonstration & Development | 0 | 0 | 0 | 8,574 | 4 | 0 | 0 | 8,577 | 210 | 210 | 210 | 210 | 210 | 1,050 | 9,627 |
| Prior period audit adj. | | | | | | | | 0 | | | | | | | 0 |
| 31. TOTAL ALL PROGRAMS | 27,270 | 28,178 | 45,138 | 75,064 | 45,304 | 40,713 | 25,863 | 287,530 | 43,580 | 43,580 | 43,580 | 43,580 | 43,580 | 217,900 | 505,430 |
| 32. LESS AMOUNT INCLUDED IN RATE BASE | | | | | | | | | | | | | | | |
| 33. RECOVERABLE CONSERVATION EXPENSES | 27,270 | 28,178 | 45,138 | 75,064 | 45,304 | 40,713 | 25,863 | 287,530 | 43,580 | 43,580 | 43,580 | 43,580 | 43,580 | 217,900 | 505,430 |

EXHIBIT NO. _____
 DOCKET NO. 070002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MSS-2)
 PAGE 8 OF 23

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 ENERGY CONSERVATION ADJUSTMENT
 CALCULATION OF TRUE UP AND INTEREST PROVISION

SCHEDULE C-3
 PAGE 4 OF 5

| | ACTUAL FOR MONTHS | January-07 | THROUGH | July-07 | | | | | | | | | | | | | |
|---|----------------------|------------|----------|-------------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|----------|----------|-------|
| | ESTIMATED FOR MONTHS | August-07 | THROUGH | December-07 | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | TOTAL |
| B. CONSERVATION REVENUES | | | | | | | | | | | | | | | | | |
| 1. RCS AUDIT FEES | | | | | | | | | | | | | | | | | |
| a. | | | | | | | | | | | | | | | | | |
| b. | | | | | | | | | | | | | | | | | |
| c. | | | | | | | | | | | | | | | | | |
| 2. CONSERVATION ADJ REVENUE (NET OF REVENUE TAXES) | | (39,001) | (39,348) | (35,999) | (34,580) | (35,584) | (40,197) | (49,938) | (46,961) | (46,944) | (42,134) | (37,793) | (36,810) | (485,289) | | | |
| 3. TOTAL REVENUES | | (39,001) | (39,348) | (35,999) | (34,580) | (35,584) | (40,197) | (49,938) | (46,961) | (46,944) | (42,134) | (37,793) | (36,810) | (485,289) | | | |
| 4. PRIOR PERIOD TRUE-UP-ADJ NOT APPLICABLE TO PERIOD | | (3,718) | (3,718) | (3,718) | (3,718) | (3,718) | (3,718) | (3,718) | (3,718) | (3,718) | (3,718) | (3,718) | (3,718) | (44,616) | | | |
| 5. CONSERVATION REVENUES APPLICABLE TO PERIOD | | (42,719) | (43,066) | (39,717) | (38,298) | (39,302) | (43,915) | (53,656) | (50,679) | (50,662) | (45,852) | (41,511) | (40,528) | (529,905) | | | |
| 6. CONSERVATION EXPENSES (FORM C-3, PAGE 3) | | 27,270 | 28,178 | 45,138 | 75,064 | 45,304 | 40,713 | 25,863 | 43,580 | 43,580 | 43,580 | 43,580 | 43,580 | 505,430 | | | |
| 7. TRUE-UP THIS PERIOD | | (15,449) | (14,888) | 5,421 | 36,766 | 6,002 | (3,202) | (27,793) | (7,099) | (7,082) | (2,272) | 2,069 | 3,052 | (24,475) | | | |
| 8. INTEREST PROVISION THIS PERIOD (C-3, PAGE 5) | | (221) | (272) | (278) | (171) | (61) | (39) | (91) | (151) | (166) | (171) | (156) | (129) | (1,906) | | | |
| 9. TRUE-UP & INTEREST PROVISION | | (44,616) | (56,568) | (68,010) | (59,149) | (18,836) | (9,177) | (8,701) | (32,866) | (36,398) | (39,928) | (38,653) | (33,022) | (44,616) | | | |
| 10. PRIOR TRUE-UP COLLECTED (REFUNDED) | | 3,718 | 3,718 | 3,718 | 3,718 | 3,718 | 3,718 | 3,718 | 3,718 | 3,718 | 3,718 | 3,718 | 3,718 | 44,616 | | | |
| 11. END OF PERIOD TOTAL NET TRUE- UP (SUM OF LINES 7,8,9,10) | | (56,568) | (68,010) | (59,149) | (18,836) | (9,177) | (8,701) | (32,866) | (36,398) | (39,928) | (38,653) | (33,022) | (26,381) | (26,381) | | | |

EXHIBIT NO. _____
 DOCKET NO. 070002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MSS-2)
 PAGE 9 OF 23

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
ENERGY CONSERVATION ADJUSTMENT
CALCULATION OF TRUE UP AND INTEREST PROVISION

SCHEDULE C-3
PAGE 5 OF 5

ACTUAL FOR MONTHS January-07 THROUGH July-07
ESTIMATED FOR MONTHS August-07 THROUGH December-07

| | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | TOTAL |
|--|-----------|-----------|-----------|----------|----------|----------|----------|----------|-----------|----------|----------|----------|----------|
| C. INTEREST PROVISION | | | | | | | | | | | | | |
| 1. BEGINNING TRUE-UP (LINE B-9) | (44,616) | (56,568) | (68,010) | (59,149) | (18,836) | (9,177) | (8,701) | (32,866) | (36,398) | (39,928) | (38,653) | (33,022) | (26,381) |
| 2. ENDING TRUE-UP BEFORE INTEREST (LINE B7+B9+B10) | (56,347) | (67,738) | (58,871) | (18,665) | (9,116) | (8,662) | (32,775) | (36,247) | (39,762) | (38,482) | (32,866) | (26,252) | (24,475) |
| 3. TOTAL BEG. AND ENDING TRUE-UP | (100,963) | (124,305) | (126,880) | (77,814) | (27,952) | (17,839) | (41,476) | (69,114) | (76,161) | (78,411) | (71,520) | (59,275) | (50,857) |
| 4. AVERAGE TRUE-UP (LINE C-3 X 50%) | (50,481) | (62,153) | (63,440) | (38,907) | (13,976) | (8,919) | (20,738) | (34,557) | (38,080) | (39,205) | (35,760) | (29,637) | (25,428) |
| 5. INTEREST RATE-FIRST DAY OF REPORTING BUSINESS MONTH | 5.27% | 5.26% | 5.26% | 5.26% | 5.26% | 5.26% | 5.28% | 5.24% | 5.24% | 5.24% | 5.24% | 5.24% | 5.24% |
| 6. INTEREST RATE-FIRST DAY OF SUBSEQUENT BUSINESS MONTH | 5.26% | 5.26% | 5.26% | 5.26% | 5.26% | 5.28% | 5.24% | 5.24% | 5.24% | 5.24% | 5.24% | 5.24% | 5.24% |
| 7. TOTAL (LINE C-5 + C-6) | 10.53% | 10.52% | 10.52% | 10.52% | 10.52% | 10.54% | 10.52% | 10.48% | 10.48% | 10.48% | 10.48% | 10.48% | 10.48% |
| 8. AVG INTEREST RATE (C-7 X 50%) | 5.27% | 5.26% | 5.26% | 5.26% | 5.26% | 5.27% | 5.26% | 5.24% | 5.24% | 5.24% | 5.24% | 5.24% | 5.24% |
| 9. MONTHLY AVERAGE INTEREST RATE | 0.439% | 0.438% | 0.438% | 0.438% | 0.438% | 0.439% | 0.438% | 0.437% | 0.437% | 0.437% | 0.437% | 0.437% | 0.437% |
| 10. INTEREST PROVISION (LINE C-4 X C-9) | (221) | (272) | (278) | (171) | (61) | (39) | (91) | (151) | (166) | (171) | (156) | (129) | (1,906) |

EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-2)
PAGE 10 OF 23

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION
 CALCULATION OF CONSERVATION REVENUES

SCHEDULE C-4
 PAGE 1 OF 1

FOR THE PERIOD January-07 THROUGH December-08

| MONTH | KWH/THERM SALES (000) (NET OF 3RD PARTY) | CONSERVATION ADJUSTMENT REVENUE (NET OF REVENUE TAXES) | RATE |
|--------------|--|---|-----------|
| 2007 JANUARY | 65,129 | 39,001 | ACTUAL |
| FEBRUARY | 65,912 | 39,348 | ACTUAL |
| MARCH | 60,119 | 35,999 | ACTUAL |
| APRIL | 57,740 | 34,580 | ACTUAL |
| MAY | 59,416 | 35,584 | ACTUAL |
| JUNE | 67,128 | 40,197 | ACTUAL |
| JULY | 83,383 | 49,938 | ACTUAL |
| AUGUST | 76,269 | 46,961 | 0.61573 |
| SEPTEMBER | 76,241 | 46,944 | 0.61573 * |
| OCTOBER | 68,429 | 42,134 | 0.61573 * |
| NOVEMBER | 61,379 | 37,793 | 0.61573 * |
| DECEMBER | 59,782 | 36,810 | 0.61574 * |
| SUB-TOTAL | 800,927 | 485,289 | |
| 2008 JANUARY | 69,193 | 46,627 | 0.067387 |
| FEBRUARY | 67,897 | 45,753 | 0.067387 |
| MARCH | 63,003 | 42,456 | 0.067387 |
| APRIL | 51,957 | 35,012 | 0.067387 |
| MAY | 56,821 | 38,290 | 0.067387 |
| JUNE | 69,233 | 46,654 | 0.067387 |
| JULY | 84,921 | 57,225 | 0.067387 |
| AUGUST | 72,065 | 48,562 | 0.067387 |
| SEPTEMBER | 74,744 | 50,367 | 0.067387 |
| OCTOBER | 65,537 | 44,163 | 0.067387 |
| NOVEMBER | 46,891 | 31,598 | 0.067387 |
| DECEMBER | 57,744 | 38,912 | 0.067387 |
| SUB-TOTAL | 780,004 | 525,619 | |
| TOTALS | 1,580,931 | 1,010,908 | |

* Weighted average rates based on a consolidation of the separate rates for the two electric divisions.

EXHIBIT NO. _____
 DOCKET NO. 070002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MSS-2)
 PAGE 11 OF 23

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
PROGRAM DESCRIPTION AND SUMMARY

SCHEDULE C-5
PAGE 1 OF 12

1. Residential Geothermal Heat Pump
2. GoodCents Home/Energy Star Program
3. GoodCents Energy Survey Program
4. GoodCents Commercial Building Program
5. GoodCents Commercial Technical Assistance Program
6. Educational/Low Income
7. Educational/Affordable Housing Builders and Providers Program
8. Residential Heating and Cooling Efficiency Upgrade Program
9. Residential Ceiling Insulation Upgrade Program
10. Commercial Indoor Efficient Lighting Rebate Program
11. Educational/Conservation Demonstration and Development Program

EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 12 OF 23

PROGRAM TITLE:

Residential Geothermal Heat Pump Program

PROGRAM DESCRIPTION:

The objective of the Residential Geothermal Heat Pump Program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of advanced and emerging geothermal systems. Geothermal heat pumps provide significant benefits to participating customers in the form of reduced operating costs and increased comfort levels, and are superior to other available heating and cooling technologies with respect to source efficiency and environmental impacts. FPUC's Geothermal Heat Pump Program is designed to overcome existing market barriers, specifically, lack of consumer awareness, knowledge, and acceptance of this technology.

This program will promote efficiency levels well above current market conditions, specifically those units with an Energy Efficiency Ratio (EER) of 13.0 or higher. According to the Department of Energy (DOE) geothermal technology is the most energy-efficient and environmentally clean space-conditioning system available today. Additionally, a recent DOE study indicates that geothermal systems have the lowest life-cycle cost of any HVAC system today.

PROGRAM PROJECTIONS:

For January 2008 through December 2008: At this time no participation goals have been set.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008, projected expenses are \$1,200.

PROGRAM SUMMARY:

Even though there is no particular goal for this program we continue our efforts to promote this technology and hope we will see a number of geothermal installations in the future. This program also receives the benefits from the advertising of the GoodCents Home/Energy Star Program, which promotes high efficient heating and cooling systems.

PROGRAM TITLE:

GoodCents Home/Energy Star Program

PROGRAM DESCRIPTION:

The GoodCents Home Program has long been the standard for energy efficient construction in North Florida and throughout other parts of the country where the GoodCents Program has been utilized by as many as 270 different utilities. For FPUC and our customers, GoodCents homes provides guidance concerning energy efficiency in new construction by promoting energy efficient home construction techniques by evaluating components in the categories of design and construction practices.

In an effort to further enhance the GoodCents Home Program and market the Program more efficiently and effectively, GoodCents signed a Memorandum of Understanding with the Department of Energy (DOE) and the Environmental Protection Agency (EPA). Since FPUC is a member of GoodCents this agreement provides the opportunity to offer the Energy Star Home Program to builders and customers and correlates the performance of GoodCents homes to the nationally recognized Energy Star efficiency label. In many cases, a standard GoodCents home will also qualify as an Energy Star Home. The GoodCents Home standards continue to exceed the minimum efficiency standards for new construction as set forth by the Florida Model Energy Code.

PROGRAM PROJECTION:

For January 2008 through December 2008 the goal for the number of program participants is 83.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses are \$133,850.

PROGRAM SUMMARY:

Through this program, participating customers will experience lower utility bills, increased comfort, and the eligibility to utilize energy efficient home mortgage products. We continue to see a positive participation in this program due to the continuous effort in educating and advertising the benefits of this program to our customers and builders. We will continue to build a good working relationship with our builders and customers to ensure the success of this program.

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 4 OF 12**

PROGRAM TITLE:

GoodCents Energy Survey Program

PROGRAM DESCRIPTION:

The objective of the GoodCents Energy Survey Program is to provide FPUC's residential customers with energy conservation advice that encourages the implementation of efficiency measures resulting in energy savings for the customer. FPUC views this program as a vehicle to promote the installation of cost-effective conservation features. During the survey process, the customer is provided with specific whole-house recommendations. The survey process also checks for possible duct leakage. If a problem is identified recommendations will be made for further analysis and repairs. Blower-door testing is required to identify and quantify the duct leakage and will be performed by a contractor. After identifying the leakage sites and quantities, the customer is given a written summary of the test findings and the potential for savings, along with a list of approved repair contractors. As a result, the increase in operating efficiencies provides for a reduction in weather-sensitive peak demand, as well as a reduction in energy consumption.

PROGRAM PROJECTIONS:

For January 2008 through December 2008 the goal for the number of program participants is 405.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses are \$121,050.

PROGRAM SUMMARY:

This program provides participating customers with the information needed to determine which energy saving measures are best suited to their individual needs and requirements. We feel confident that by continuing to advertise the benefits of this program through bill inserts, promotional materials, newspaper, and cable TV we will continue to see a high participation level in this program.

**EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 15 OF 23**

PROGRAM TITLE:

GoodCents Commercial Building Program

PROGRAM DESCRIPTION:

The commercial/industrial market is comprised of a wide range of diverse businesses with variable size and operational characteristics. The success of the Commercial/Industrial Good Cents Building program lies in its ability to address this diversity by focusing on the mutual characteristics of commercial buildings. The most common critical areas in commercial buildings that affect summer peak demand are the thermal efficiency of the building and HVAC equipment efficiency. The Commercial/Industrial GoodCents Building Program provides requirements for these areas that, if adhered to, will help reduce peak demand and energy consumption.

The promotion of the GoodCents Commercial Building Program through the years has featured a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design continues to be sufficiently flexible to allow an architect or designer to use initiative and ingenuity to achieve results that are meaningful to both the customer and FPUC.

To provide an accurate quantitative analysis of the kW and kWh savings due to the GoodCents Commercial Building Program, the GoodCents standards for average commercial buildings are compared to the Florida Model Energy Code. The features used to prepare the customer's analysis include: wall and ceiling R-values; glass area; description of glass; and equipment used in determining the kW and kWh differences for the two types of structures.

PROGRAM PROJECTIONS:

For January 2008 through December 2008 the goal for the number of program participants is 13.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses are \$33,550.

PROGRAM SUMMARY:

The GoodCents Building Program is designed to ensure that buildings are constructed with energy efficiency levels above the Florida Model Energy Code standards. These standards include both HVAC efficiency and thermal envelope requirements. This program will continue to be successful as FPUC builds on its efforts in working with builders and architects.

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 6 OF 12**

PROGRAM TITLE:

GoodCents Commercial Technical Assistance Audit Program

PROGRAM DESCRIPTION:

The GoodCents Commercial Technical Assistance Audit Program is an interactive program that provides commercial customers assistance in identifying advanced energy conservation opportunities. It is customized to meet the individual needs of large customers as required; therefore, it is an evolving program.

The Technical Assistance Audit process consists of an on-site review by FPUC Conservation Specialist of the customer's facility operation, equipment and energy usage pattern. The specialist identifies areas of potential reduction in kW demand and kWh consumption as well as identifying end-use technology opportunities. A technical evaluation is then performed to determine the economic payback or life cycle cost for various improvements to the facility. When necessary, FPUC will subcontract the evaluation process to an independent engineering firm and/or contracting consultant.

PROGRAM PROJECTION:

For January 2008 through December 2008 the goal for the number of program participants is 45.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses are \$34,150.

PROGRAM SUMMARY:

In recent research of commercial/industrial customers, consistent response for areas of improvement from this class of customer include individualized attention and service in helping them improve their cost of operation and efficiency. We have built trusting relationships with many of these customers by offering education on new technologies and by offering expertise in energy conservation. The work we have done in this area will continue to benefit FPUC.

**EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 17 OF 23**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 7 OF 12**

PROGRAM TITLE:

Low Income Program

PROGRAM DESCRIPTION:

FPUC presently has energy education programs that identify low cost and or no cost conservation measures. In order to better assist low-income customers in managing their energy purchases, the presentation and format of these energy education programs are tailored to the audience. These programs provide basic energy education, as well as inform the customers of other specific services, such as free energy surveys, that FPUC currently offers.

PROGRAM PROJECTION:

For January 2008 through December 2008: There are no goals set for this program.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses for this period are \$-0-.

PROGRAM SUMMARY:

This program will benefit Florida Public Utilities Company by providing opportunities to educate low-income customers on the benefits of an energy efficient home.

**EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 18 OF 23**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 8 OF 12**

PROGRAM TITLE:

Affordable Housing Builders and Providers Program

PROGRAM DESCRIPTION:

FPUC will identify the affordable housing builders within the service area and will encourage them to attend education seminars and workshops related to energy efficient construction, retrofit programs, financing programs, etc., and to participate in the GoodCents Home Program. FPUC will work with the Florida Energy Extension Service and other seminar sponsors to offer a minimum of two seminars and/or workshops per year. FPUC will work with all sponsors to reduce or eliminate attendances fees for affordable housing providers.

PROGRAM PROJECTION:

For January 2008 through December 2008. There is no goal for this program.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses for this period are \$-0-.

PROGRAM SUMMARY:

This program will provide FPUC the opportunity to educate contractors on the benefits of building a home to GoodCents standards as well as introduce new and innovative energy efficient building technology.

**EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 19 OF 23**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 9 OF 12**

PROGRAM TITLE:

Residential Heating and Cooling Efficiency Upgrade Program

PROGRAM DESCRIPTION:

This program is directed at reducing the rate of growth in peak demand and energy throughout Florida Public Utilities Company's electricity service territories. The program will do this by increasing the saturation of high-efficiency heat pumps. Two types of rebates are offered, one is for replacing an existing resistance-heating system with a high efficiency heat pump and the second type is for replacing a lower-efficiency heat pump with a high-efficiency heat pump. FPUC will validate engineering analyses of energy and demand savings with billing data and by metering customer equipment.

PROGRAM PROJECTIONS:

For January 2008 through December 2008 the goal for the number of program participants is 64.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses are \$15,200.

PROGRAM SUMMARY:

This program provides an opportunity for FPUC customers' to install a more energy efficient heating and cooling system with the results being a decrease in energy consumption as well as a reduction in weather-sensitive peak demand for FPUC. We feel confident that by continuing to advertise the benefits of this program through our GoodCents Energy Survey Program, bill inserts, promotional materials, newspaper ads, and cable TV we will continue to see a high participation level.

**EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 20 OF 23**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 10 OF 12**

PROGRAM TITLE:

Residential Ceiling Insulation Upgrade Program

PROGRAM DESCRIPTION:

The purpose of this program is to reduce peak demand and energy consumption by decreasing the load presented by residential air-conditioning and heating equipment. To serve this purpose, this program requires that residential customers add at least R-11 of ceiling insulation. Resulting total R-values achieved will range from R-30 to R-38. By doing so, they will qualify for an incentive of \$100 in the form of an Insulation Certificate that may be applied to the total cost of installing the added ceiling insulation.

PROGRAM PROJECTIONS:

For January 2008 through December 2008 the goal for the number of program participants is 26.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses are \$7,800.

PROGRAM SUMMARY:

Interested residential customers must request a free ceiling insulation inspection. FPUC will then dispatch an energy efficiency expert to perform that inspection and determine what changes should be made to enhance efficiency. The inspection will also determine the customer's eligibility of the incentive. This program will be promoted through the GoodCents Energy Survey Program as well as bill inserts, newspaper ads and cable TV. We feel confident that by continuing to advertise the benefits of this program we will see participation levels increase.

**EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 21 OF 23**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 11 OF 12**

PROGRAM TITLE:

Commercial Indoor Efficient Lighting Rebate Program

PROGRAM DESCRIPTION:

The purpose of this program is to reduce peak demand and energy consumption by decreasing the load presented by commercial lighting equipment. To serve this purpose, this program requires that commercial customers achieve at least 1,000 watts of lighting reduction from any lighting source that has been retrofitted with a more efficient fluorescent lighting system (ballasts and lamps). By doing so, they will qualify for an incentive of 10 cents per watt reduced.

PROGRAM PROJECTION:

For January 2008 through December 2008 the goal for the number of program participants is 4.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses are \$10,700.

PROGRAM SUMMARY:

Interested customers or contractors must contact FPUC before starting a lighting retrofit project. The company will then dispatch a qualified lighting engineer to perform an inspection and determine what lighting changes should be made to enhance efficiency. The inspection will also determine the customer/contractor's eligibility for the incentive. This program will be promoted through the GoodCents Commercial Technical Assistance Audit Program, bill inserts, newspaper ads, and cable TV. We feel confident that by continuing advertising the benefits of this program we will see participation levels increase.

**EXHIBIT NO. _____
DOCKET NO. 070002-EG
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 22 OF 23**

PROGRAM TITLE:

Conservation Demonstration and Development (CDD) Program

PROGRAM DESCRIPTION:

The primary purpose of the Conservation Demonstration and Development (CDD) Program is to pursue research, development, and demonstration projects that are designed to promote energy efficiency and conservation. This program will supplement and complement the other demand-side management programs offered by FPUC.

The CDD program is meant to be an umbrella program for the identification, development, demonstration, and evaluation of promising new end-use technologies. The CDD program does not focus on any specific end-use technology but, instead, will address a wide variety of energy applications.

PROGRAM PROJECTION:

For January 2008 through December 2008: There are no goals set for this program.

PROGRAM FISCAL EXPENDITURES:

For January 2008 through December 2008 the projected expenses for this period are \$2,600.

PROGRAM SUMMARY:

This program will enable FPUC to pursue research, development and demonstration projects designed to promote energy efficiency and conservation. CDD projects will enable the collection of actual data from field tests. Engineering estimates and modeling techniques can be tested and validated. Future cost-benefit analyses for the subject CDD projects will be more reliable, thereby enabling better assessments of the expected future peak demand and energy conservation potential.