

REBUTTAL TESTIMONY  
OF  
MEHRDAD KHOJASTEH

IN

FLORIDA PUBLIC UTILITIES COMPANY  
DOCKET NO. 070304-EI

IN RE: PETITION OF  
FLORIDA PUBLIC UTILITIES COMPANY  
FOR AN ELECTRIC RATE INCREASE

1 Q. Please state your name, affiliation, business address and summarize your academic  
2 background and professional experience.

3 A. Witness Khojasteh: My name is Mehrdad Khojasteh. I am the Assistant Controller for FPU, a  
4 position I have held since August, 2006. In this position, I am the direct supervisor of the Senior Tax  
5 Accountant, Senior Regulatory Accountant, and Senior Project Accountant. I also assist the Controller  
6 with supervising the Corporate Accounting Department. Prior to this position, I was a Regulatory  
7 Accountant from November 1996 to March 1997, Tax Accountant from April 1997 to May 2003, and  
8 Corporate Accounting Supervisor from June 2004 to July 2006. I received a BS degree from Florida  
9 Atlantic University with a major in Accounting. I have been a witness for two proceedings before the  
10 Florida Public Service Commission (FPSC). These proceedings were for rate relief in Docket Numbers  
11 030438-EI for electric and 040216-GU for natural gas.

12 Q. What is the purpose of your testimony in this proceeding?

13 A. Witness Khojasteh: This testimony is to provide additional testimony in support of our rate  
14 proceeding, in part, in response to the testimony provided by the Office of Public Counsel witnesses,  
15 Patricia Merchant and Hugh Larkin.

16 Q. Should Account 903, Customer Records and Collection Expenses, be increased to reflect an  
17 increase in postage expense?

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FPSC-COMMISSION CLERK

1 A. Witness Khojasteh: Yes. We have included \$20,100 for potential postage increases with \$6,030  
2 allocated to our electric division. This amount is based on analysis of historical expenses which indicate  
3 increases in our mailings and postage costs. In arriving at this amount, we did not consider an increase in  
4 the number of the mailings which would have resulted in an even larger amount. The Company views this  
5 increase to be reasonable and predictable based on the numerous postage rate increases in the past few  
6 years.

7 **Q. Can Supervisory Training account be annualized to estimate 2008 expenses?**

8 A. Witness Khojasteh: No. Annualizing the 2007 expenses does not produce an accurate picture of  
9 the expected expenses as they relate to the 2008 projected amounts. The Company plans to continue to  
10 conduct the supervisory training and intends to spend the \$21,100 included in 2008 expenses for this  
11 purpose. The Company feels it is appropriate to increase the level of supervisory training to include items  
12 such as, ethics, harassment, hiring practices, and other supervisory issues.

13 **Q. Is the \$20,000 included for the travel related to the addition of a Compliance Accountant**  
14 **appropriate?**

15 A. Witness Khojasteh: Yes. Witness Martin has addressed the need for the addition of a compliance  
16 accountant in her rebuttal testimony. The Company audits the inventory and cash of each division on an  
17 annual basis. However, we have the need to perform additional audits based on related Section 404  
18 controls in Sarbanes Oxley, and other audits including operational depending on the risk assessment and  
19 the need to improve efficiencies or to test controls. We do not specifically track this cost, but the  
20 estimated cost for each of the five years would be between \$1000.00 and \$2000.00 per year per audit  
21 depending on location.

22 Using our historical cost per trip estimate, we estimated that we would need an additional four to six trips  
23 per year. Although our locations are all within the state of Florida, all trips to divisions require overnight  
24 stays at hotels and either car or air travel, depending on location and time constraints. Meals are also

1 provided for these trips. The total cost of hotel, transportation, meals, and other travel related costs make  
2 up this estimate. For example: A trip for two people to our Marianna division conducting a material and  
3 supplies inventory would involve four nights stay at a hotel for approximately \$800.00, meals for five  
4 days for approximately \$400, transportation \$400 to \$1000, and other miscellaneous travel related costs  
5 of \$100.

6 **Q. Is the Company's requested increase for audit fees for the year 2008 appropriate?**

7 A. Witness Khojasteh: Yes. In response to Mr. Larkin's testimony, ["The auditors email also stated  
8 that the internal control and financial report audit for 2008 was needed regardless of whether the  
9 Company became accelerated or not. So it appears that the audit fee estimated by the auditor has some  
10 options. That is, whether the Company becomes an accelerated filer or not."], the intent of the  
11 communication between the Company and BDO was to ensure that if the Company was going to incur  
12 additional fees due to becoming an accelerated filer that fee increase would be included in our  
13 projections. BDO's response to the Company was that the fees provided by the audit firm of \$417,500  
14 would not increase or decrease regardless of the Company's filing status (accelerated or not). The  
15 correspondence in no way indicates the Company has options; it more accurately indicates a lack of  
16 options.

17 In response to Mr. Larkin's testimony, ["It is also clear that the Company has some options regarding  
18 becoming an accelerated filer, if one is to accept what the email states. Additionally, if the internal control  
19 and financial reporting audit is conducted by the outside auditor, BDO Seidman, one must question  
20 whether the substantial fees paid to Crowe Chizek in 2006 of approximately \$144,000 would be an  
21 ongoing expense to the Company."], the requirements for accelerated filing status are set forth by Reg. §  
22 240 of the Exchange Act. The Company has no options in this regard, nor does the correspondence  
23 between the Company and BDO indicate any options. Please refer to Exhibit MKR-1 for Reg. § 240 of

1 the Exchange Act relating to this issue. We had also provided replies to this issue in our response to the  
2 OPC's interrogatory #68.

3 The fees paid to the Company's external auditors, BDO Seidman, relate to review and audit work  
4 required for filing Forms 10-Q and 10-K with the Securities and Exchange Commission. The fees paid to  
5 the Company's internal auditors, Crowe Chizek, relate to internal control requirements pursuant to the  
6 Sarbanes-Oxley Act of 2002 and Section 404, Management Assessment of Internal Controls. As the  
7 requirements under the Sarbanes-Oxley Act are ongoing, it is reasonable to anticipate the costs for  
8 compliance will continue to be incurred.

9 The 2008 projection of \$417,500 is provided directly by the Company's external auditors, BDO Seidman  
10 and is a correct projection for 2008. It is irrelevant if the portion labeled historical is understated or not,  
11 as either way the 2008 projection would remain unchanged. To arrive at total 923.3 projected expenses  
12 for 2008, the Company would correctly include \$417,500 for the external audit costs plus the projected  
13 2008 amount for the internal audit costs. The Company stands behind its position to include \$90,675 in  
14 the 2008 projections.

15 **Q. Is the projected 2008 uncollectible accounts expense of \$216,664 appropriate?**

16 A. Witness Khojasteh: Yes.

17 **Q. Do you agree with Mr. Larkin's calculation of the 2008 uncollectible accounts expense of**  
18 **\$71,179?**

19 A. Witness Khojasteh: No. The Company believes that its projected 2008 uncollectible account  
20 expense is appropriate. However, even if the Commission decides that a four year average is more  
21 appropriate, we disagree with OPC's revisions. The computation of the 2008 expense by OPC does not  
22 take into consideration the effect on bad debts relating to large increases in Purchased Power costs in the  
23 years 2007-2008. These power cost increases will cause typical bills to increase 43% to 83% for the

1 period 2006 to 2008. These increases coupled with the regulatory lag in not being able to increase  
2 customer deposits until at least twelve months after the higher bills have been rendered (FPSC rule 25-  
3 6.097(3) and (FPUC Electric Tariff Section 4(c)) will cause the write-off of bad debts to increase on an  
4 average of 180% over historical amounts. We have included Exhibit MKR-2 to show the Purchased  
5 Power or fuel cost increase effect on the write-off of bad debts.

6 We have also included Exhibit MKR-3 that reflects the computation of a four-year average write-off rate  
7 for the period 2003-2006. The FPSC has historically computed average write-offs and corresponding bad  
8 debts expense on a four-year average (See Issue 114, Order No. PSC-04-0369-AS-EI, issued 4/06/04).  
9 This four-year average write-off rate of .00136 would compute average net write-offs to be \$53,653 for  
10 the calendar year 2006.

11 **Q. Since you have re-calculated the write-offs for 2006 to be \$53,653, are there any events that**  
12 **have taken place since 2006 that would affect the future write-offs?**

13 A. Witness Khojasteh: Yes, effective January 1, 2007 and January 1, 2008 we will be experiencing  
14 large increases in our purchased power costs that we pass on to customers through the Fuel Adjustment  
15 Clause. This has had and will continue to have a dramatic effect on customer's bills. Due to this increase  
16 in customer's bills, we expect the write-offs of uncollectible accounts and related expense to increase  
17 180% in the year 2008 over 2006. This is reflected in our Exhibit MKR-2.

18 This increase will be in effect until we are able to bill and collect the necessary customer deposit  
19 increases.

20 We also expect the downturn in the economy along with base rate increases to cause some otherwise good  
21 paying customers with no current deposit to become "risky". This is expected to further add to the write-  
22 offs and corresponding uncollectible accounts expense we are recommending.

23 **Q. What is the amount of uncollectible expense you are recommending for 2008?**

1 A. Witness Khojasteh: We are increasing the 2006 revised uncollectible expense of \$53,653 by 180%  
2 to \$150,228 for the projected test year 2008.

3 **Q. Does the calendar year 2007, which is now complete, reflect an increase in net write-offs over**  
4 **2006?**

5 A. Witness Khojasteh: Yes, the write-offs in 2007 were \$83,185 compared to \$58,025 in year 2006.  
6 This was due in part to the increase in customer's bills due to the purchased power cost increase in our  
7 Fernandina Beach operations that was effective January 1, 2007.

8 **Q. What effect do the GSLD1 customers have on the uncollectible reserve and expense figures in**  
9 **your testimony and exhibits?**

10 A. Witness Khojasteh: The two GSLD1 customers (large paper mills) billing revenues, are not included  
11 in the computation of average four-year write-off rates or the projection of uncollectible accounts expense  
12 in this testimony and exhibits. There is also no base rate increase projected for this class of customer in  
13 this rate case. There has never been a collection problem for these two mills.

14 **Q. Mr. Larkin has adjusted the Bad Debt Rate of the Revenue Expansion Factor to 0.1152%.**  
15 **Have you also revised your computation of this factor?**

16 A. Witness Khojasteh: Yes, In keeping with the FPSC four-year average write-off requirement, we  
17 have computed the Bad Debt Rate to be .00147 or 0.1470% for the most current four-year period ended  
18 December 31, 2007. This computation is reflected in our Exhibit MKR-4 attached.

19 **Q. Can you summarize your position on Uncollectible Accounts expense for the record?**

20 A. Witness Khojasteh: Yes, we have adjusted the 2006 historic test year expense to a four-year average  
21 write-off rate. We have projected the 2008 test year expense to include the increase in write-offs due to

1 increases in purchased power costs and we have adjusted the bad debt portion of the revenue expansion  
2 factor to the average write-off rate for the four-year period ended December 31, 2007.

3 **Q. How did you determine what projection factors to use for operation and maintenance**  
4 **expenses?**

5 A. Witness Khojasteh: We choose the factors similar to those in previous rate cases. The application  
6 of these factors produced the expected and reasonable projected amounts. After the application of the  
7 factors, the projected expenditures were reviewed by the division managers and accounting department to  
8 verify that they are in line with their expectations.

9 **Q. Is the Company's use of combined trend rates appropriate?**

10 A. Witness Khojasteh: Yes. It is the Company's position that customer growth will have a direct  
11 effect on the need for additional employees. It is true that the use of new technologies and computers  
12 may help in the efficiencies with which employees perform their jobs. Many times, new technologies and  
13 computers actually help us serve our customers better and do not decrease the work load. However, this  
14 does not negate the fact that customer growth will necessitate the addition of new employees.

15 The use of combined factors such as customer growth and inflation are appropriate. As new employees  
16 are added over time as a result of customer growth, inflation has to be taken into account in order to  
17 account for additional payroll expense due to issues such as pay raises associated with cost of living and  
18 general economic conditions effecting payroll.

19 Also, the positions that are added over and above the trended factors are needed as the result of factors  
20 outside of the normal growth. These are factors such as additional requirements required by SOX 404 and  
21 the need for additional controls. Therefore, these additions do not result in double counting since they are  
22 outside of the normal growth factors. Please refer to Exhibit MKR-5 for the schedule C-7 revised to  
23 separate the amounts between payroll and non-payroll.

1 **Q. Is the Company's requested increase for the conversion of the Safety Coordinator from**  
2 **contract to salaried position appropriate?**

3 A. Witness Khojasteh: Yes. At the time of our rate case filing, the Company employed a retired FPU  
4 employee as the electric safety consultant on as an independent contractor. He continued his independent  
5 employment at the same hourly rate he was paid by FPU, subject to minor inflationary increases. He  
6 received no benefits from FPU and notified FPU of his intent to end his consulting work for the  
7 Company. The additional \$10,000 is to cover the incremental cost of benefits and overheads for  
8 converting this position to a full time FPU staff position based on the expected salary level that will be  
9 required to find a qualified candidate.

10 **Q. Is the Company's requested increase for the addition of a new CIS Project Analyst position**  
11 **for the Customer Relation department appropriate?**

12 A. Witness Khojasteh: Yes. Previously, we had many of the duties of the new position decentralized  
13 to each local office and we struggled as a company to successfully complete these duties in a timely  
14 manner. Our intention is to ensure we are compliant within our local offices on 404, so we have decided  
15 to centralize some of the duties/tasks so we can operate more smoothly and efficiently. This will also  
16 allow the personnel in the local offices to concentrate on their own duties and serve our customers better.  
17 The Company responded to interrogatory 62 incorrectly by referring to the new Compliance Accountant  
18 position needed in the Corporate Accounting department as opposed to the CIS Project Analyst position  
19 in the Customer Relation department. We discovered this mistake after reviewing the testimony of  
20 Patricia Merchant. Please refer to Exhibit MKR-6 for the job description for this position.  
21 This is needed position that is required for our company. This expense is proper and should be allowed  
22 for recovery.



1 Q. Is the Company's requested increase for the addition of a new Programmer position for the  
2 IT department appropriate?

3 A. Witness Khojasteh: Yes. The company has not mislabeled the need for the addition of the fourth  
4 programmer for its IT department as stated in Patricia Merchants testimony.

5 While the Company has annualized the 2006 amounts to reflect vacancies in this area, we have also  
6 correctly explained part of the reason for the addition of the fourth position in the IT department as being  
7 related to the required SOX 404 controls.

8 The IT department originally had three programmers in 2005. It added a fourth position in 2006 in order to  
9 assist the department and prepare and stay in compliance with SOX 404 controls. Also, during the year,  
10 we had one of the original programmers leave and that is why we have had to annualize the 2006 amounts  
11 as well as having to explain the need for the additional programmer as a SOX 404 requirement.

12 Q. Is the Company's use of deferral accounting and creation of regulatory assets or liabilities  
13 appropriate?

14 A. Witness Khojasteh: Yes. The Company has filed a petition with the Florida Public Service  
15 commission for authorization to use deferral accounting and to create a regulatory asset or liability to  
16 record charges or credits in its natural gas and electric divisions that would have otherwise been recorded  
17 in equity pursuant to the balance sheet treatment required by SFAS 158. The Commission has authorized  
18 various utilities to use this method.

19 Q. Does this conclude your written prepared testimony?

20 A. Witness Khojasteh: Yes.

similar functions, must be granted such responsibilities, which can include advisory powers, with respect to such matters to the extent permitted by law, including submitting nominations or recommendations to the full board.

3. The requirements in paragraphs (b) (2) through (b) (5), (c) (3) (v) and (c) (3) (vi) of this section do not conflict with any legal or listing requirement in a listed issuer's home jurisdiction that vests such responsibilities with a government entity or tribunal. In that case, the audit committee, or body performing similar functions, must be granted such responsibilities, which can include advisory powers, with respect to such matters to the extent permitted by law.

4. For purposes of this section, the determination of a person's beneficial ownership must be made in accordance with § 240.13d-3.

[As amended by Release No. 33-8518, effective March 8, 2005 (Compliance dates are triggered by initial bona fide offer date or registration statement filing date and extend out to March 31, 2006. Complete compliance date details can be found in the "Dates" section of the release.), 70 F.R. 1506.]

**REGULATION 12B—REGISTRATION AND REPORTING**

**ATTENTION ELECTRONIC FILERS**

THIS REGULATION SHOULD BE READ IN CONJUNCTION WITH REGULATION S-T (PART 232 OF THIS CHAPTER), WHICH GOVERNS THE PREPARATION AND SUBMISSION OF DOCUMENTS IN ELECTRONIC FORMAT. MANY PROVISIONS RELATING TO THE PREPARATION AND SUBMISSION OF DOCUMENTS IN PAPER FORMAT CONTAINED IN THIS REGULATION ARE SUPERSEDED BY THE PROVISIONS OF REGULATION S-T FOR DOCUMENTS REQUIRED TO BE FILED IN ELECTRONIC FORMAT.

**General**

**[§ 21,301] Scope of Regulation**

Reg. § 240.12b-1. The rules contained in this regulation shall govern all registration statements pursuant to Sections 12(b) and 12(g) of the Act and all reports filed pursuant to Sections 13 and 15(d) of the Act, including all amendments to such statements and reports, except that any provision in a form covering the same subject matter as any such rule shall be controlling.

[As last amended in Release No. 34-18524, effective for all documents filed on or after May 24, 1982, 47 F.R. 11380.]

➔ **Amended effective December 27, 2005. See section III.D of the release for compliance date information. See below and Release 33-8644, 70 F.R. 76626.**

**[§ 21,311] Definitions**

Reg. § 240.12b-2. Unless the context otherwise requires, the following terms, when used in the rules contained in this regulation or in Regulation 13A or 15D or in the forms for statements and reports filed pursuant to Sections 12, 13 or 15(d) of the Act, shall have the respective meanings indicated in this rule:

**Accelerated filer.** (1) The term "accelerated filer" means an issuer after it first meets the following conditions as of the end of its fiscal year:

- (i) The aggregate market value of the voting and non-voting common equity held by non-affiliates of the issuer is \$75 million or more;
- (ii) The issuer has been subject to the requirements of Section 13(a) or 15(d) of the Act (15 U.S.C. 78m or 78o(d)) for a period of at least twelve calendar months;
- (iii) The issuer has filed at least one annual report pursuant to Section 13(a) or 15(d) of the Act; and
- (iv) The issuer is not eligible to use Forms 10-KSB and 10-QSB (§ 249.310b and § 249.308b) for its annual and quarterly reports.

**NOTE to paragraph (1):** The aggregate market value of the issuer's outstanding voting and non-voting common equity shall be computed by use of the price at which the common equity was last sold or the average of the bid and asked prices of such common equity, in the principal market for such common equity, as of the last business day of the issuer's most recently completed second fiscal quarter.

(2) **Entering and Exiting Accelerated Filer Status.** (i) The determination for whether a non-accelerated filer becomes an accelerated filer as of the end of the issuer's fiscal year governs the annual report to be filed for that fiscal year, the quarterly and annual reports to be filed for the subsequent fiscal year and all annual and quarterly reports to be filed thereafter while the issuer remains an accelerated filer.

(ii) Once an issuer becomes an accelerated filer, it will remain an accelerated filer unless the issuer becomes eligible to use Forms 10-KSB and 10-QSB for its annual and quarterly reports. In that case, the

**¶21,301 Reg. §240.12b-1**

issuer will not become an accelerated filer again unless it subsequently meets the conditions in paragraph (1) of this definition.

**Amendment**

**Amended effective December 27, 2005. See section III.D of the release for compliance date information. See below and Release 33-8644, 70 F.R. 76626.**

**Accelerated filer and large accelerated filer.** (1) **Accelerated filer.** The term accelerated filer means an issuer after it first meets the following conditions as of the end of its fiscal year:

- (i) The issuer had an aggregate worldwide market value of the voting and non-voting common equity held by its non-affiliates of \$75 million or more, but less than \$700 million, as of the last business day of the issuer's most recently completed second fiscal quarter;
- (ii) The issuer has been subject to the requirements of section 13(a) or 15(d) of the Act (15 U.S.C. 78m or 78o(d)) for a period of at least twelve calendar months;
- (iii) The issuer has filed at least one annual report pursuant to section 13(a) or 15(d) of the Act; and
- (iv) The issuer is not eligible to use Forms 10-KSB and 10-QSB (§ 249.310b and § 249.308b of this chapter) for its annual and quarterly reports.

(2) **Large accelerated filer.** The term large accelerated filer means an issuer after it first meets the following conditions as of the end of its fiscal year:

- (i) The issuer had an aggregate worldwide market value of the voting and non-voting common equity held by its non-affiliates of \$700 million or more, as of the last business day of the issuer's most recently completed second fiscal quarter;
- (ii) The issuer has been subject to the requirements of section 13(a) or 15(d) of the Act for a period of at least twelve calendar months;
- (iii) The issuer has filed at least one annual report pursuant to section 13(a) or 15(d) of the Act; and
- (iv) The issuer is not eligible to use Forms 10-KSB and 10-QSB for its annual and quarterly reports.

(3) **Entering and exiting accelerated filer and large accelerated filer status.**

(i) The determination at the end of the issuer's fiscal year for whether a non-accelerated filer becomes an accelerated filer, or whether a non-accelerated filer or accelerated filer becomes a large accelerated filer, governs the deadlines for the annual report to be filed for that fiscal year, the quarterly and annual reports to be filed for the subsequent fiscal year and all annual and quarterly reports to be filed thereafter while the issuer remains an accelerated filer or large accelerated filer.

(ii) Once an issuer becomes an accelerated filer, it will remain an accelerated filer unless the issuer determines at the end of a fiscal year that the aggregate worldwide market value of the voting and non-voting common equity held by non-affiliates of the issuer was less than \$50 million, as of the last business day of the issuer's most recently completed second fiscal quarter. An issuer making this determination becomes a non-accelerated filer. The issuer will not become an accelerated filer again unless it subsequently meets the conditions in paragraph (1) of this definition.

(iii) Once an issuer becomes a large accelerated filer, it will remain a large accelerated filer unless the issuer determines at the end of a fiscal year that the aggregate worldwide market value of the voting and non-voting common equity held by non-affiliates of the issuer was less than \$500 million, as of the last business day of the issuer's most recently completed second fiscal quarter. If the issuer's aggregate worldwide market value was \$50 million or more, but less than \$500 million, as of the last business day of the issuer's most recently completed second fiscal quarter, the issuer becomes an accelerated filer. If the issuer's aggregate worldwide market value was less than \$50 million, as of the last business day of the issuer's most recently completed second fiscal quarter, the issuer becomes a non-accelerated filer. An issuer will not become a large accelerated filer again unless it subsequently meets the conditions in paragraph (2) of this definition.

(iv) The determination at the end of the issuer's fiscal year for whether an accelerated filer becomes a non-accelerated filer, or a large accelerated filer becomes an accelerated filer or a non-accelerated filer, governs the deadlines for the annual report to be filed for that fiscal year, the quarterly and annual reports to be filed for the subsequent fiscal year and all annual and quarterly reports to be filed thereafter while the issuer remains an accelerated filer or non-accelerated filer.

**NOTE to paragraphs (1), (2) and (3):** The aggregate worldwide market value of the issuer's outstanding voting and non-voting common equity shall be computed by use of the price at which the common equity was last sold, or the average of the bid and asked prices of such common equity, in the principal market for such common equity.

**End of Amendment**

**Affiliate.** An "affiliate" of, or a person "affiliated" with, a specified person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

SEC Handbook

Reg. §240.12b-2 ¶21,311

**FLORIDA PUBLIC UTILITIES COMPANY  
CONSOLIDATED ELECTRIC DIVISION - DOCKET NO. 070304-EI  
FUEL COST INCREASE EFFECT ON WRITE-OFF OF BAD DEBTS**

**RESIDENTIAL CUSTOMERS**

| <u>FERNANDINA</u> | <u>2006*</u> | <u>2008*</u> | <u>% INCREASE</u> | <u>MARIANNA</u> | <u>2006*</u> | <u>2008*</u> | <u>% INCREASE</u> | <u>AVG.</u> |
|-------------------|--------------|--------------|-------------------|-----------------|--------------|--------------|-------------------|-------------|
| MONTH 1           | 59           | 93           |                   | MONTH 1         | 72           | 103          |                   |             |
| MONTH 2           | 59           | 93           |                   | MONTH 2         | 72           | 103          |                   |             |
| MONTH 3           | 59           | 93           |                   | MONTH 3         | 72           | 103          |                   |             |
| TOTAL             | 177          | 279          |                   | TOTAL           | 216          | 309          |                   |             |
| DEPOSIT           | 118          | 118          |                   | DEPOSIT         | 144          | 144          |                   |             |
| WRITE-OFF         | 59           | 161          | 173%              | WRITE-OFF       | 72           | 165          | 129%              | 151%        |

**GENERAL SERVICE CUSTOMERS**

| <u>FERNANDINA</u> | <u>2006</u> | <u>2008</u> | <u>% INCREASE</u> | <u>MARIANNA</u> | <u>2006</u> | <u>2008</u> | <u>% INCREASE</u> | <u>AVG.</u> |
|-------------------|-------------|-------------|-------------------|-----------------|-------------|-------------|-------------------|-------------|
| MONTH 1           | 112         | 186         |                   | MONTH 1         | 138         | 207         |                   |             |
| MONTH 2           | 112         | 186         |                   | MONTH 2         | 138         | 207         |                   |             |
| MONTH 3           | 112         | 186         |                   | MONTH 3         | 138         | 207         |                   |             |
| TOTAL             | 336         | 558         |                   | TOTAL           | 414         | 621         |                   |             |
| DEPOSIT           | 224         | 224         |                   | DEPOSIT         | 276         | 276         |                   |             |
| WRITE-OFF         | 112         | 334         | 198%              | WRITE-OFF       | 138         | 345         | 150%              | 174%        |

**GENERAL SERVICE (DEMAND)CUSTOMERS**

| <u>FERNANDINA</u> | <u>2006</u> | <u>2008</u> | <u>% INCREASE</u> | <u>MARIANNA</u> | <u>2006</u> | <u>2008</u> | <u>% INCREASE</u> | <u>AVG.</u> |
|-------------------|-------------|-------------|-------------------|-----------------|-------------|-------------|-------------------|-------------|
| MONTH 1           | 1,688       | 3,081       |                   | MONTH 1         | 2,174       | 3,492       |                   |             |
| MONTH 2           | 1,688       | 3,081       |                   | MONTH 2         | 2,174       | 3,492       |                   |             |
| MONTH 3           | 1,688       | 3,081       |                   | MONTH 3         | 2,174       | 3,492       |                   |             |
| TOTAL             | 5,064       | 9,243       |                   | TOTAL           | 6,522       | 10,476      |                   |             |
| DEPOSIT           | 3,376       | 3,376       |                   | DEPOSIT         | 4,348       | 4,348       |                   |             |
| WRITE-OFF         | 1,688       | 5,867       | 248%              | WRITE-OFF       | 2,174       | 6,128       | 182%              | 215%        |

**CONSOLIDATED ELECTRIC AVERAGE**

180%

NOTE: EXCLUDES ANY CHANGES IN BASE RATES FROM 2006 TO 2008  
DEPOSIT COVERAGE REMAINING THE SAME FOR 2006 THROUGH 2008  
AVERAGE CHARGE-OFF INCLUDES APPROXIMATELY THREE MONTHS OF BILLING

\* SEE PAGE 2 FOR TYPICAL BILL CALCULATIONS.

## FPU Comparison

|   | Residential     |  | General Service  |  | General Service Demand |  |
|---|-----------------|--|------------------|--|------------------------|--|
|   | 2006 Rates      | After Jan. 2008 Annual Fuel Adjustment | 2006 Rates       | After Jan. 2008 Annual Fuel Adjustment | 2006 Rates             | After Jan. 2008 Annual Fuel Adjustment |
| <b><i>Northeast Florida-Fernandina</i></b>        |                 |  |                  |  |                        |  |
| Customer Charge                                   | \$ 10.00        | \$ 10.00                               | \$ 14.00         | \$ 14.00                               | \$ 44.00               | \$ 44.00                               |
| Base Rate Energy Charges (\$/KWH)                 | \$ 13.73        | \$ 13.73                               | \$ 29.46         | \$ 29.46                               | \$ 92.80               | \$ 92.80                               |
| Base Rate Demand Charges (\$/KW)                  |                 |  |                  |  | \$ 248.00              | \$ 248.00                              |
| Purchased Power Cost Recovery Clause (\$/KWH)     | \$ 32.87        | \$ 66.28                               | \$ 64.32         | \$ 136.22                              | \$ 1,237.20            | \$ 2,592.40                            |
| Energy Conservation Cost Recovery Clause (\$/KWH) | \$ 0.60         | \$ 0.67                                | \$ 1.20          | \$ 1.34                                | \$ 24.00               | \$ 26.80                               |
| Gross Receipts Tax                                | \$ 1.47         | \$ 2.33                                | \$ 2.79          | \$ 4.64                                | \$ 42.20               | \$ 77.02                               |
| <b>Total Monthly Bill</b>                         | <b>\$ 58.67</b> | <b>\$ 93.01</b>                        | <b>\$ 111.77</b> | <b>\$ 185.66</b>                       | <b>\$ 1,688.20</b>     | <b>\$ 3,081.02</b>                     |
| Monthly Demand (KW)                               |                 |  |                  |  | 100                    | 100                                    |
| Monthly Energy (KWH)                              | 1,000           | 1,000                                  | 2,000            | 2,000                                  | 40,000                 | 40,000                                 |

|   | Residential     |  | General Service  |  | General Service Demand |  |
|---|-----------------|--|------------------|--|------------------------|--|
|   | 2006 Rates      | After Jan. 2008 Annual Fuel Adjustment | 2006 Rates       | After Jan. 2008 Annual Fuel Adjustment | 2006 Rates             | After Jan. 2008 Annual Fuel Adjustment |
| <b><i>Northwest Florida-Marianna</i></b>          |                 |  |                  |  |                        |  |
| Customer Charge                                   | \$ 10.00        | \$ 10.00                               | \$ 14.00         | \$ 14.00                               | \$ 44.00               | \$ 44.00                               |
| Base Rate Energy Charges (\$/KWH)                 | \$ 13.73        | \$ 13.73                               | \$ 29.46         | \$ 29.46                               | \$ 92.80               | \$ 92.80                               |
| Base Rate Demand Charges (\$/KW)                  | \$ -            | \$ -                                   | \$ -             | \$ -                                   | \$ 248.00              | \$ 248.00                              |
| Purchased Power Cost Recovery Clause (\$/KWH)     | \$ 45.29        | \$ 76.10                               | \$ 89.48         | \$ 156.80                              | \$ 1,711.20            | \$ 2,993.20                            |
| Energy Conservation Cost Recovery Clause (\$/KWH) | \$ 0.60         | \$ 0.67                                | \$ 1.20          | \$ 1.34                                | \$ 24.00               | \$ 26.80                               |
| Gross Receipts Tax                                | \$ 1.79         | \$ 2.58                                | \$ 3.44          | \$ 5.17                                | \$ 54.36               | \$ 87.30                               |
| <b>Total Monthly Bill less taxes</b>              | <b>\$ 71.41</b> | <b>\$ 103.08</b>                       | <b>\$ 137.58</b> | <b>\$ 206.77</b>                       | <b>\$ 2,174.36</b>     | <b>\$ 3,492.10</b>                     |
| Monthly Demand (KW)                               |                 |  |                  |  | 100                    | 100                                    |
| Monthly Energy (KWH)                              | 1,000           | 1,000                                  | 2,000            | 2,000                                  | 40,000                 | 40,000                                 |

**FLORIDA PUBLIC UTILITIES COMPANY  
CONSOLIDATED ELECTRIC DIVISIONS  
COMPUTATION OF 4 YEAR AVG WRITE-OFF RATE  
2003 - 2006**

|                     | REVENUES           | WRITE OFFS     | RATE           |
|---------------------|--------------------|----------------|----------------|
| <b>2006</b>         |                    |                |                |
| MARIANNA            | 21,875,917         | 40,308         | 0.00184        |
| FERNANDINA          | 17,574,767         | 17,717         | 0.00101        |
| <b>CONSOLIDATED</b> | <b>39,450,684</b>  | <b>58,025</b>  | <b>0.00147</b> |
| <b>2005</b>         |                    |                |                |
| MARIANNA            | 21,314,607         | 38,578         | 0.00181        |
| FERNANDINA          | 19,175,323         | 19,934         | 0.00104        |
| <b>CONSOLIDATED</b> | <b>40,489,931</b>  | <b>58,512</b>  | <b>0.00145</b> |
| <b>2004</b>         |                    |                |                |
| MARIANNA            | 19,796,678         | 36,005         | 0.00182        |
| FERNANDINA          | 17,062,000         | 8,495          | 0.00050        |
| <b>CONSOLIDATED</b> | <b>36,858,678</b>  | <b>44,500</b>  | <b>0.00121</b> |
| <b>2003</b>         |                    |                |                |
| MARIANNA            | 18,071,647         | 32,303         | 0.00179        |
| FERNANDINA          | 18,302,125         | 14,384         | 0.00079        |
| <b>CONSOL</b>       | <b>36,373,772</b>  | <b>46,687</b>  | <b>0.00128</b> |
| <b>TOTALS 4 YRS</b> |                    |                |                |
| MARIANNA            | 81,058,849         | 147,194        | 0.00182        |
| FERNANDINA          | 72,114,215         | 60,531         | 0.00084        |
| <b>CONSOLIDATED</b> | <b>153,173,064</b> | <b>207,724</b> | <b>0.00136</b> |

|                           | EXPENSE         | (1)            |                   |
|---------------------------|-----------------|----------------|-------------------|
| <b>ACCOUNT 904 (2006)</b> | <b>ON BOOKS</b> | <b>@.00136</b> | <b>ADJUSTMENT</b> |
| MARIANNA                  | 69,916          | 29,751         | (40,165)          |
| FERNANDINA                | 17,499          | 23,902         | 6,403             |
| <b>CONSOLIDATED</b>       | <b>87,415</b>   | <b>53,653</b>  | <b>(33,762)</b>   |

NOTE: REVENUES INCLUDE ALL OPERATING REVENUES LESS GSLD1 CUSTOMERS PLUS SERVICE CHARGES LESS INTER-COMPANY SALES. WRITE-OFFS ARE NET OF RECOVERIES.  
THE ABOVE FOUR YEAR FIGURES ARE FROM MELANIE'S UNCOLLECTIBLE ACCOUNT WORKSHEETS.

(1) 2006 REVENUES ABOVE TIMES .00136

**FLORIDA PUBLIC UTILITIES COMPANY  
CONSOLIDATED ELECTRIC DIVISIONS  
COMPUTATION OF 4 YEAR AVG WRITE-OFF RATE  
2004 - 2007**

|                     | <b>REVENUES</b>    | <b>WRITE OFFS</b> | <b>RATE</b>    |
|---------------------|--------------------|-------------------|----------------|
| <b>2007</b>         |                    |                   |                |
| MARIANNA            | 23,974,168         | 60,877            | 0.00254        |
| FERNANDINA          | 25,244,949         | 22,308            | 0.00088        |
| CONSOL              | 49,219,117         | 83,185            | 0.00169        |
| <b>2006</b>         |                    |                   |                |
| MARIANNA            | 21,875,917         | 40,308            | 0.00184        |
| FERNANDINA          | 17,574,767         | 17,717            | 0.00101        |
| CONSOL              | 39,450,684         | 58,025            | 0.00147        |
| <b>2005</b>         |                    |                   |                |
| MARIANNA            | 21,314,607         | 38,578            | 0.00181        |
| FERNANDINA          | 19,175,323         | 19,934            | 0.00104        |
| CONSOL              | 40,489,931         | 58,512            | 0.00145        |
| <b>2004</b>         |                    |                   |                |
| MARIANNA            | 19,796,678         | 36,005            | 0.00182        |
| FERNANDINA          | 17,062,000         | 8,495             | 0.00050        |
| CONSOL              | 36,858,678         | 44,500            | 0.00121        |
| <b>TOTALS 4 YRS</b> |                    |                   |                |
| MARIANNA            | 86,961,370         | 175,767           | 0.00202        |
| FERNANDINA          | 79,057,039         | 68,455            | 0.00087        |
| <b>CONSOLIDATED</b> | <b>166,018,409</b> | <b>244,222</b>    | <b>0.00147</b> |

NOTE: REVENUES INCLUDE ALL OPERATING REVENUES LESS GSLD CUSTOMERS PLUS SERVICE CHARGES LESS INTER-COMPANY SALES. WRITE-OFFS ARE NET OF RECOVERIES.  
THE ABOVE FOUR YEAR FIGURES ARE FROM MELANIE'S UNCOLLECTIBLE ACCOUNTS WORKSHEETS.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES  
 Consolidated Electric Division  
 DOCKET NO.: 070304-EI

EXPLANATION:

If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:  
 Historic Year Ended 12/31/2006  
 Witness: Mehrdad Khojasteh

| Line No. | Account No. | Account Title                            | Jan-06    | Feb-06    | Mar-06    | Apr-06    | May-06    | Jun-06    | Jul-06    | Aug-06    | Sep-06    | Oct-06    | Nov-06    | Dec-06    | 12 Month Total |
|----------|-------------|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|
| 1        |             | <b>OPERATING EXPENSES</b>                |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 2        |             |  |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 3        |             |  |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 4        | 566-567     | <b>Other Power Supply Expenses</b>       |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 5        | 555         | PURCHASED POWER                          | 2,312,187 | 2,818,525 | 2,181,902 | 2,238,746 | 2,629,859 | 2,805,401 | 2,991,769 | 3,017,484 | 2,514,044 | 2,307,352 | 2,133,682 | 2,332,709 | 30,283,660     |
| 6        | 55501       | PURCHASED POWER-QUAL                     | 4,488     | 11,407    | 1,870     | 5,049     | 4,301     | 2,992     | 4,862     | 7,293     | 6,732     | 5,236     | 9,163     | 8,976     | 72,369         |
| 7        | 5551        | UNDER REC:FUEL ADJ.                      | 118,551   | (198,208) | 134,320   | (89)      | (268,734) | (179,268) | 134,320   | (29,641)  | 134,320   | 134,320   | (65,942)  | (9,781)   | (95,832)       |
| 8        | 556         | SYSTEM CONTROL & LOA                     | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 9        | 557         | OTHER EXPENSES                           | (565)     | 5,421     | (16,501)  | 245       | 44,573    | 105,507   | 1,041     | 26,650    | 59,797    | 1,081     | 39,811    | 79,179    | 346,239        |
| 10       | 560-567.1   | <b>Transmission Expenses - Operation</b> |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 11       | 562         | STATION EXPENSES                         | 343       | 509       | 837       | 1,738     | 1,940     | 3,997     | 365       | 1,174     | 1,411     | 2,136     | 601       | 2,073     | 17,124         |
| 12       |             | PAYROLL                                  | 42        | 332       | 596       | 390       | 320       | 604       | 202       | 811       | 818       | 454       | 319       | 1,006     | 5,894          |
| 13       |             | NON-PAYROLL                              | 301       | 177       | 241       | 1,348     | 1,620     | 3,393     | 163       | 363       | 593       | 1,682     | 282       | 1,067     | 11,230         |
| 14       | 566         | MISC TRANSMISSION EX                     | 10        | -         | -         | -         | -         | -         | -         | -         | 102       | -         | -         | -         | 112            |
| 15       |             |  |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 16       | 580-589     | <b>Distribution Expenses - Operation</b> |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 17       | 580         | OPERATION SUPERVISION & ENG              | 26,419    | 19,415    | 28,164    | 22,154    | 26,434    | 27,173    | 21,851    | 28,370    | 29,337    | 21,475    | 21,013    | 35,317    | 307,122        |
| 18       |             | PAYROLL                                  | 22,387    | 16,103    | 21,250    | 18,239    | 21,073    | 19,892    | 17,750    | 22,786    | 21,639    | 16,706    | 17,384    | 29,479    | 244,688        |
| 19       |             | NON-PAYROLL                              | 4,032     | 3,312     | 6,914     | 3,915     | 5,361     | 7,281     | 4,101     | 5,584     | 7,698     | 4,769     | 3,629     | 5,838     | 62,434         |
| 20       | 581         | LOAD DISPATCHING                         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 21       | 582         | STATION EXPENSES                         | 3,863     | 2,188     | 4,028     | 4,686     | 2,838     | 6,466     | 2,349     | 3,052     | 2,867     | 4,135     | 4,092     | 6,518     | 47,082         |
| 22       |             | PAYROLL                                  | 1,422     | 1,658     | 2,313     | 1,635     | 1,437     | 3,207     | 1,301     | 1,696     | 896       | 2,573     | 2,431     | 2,902     | 23,471         |
| 23       |             | NON-PAYROLL                              | 2,441     | 530       | 1,715     | 3,051     | 1,401     | 3,259     | 1,048     | 1,356     | 1,971     | 1,562     | 1,661     | 3,616     | 23,611         |
| 24       | 5831        | OPERATION OF OVERHEA                     | 2,431     | 2,314     | 4,080     | 3,234     | 3,096     | 5,531     | 2,934     | 5,899     | 2,987     | 8,730     | 8,166     | 2,015     | 51,417         |
| 25       |             | PAYROLL                                  | 1,481     | 717       | 2,144     | 708       | 677       | 1,564     | 859       | 1,471     | 431       | 5,698     | 5,946     | (790)     | 20,906         |
| 26       |             | NON-PAYROLL                              | 950       | 1,597     | 1,936     | 2,526     | 2,419     | 3,967     | 2,075     | 4,428     | 2,556     | 3,032     | 2,220     | 2,805     | 30,511         |
| 27       | 5832        | REMOVING & RESETTING                     | 3,931     | 3,104     | 3,929     | 2,818     | 6,111     | 4,790     | 7,755     | 6,742     | 7,831     | 6,872     | 3,139     | 4,366     | 61,388         |
| 28       |             | PAYROLL                                  | 3,269     | 2,454     | 2,965     | 2,148     | 5,308     | 3,038     | 6,255     | 5,191     | 6,286     | 3,519     | 2,520     | 3,212     | 46,165         |
| 29       |             | NON-PAYROLL                              | 662       | 650       | 964       | 670       | 803       | 1,752     | 1,500     | 1,551     | 1,545     | 3,353     | 619       | 1,154     | 15,223         |
| 30       | 5841        | UNDERGROUND LINE EXP                     | -         | 64        | 679       | -         | 530       | 249       | 280       | 279       | 478       | 299       | 385       | 286       | 3,529          |
| 31       | 5842        | UNDERGRND LINE EXPEN                     | 1,460     | 1,790     | 3,760     | 1,922     | 4,299     | 4,288     | 1,506     | 1,077     | 1,976     | 815       | 1,275     | 1,902     | 26,070         |
| 32       |             | PAYROLL                                  | 188       | 224       | 266       | 418       | 270       | 332       | 332       | 407       | (116)     | 208       | 369       | 42        | 2,608          |
| 33       |             | NON-PAYROLL                              | 1,272     | 1,566     | 3,494     | 1,504     | 4,029     | 3,956     | 1,506     | 670       | 2,092     | 607       | 906       | 1,860     | 23,462         |
| 34       | 585         | STREET LIGHT/SIGNAL                      | 463       | 832       | 1,170     | 1,613     | 1,326     | 853       | 372       | 1,255     | 860       | 703       | 1,678     | 832       | 11,957         |
| 35       |             | PAYROLL                                  | 236       | 716       | 829       | 1,066     | 440       | 676       | 294       | 533       | 786       | 615       | 1,518     | 88        | 7,797          |
| 36       |             | NON-PAYROLL                              | 227       | 116       | 341       | 547       | 886       | 177       | 78        | 722       | 74        | 88        | 160       | 744       | 4,160          |
| 37       | 586         | METER EXPENSES                           | 22,142    | 17,620    | 22,572    | 18,791    | 19,012    | 21,659    | 18,686    | 20,414    | 24,229    | 26,657    | 24,027    | 19,861    | 255,670        |
| 38       |             | PAYROLL                                  | 17,384    | 13,562    | 15,884    | 14,610    | 15,666    | 15,837    | 14,798    | 15,976    | 17,519    | 19,885    | 20,035    | 14,493    | 195,649        |
| 39       |             | NON-PAYROLL                              | 4,758     | 4,058     | 6,688     | 4,181     | 3,346     | 5,822     | 3,888     | 4,438     | 6,710     | 6,772     | 3,992     | 5,368     | 60,021         |
| 40       | 5871        | AREA LIGHT EXPENSE                       | 3,359     | 5,044     | 4,445     | 3,820     | 3,133     | 3,345     | 3,859     | 4,510     | 5,023     | 4,770     | 3,830     | 6,908     | 52,046         |
| 41       |             | PAYROLL                                  | 2,475     | 3,233     | 2,881     | 2,359     | 2,268     | 1,878     | 2,650     | 2,925     | 3,055     | 2,997     | 2,560     | 4,430     | 33,711         |
| 42       |             | NON-PAYROLL                              | 884       | 1,811     | 1,564     | 1,461     | 865       | 1,467     | 1,209     | 1,585     | 1,968     | 1,773     | 1,270     | 2,478     | 18,335         |
| 43       | 5872        | OTHER CUSTOMER INSTA                     | 2,847     | 2,653     | 4,317     | 1,446     | 6,481     | 4,125     | 3,994     | 3,784     | 3,051     | 2,740     | 3,153     | 2,617     | 41,208         |
| 44       |             | PAYROLL                                  | 2,251     | 2,123     | 3,017     | 1,144     | 5,075     | 2,778     | 3,146     | 3,087     | 1,883     | 1,947     | 2,098     | 2,125     | 30,674         |
| 45       |             | NON-PAYROLL                              | 596       | 530       | 1,300     | 302       | 1,406     | 1,347     | 848       | 697       | 1,168     | 793       | 1,055     | 492       | 10,534         |
| 46       | 5881        | DISTRIBUTION MAPS &                      | 6,911     | 6,777     | 8,125     | 6,468     | 9,568     | 9,717     | 7,648     | 8,815     | 5,651     | 8,187     | 8,312     | 13,003    | 99,182         |
| 47       |             | PAYROLL                                  | 6,787     | 6,036     | 7,614     | 5,760     | 7,446     | 9,143     | 7,043     | 7,750     | 5,214     | 5,926     | 7,537     | 12,629    | 88,885         |
| 48       |             | NON-PAYROLL                              | 124       | 741       | 511       | 708       | 2,122     | 574       | 605       | 1,065     | 437       | 2,261     | 775       | 374       | 10,297         |
| 49       | 5882        | OTHER DIST OFFICE SU                     | 6,963     | 5,061     | 9,958     | 7,974     | 6,752     | 11,614    | 7,916     | 4,544     | 11,537    | 3,416     | 8,453     | 13,877    | 98,065         |
| 50       |             | PAYROLL                                  | 207       | 189       | 224       | 573       | 98        | 220       | 529       | 224       | 215       | 216       | 212       | 122       | 3,029          |
| 51       |             | NON-PAYROLL                              | 6,756     | 4,872     | 9,734     | 7,401     | 6,654     | 11,394    | 7,387     | 4,320     | 11,322    | 3,200     | 8,241     | 13,755    | 95,036         |
| 52       | 5883        | MISC DISTRIBUTION OF                     | 1,503     | 1,805     | 432       | 1,760     | 457       | 432       | 520       | 523       | 432       | 396       | 695       | 1,465     | 10,420         |
| 53       | 589         | RENTS                                    | 215       | -         | -         | 108       | -         | -         | 108       | 345       | -         | 67        | 18        | 169       | 1,030          |
| 54       |             | PAYROLL                                  | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 55       |             | NON-PAYROLL                              | 215       | -         | -         | 108       | -         | -         | 108       | 345       | -         | 41        | 18        | 96        | 155            |
| 56       |             |  |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 57       | 901-906     | <b>Customer Accounts - Operation</b>     |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 58       | 901         | SUPERVISION                              | 11,164    | 254       | 5,060     | 4,685     | 4,817     | 4,557     | 4,183     | 4,590     | 4,564     | 7,243     | 6,424     | 11,025    | 68,566         |

Exhibit MKR-5  
 Docket No. 070304-EI  
 Florida Public Utilities Company  
 Witness: Mehrdad Khojasteh

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: FLORIDA PUBLIC UTILITIES  
 Consolidated Electric Division  
 DOCKET NO.: 070304-EI

EXPLANATION:

If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:  
 Historic Year Ended 12/31/2006  
 Witness: Mehrdad Khojasteh

| Line No. | Account No. | Account Title                         |      | Jan-06 | Feb-06  | Mar-06  | Apr-06  | May-06  | Jun-06 | Jul-06 | Aug-06 | Sep-06  | Oct-06 | Nov-06  | Dec-06 | 12 Month Total |
|----------|-------------|---------------------------------------|------|--------|---------|---------|---------|---------|--------|--------|--------|---------|--------|---------|--------|----------------|
| 59       |             | PAYROLL                               | 0.3  | 8,868  | 3,688   | 4,126   | 3,555   | 4,354   | 3,787  | 3,595  | 3,837  | 3,923   | 6,957  | 5,942   | 10,596 | 63,228         |
| 60       |             | NON-PAYROLL                           |      | 2,296  | (3,434) | 934     | 1,130   | 463     | 770    | 588    | 753    | 641     | 286    | 482     | 429    | 5,338          |
| 61       | 9011        | SUPERVISION A&G                       |      | -      | 7,776   | 4,017   | 3,008   | 3,825   | 4,736  | 3,095  | 5,074  | 4,267   | 3,083  | 4,638   | 2,980  | 46,499         |
| 62       |             | PAYROLL                               | 0.3  | -      | 3,080   | 3,572   | 2,813   | 3,572   | 3,231  | 2,438  | 3,766  | 2,864   | 2,869  | 3,377   | 2,659  | 34,239         |
| 63       |             | NON-PAYROLL                           |      | -      | 4,696   | 445     | 195     | 254     | 1,505  | 658    | 1,308  | 1,404   | 214    | 1,261   | 321    | 12,260         |
| 64       | 902         | METER READING EXPENS                  |      | 21,390 | 21,045  | 27,269  | 19,961  | 23,797  | 25,345 | 22,108 | 24,872 | 22,788  | 22,595 | 23,267  | 22,444 | 276,881        |
| 65       |             | PAYROLL                               |      | 15,092 | 14,713  | 19,505  | 12,724  | 18,041  | 17,065 | 15,787 | 17,803 | 15,635  | 15,222 | 17,438  | 15,476 | 194,501        |
| 66       |             | NON-PAYROLL                           |      | 6,298  | 6,332   | 7,764   | 7,237   | 5,756   | 8,280  | 6,321  | 7,069  | 7,153   | 7,373  | 5,829   | 6,968  | 82,380         |
| 67       | 903         | CUSTOMER RECORDS/COL                  |      | 56,864 | 19,383  | 44,104  | 33,643  | 37,192  | 45,092 | 42,307 | 44,652 | 41,988  | 42,783 | 42,237  | 47,307 | 497,552        |
| 68       |             | PAYROLL                               | 0.3  | 35,558 | 28,291  | 31,376  | 26,638  | 31,923  | 33,399 | 32,468 | 35,833 | 32,498  | 34,845 | 34,851  | 38,435 | 396,115        |
| 69       |             | NON-PAYROLL                           |      | 21,306 | (8,908) | 12,728  | 7,005   | 5,269   | 11,693 | 9,839  | 8,819  | 9,490   | 7,938  | 7,386   | 8,872  | 101,437        |
| 70       | 9031        | CUSTOMER RECORDS/COL                  |      | -      | 39,336  | 24,147  | 21,497  | 20,886  | 24,087 | 21,265 | 19,698 | 21,402  | 20,962 | 19,684  | 27,186 | 260,150        |
| 71       |             | PAYROLL                               | 0.3  | -      | 2,939   | 3,333   | 2,736   | 3,355   | 3,224  | 3,009  | 3,138  | 3,165   | 3,218  | 3,197   | 3,486  | 34,800         |
| 72       |             | NON-PAYROLL                           |      | -      | 36,397  | 20,814  | 18,761  | 17,531  | 20,863 | 18,256 | 16,560 | 18,237  | 17,744 | 16,487  | 23,700 | 225,350        |
| 73       | 904         | UNCOLLECTIBLE ACCOUN                  |      | 5,185  | 4,536   | 4,063   | 4,376   | 4,555   | 5,322  | 6,086  | 5,915  | 6,148   | 5,037  | 4,231   | 31,961 | 87,415         |
| 74       | 905         | MISC CUSTOMER ACCOUN                  |      | 9,145  | 4,123   | 5,515   | 6,146   | 5,956   | 7,620  | 4,860  | 6,263  | 5,802   | 3,928  | 6,386   | 12,365 | 78,109         |
| 75       |             | PAYROLL                               | 0.3  | 794    | -       | 14      | -       | -       | 44     | -      | 210    | -       | -      | -       | 152    | 1,214          |
| 76       |             | NON-PAYROLL                           |      | 8,352  | 4,123   | 5,501   | 6,146   | 5,956   | 7,576  | 4,860  | 6,053  | 5,802   | 3,928  | 6,386   | 12,213 | 76,896         |
| 77       | 9051        | MISC CUSTOMER ACCNT                   |      | -      | 1,824   | 1,416   | 1,580   | 1,666   | 1,442  | 1,171  | 1,540  | 1,363   | 1,337  | 1,408   | 1,504  | 16,251         |
| 78       |             | PAYROLL                               | 0.3  | -      | 916     | 1,327   | 1,262   | 1,452   | 1,352  | 1,097  | 1,328  | 1,277   | 1,253  | 1,319   | 1,250  | 13,833         |
| 79       |             | NON-PAYROLL                           |      | -      | 908     | 89      | 318     | 214     | 91     | 74     | 212    | 86      | 84     | 89      | 255    | 2,418          |
| 80       |             |                                       |      |        |         |         |         |         |        |        |        |         |        |         |        |                |
| 81       | 906-910     | Customer Service and Info - Operation |      |        |         |         |         |         |        |        |        |         |        |         |        |                |
| 82       | 9061        | UNDERRECOVERY: CONSE                  |      | -      | -       | -       | -       | -       | -      | -      | -      | -       | -      | -       | -      | -              |
| 83       | 907         | SUPERVISION                           |      | 5,981  | 6,759   | 7,862   | 6,118   | 7,711   | 5,528  | 2,934  | 8,759  | 3,071   | 6,007  | 5,260   | 7,951  | 73,941         |
| 84       |             | PAYROLL                               |      | 5,204  | 5,338   | 6,174   | 4,992   | 5,800   | 4,767  | 2,503  | 5,733  | 1,843   | 5,675  | 4,316   | 4,801  | 57,146         |
| 85       |             | NON-PAYROLL                           |      | 777    | 1,421   | 1,688   | 1,126   | 1,911   | 761    | 431    | 3,026  | 1,228   | 332    | 944     | 3,150  | 16,795         |
| 86       | 908         | CUSTOMER ASSISTANCE                   |      | 16,419 | 15,762  | 17,658  | 11,621  | 14,301  | 15,346 | 15,197 | 18,299 | 16,536  | 18,926 | 18,039  | 22,191 | 200,295        |
| 87       |             | PAYROLL                               |      | 10,674 | 9,564   | 11,726  | 9,439   | 10,232  | 11,949 | 10,467 | 10,856 | 9,590   | 9,644  | 10,020  | 11,811 | 125,972        |
| 88       |             | NON-PAYROLL                           |      | 5,745  | 6,198   | 5,932   | 2,182   | 4,069   | 3,397  | 4,730  | 7,443  | 6,946   | 9,282  | 8,019   | 10,380 | 74,323         |
| 89       | 909         | INFO & INSTRUCTIONAL                  |      | 20,110 | 823     | 22,552  | (1,759) | 23,699  | 14,932 | 14,242 | 10,324 | 23,456  | 5,977  | 15,032  | 9,751  | 159,139        |
| 90       | 910         | MISC CUSTOMER SERVIC                  |      | 1,785  | 1,901   | 2,065   | 1,078   | 1,397   | 1,618  | 1,634  | 1,472  | 3,943   | 1,414  | 1,658   | 2,821  | 22,786         |
| 91       |             | PAYROLL                               |      | 976    | 920     | 1,109   | 912     | 736     | 900    | 1,041  | 1,024  | 952     | 952    | 966     | 835    | 11,323         |
| 92       |             | NON-PAYROLL                           |      | 809    | 981     | 956     | 166     | 661     | 718    | 593    | 448    | 2,991   | 462    | 692     | 1,986  | 11,463         |
| 93       |             |                                       |      |        |         |         |         |         |        |        |        |         |        |         |        |                |
| 94       | 911-917     | Sales Expenses - Operation            |      |        |         |         |         |         |        |        |        |         |        |         |        |                |
| 95       | 912         | DEMONSTRATING & SELL                  |      | -      | -       | -       | -       | -       | -      | -      | -      | -       | -      | -       | -      | -              |
| 96       | 9131        | PROMOTIONAL ADVERTISING               |      | -      | -       | -       | -       | -       | -      | -      | -      | -       | -      | -       | -      | -              |
| 97       | 9132        | CONSERVATION ADVERTISING              |      | -      | -       | -       | -       | -       | 7,915  | -      | -      | (6,378) | 6,378  | (6,378) | -      | 1,537          |
| 98       | 9133        | SAFETY ADVERTISING                    |      | 138    | -       | -       | 145     | 1,735   | 1,722  | 2,406  | -      | 146     | -      | -       | 1,932  | 8,224          |
| 99       | 9134        | OTHER INFO/INSTR/CON                  |      | 5,161  | 5,190   | 5,759   | 10,080  | 7,643   | 7,632  | 5,000  | 24,304 | 5,110   | 19,237 | 12,636  | 13,474 | 121,226        |
| 100      | 9135        | COMMUNITY AFFAIRS AD                  |      | -      | -       | -       | -       | -       | -      | -      | -      | -       | -      | -       | -      | -              |
| 101      | 9136        | OTHER ADVERTISING                     |      | -      | -       | -       | -       | -       | -      | -      | -      | -       | -      | -       | -      | -              |
| 102      | 916         | MISC. SALES EXPENSES                  |      | 112    | 135     | 115     | 119     | 56      | 2,279  | 30     | 12,349 | (2,135) | 26     | 53      | 110    | 13,249         |
| 103      |             |                                       |      |        |         |         |         |         |        |        |        |         |        |         |        |                |
| 104      | 920-933     | Administrative & General - Operation  |      |        |         |         |         |         |        |        |        |         |        |         |        |                |
| 105      | 920         | ADM & GENERAL SALARI                  |      | 76,019 | 76,068  | 84,179  | 74,191  | 83,356  | 83,408 | 79,388 | 85,033 | 79,208  | 78,728 | 81,023  | 79,652 | 960,253        |
| 106      |             | PAYROLL                               | 0.4  | 75,211 | 75,419  | 83,603  | 72,315  | 82,803  | 82,007 | 78,488 | 84,646 | 76,911  | 78,466 | 80,357  | 78,821 | 949,046        |
| 107      |             | NON-PAYROLL                           |      | 808    | 649     | 576     | 1,876   | 553     | 1,401  | 900    | 387    | 2,297   | 262    | 666     | 831    | 11,207         |
| 108      | 9211        | OFFICE SUPPLIES                       |      | 582    | 898     | 1,456   | 737     | 714     | 1,133  | 1,188  | 1,258  | 867     | 612    | 619     | 569    | 10,633         |
| 109      | 9212        | OFFICE POSTAGE & MAI                  |      | 766    | 815     | 1,064   | 777     | 160     | 877    | 34     | 769    | 89      | 765    | 21      | 821    | 6,958          |
| 110      | 9213        | OFF COMPUTER SUPP &                   |      | 6,234  | 671     | (7,646) | 4,875   | (3,056) | 392    | 983    | 1,454  | 2,550   | 200    | 944     | 337    | 7,938          |
| 111      |             | PAYROLL                               | 0.25 | 49     | 58      | 218     | 144     | 100     | 45     | 41     | 78     | 136     | 100    | 59      | (23)   | 1,003          |
| 112      |             | NON-PAYROLL                           |      | 6,186  | 614     | (7,864) | 4,731   | (3,156) | 347    | 942    | 1,377  | 2,414   | 100    | 886     | 360    | 6,935          |
| 113      | 9214        | OFFICE UTILITY EXPEN                  |      | 3,032  | 2,614   | 3,348   | 1,996   | 3,596   | 3,098  | 2,206  | 2,740  | 2,193   | 3,509  | 2,602   | 2,750  | 33,684         |
| 114      | 9215        | MISC OFFICE EXPENSE                   |      | 5,314  | 7,027   | 8,362   | 7,440   | 6,101   | 6,830  | 11,059 | 2,905  | 7,425   | 9,280  | 8,060   | 11,496 | 91,299         |
| 115      |             | PAYROLL                               | 0.25 | (11)   | 46      | 74      | 144     | 100     | 3      | (40)   | 399    | 348     | (59)   | 281     | 588    | 1,872          |
| 116      |             | NON-PAYROLL                           |      | 5,325  | 6,982   | 8,288   | 7,296   | 6,001   | 6,827  | 11,099 | 2,506  | 7,078   | 9,339  | 8,060   | 10,909 | 89,708         |



FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:  
Historic Year Ended 12/31/2006  
Witness: Mehrdad Khojasteh

COMPANY: FLORIDA PUBLIC UTILITIES  
Consolidated Electric Division  
DOCKET NO.: 070304-EI

| Line No. | Account No. | Account Title                              | Jan-06           | Feb-06           | Mar-06           | Apr-06           | May-06           | Jun-06           | Jul-06           | Aug-06           | Sep-06           | Oct-06           | Nov-06           | Dec-06           | 12 Month Total    |           |
|----------|-------------|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-----------|
| 117      | 9216        | CO TRAINING EXPENSE-                       | -                | 133              | 349              | -                | 48               | 100              | -                | 48               | 10               | 929              | 59               | -                | 1,676             |           |
| 118      | 9231        | OUTSIDE SERVICES - O                       | -                | -                | 3,498            | 40               | -                | -                | 1,764            | -                | 2,054            | 631              | 6,610            | 3,315            | 17,912            |           |
| 119      | 9232        | LEGAL FEES AND EXPEN                       | 2,150            | 1,328            | 480              | 1,280            | 11,872           | 6,226            | 1,826            | 3,334            | 1,320            | 3,152            | 3,176            | 3,272            | 39,416            |           |
| 120      | 9233        | OUTSIDE AUDIT & ACCO                       | 11,382           | 11,382           | 18,072           | 11,914           | 11,514           | 11,514           | 9,382            | 9,382            | 9,382            | (104)            | 8,832            | 27,106           | 139,758           |           |
| 121      | 924         | PROPERTY INSURANCE                         | 13,048           | 13,048           | 13,048           | 13,048           | 13,048           | 13,048           | 13,048           | 13,048           | 13,472           | 13,478           | 13,475           | 30,234           | 175,043           |           |
| 122      | 9251        | INJURIES AND DAMAGES                       | 6,883            | 3,189            | 14,079           | 3,464            | 9,059            | 13,744           | 7,715            | 9,088            | 11,136           | 8,258            | 10,472           | 9,959            | 107,046           |           |
| 123      |             | PAYROLL                                    | 0.32             | 2,653            | 2,416            | 2,877            | 2,604            | 2,815            | 2,432            | 2,570            | 2,449            | 2,156            | 2,617            | 2,731            | 1,347             | 29,666    |
| 124      |             | NON-PAYROLL                                |                  | 4,230            | 773              | 11,202           | 860              | 6,244            | 11,312           | 5,145            | 6,639            | 8,980            | 5,641            | 7,741            | 8,612             | 77,380    |
| 125      | 9252        | GENERAL LIABILITY                          | 29,884           | 29,671           | 29,385           | 29,334           | 29,990           | 28,288           | 26,512           | 29,343           | 29,331           | 27,382           | 27,649           | 14,561           | 331,330           |           |
| 126      |             | PAYROLL                                    | 0.39             | (4,521)          | (4,733)          | (5,020)          | (4,458)          | (4,415)          | (5,947)          | (4,336)          | (4,180)          | (4,209)          | (3,942)          | (6,224)          | (56,078)          |           |
| 127      |             | NON-PAYROLL                                |                  | 34,405           | 34,404           | 34,405           | 33,792           | 34,405           | 34,235           | 30,607           | 33,679           | 33,511           | 31,591           | 20,785           | 387,408           |           |
| 128      | 9261        | EMPLOYEE PENSIONS                          | 36,742           | 31,310           | 36,604           | 33,402           | 33,850           | 33,869           | 35,019           | 11,781           | 43,709           | 37,133           | 27,438           | 47,960           | 408,817           |           |
| 129      |             | PAYROLL                                    | 0.35             | (15,385)         | (14,774)         | (11,521)         | (14,724)         | (14,275)         | (14,256)         | (13,106)         | (4,844)          | (784)            | (10,479)         | (9,323)          | (128,141)         |           |
| 130      |             | NON-PAYROLL                                |                  | 52,127           | 46,084           | 48,125           | 48,126           | 48,125           | 48,125           | 48,125           | 16,625           | 48,380           | 37,917           | 37,917           | 57,283            | 536,958   |
| 131      | 9262        | EMPLOYEE BENEFITS- O                       | 39,224           | 37,484           | 41,402           | 32,729           | 34,087           | 29,925           | 35,348           | 28,574           | 43,290           | 37,409           | 34,982           | 43,879           | 438,333           |           |
| 132      |             | PAYROLL                                    | 0.35             | (13,399)         | (16,953)         | (11,283)         | (13,642)         | (14,002)         | (14,105)         | (12,753)         | (11,864)         | (13,331)         | (14,419)         | (13,011)         | (14,574)          | (163,335) |
| 133      |             | NON-PAYROLL                                |                  | 52,623           | 54,437           | 52,685           | 46,371           | 48,089           | 44,030           | 48,101           | 40,438           | 56,621           | 51,828           | 47,993           | 58,453            | 601,668   |
| 134      | 9263        | RETIREE BENEFITS-POS                       | 6,413            | 6,187            | 6,300            | 6,300            | 6,300            | 6,300            | 6,300            | 6,300            | (15,432)         | 4,283            | 4,283            | 4,283            | 6,300             |           |
| 135      | 9264        | 401(K) EXPENSE COMPA                       | -                | -                | 490              | 333              | 601              | 480              | 560              | (3,040)          | 4,170            | 641              | 732              | 798              | 5,765             |           |
| 136      |             | PAYROLL                                    | 0.35             | -                | -                | -                | -                | -                | -                | (4,098)          | 3,352            | (254)            | (281)            | (298)            | (1,580)           |           |
| 137      |             | NON-PAYROLL                                |                  | -                | 490              | 333              | 601              | 480              | 560              | 1,058            | 818              | 895              | 1,013            | 1,096            | 7,345             |           |
| 138      | 928         | REGULATORY COMMISSION                      | 716              | 10,779           | 12,209           | 9,370            | 10,406           | 13,578           | 8,960            | 10,646           | 15,842           | 8,077            | 13,344           | 17,156           | 131,083           |           |
| 139      |             | PAYROLL                                    | 559              | 537              | 637              | 537              | 450              | 513              | 622              | 655              | 608              | 615              | 601              | 476              | 6,810             |           |
| 140      |             | NON-PAYROLL                                | 157              | 10,242           | 11,572           | 8,833            | 9,956            | 13,065           | 8,338            | 9,991            | 15,234           | 7,462            | 12,743           | 16,680           | 124,273           |           |
| 141      | 9301        | INSTITUTIONAL/GOODWI                       | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                 |           |
| 142      | 9302        | MISC. GENERAL EXPENS                       | 3,124            | 4,820            | 13,761           | 4,509            | 5,352            | 6,377            | 2,049            | 5,409            | 6,024            | 4,835            | 9,933            | 10,429           | 76,622            |           |
| 143      |             | PAYROLL                                    | -                | -                | -                | -                | -                | 378              | -                | -                | -                | -                | -                | -                | 378               |           |
| 144      |             | NON-PAYROLL                                | 3,124            | 4,820            | 13,761           | 4,509            | 5,352            | 5,999            | 2,049            | 5,409            | 6,024            | 4,835            | 9,933            | 10,429           | 76,244            |           |
| 145      | 93022       | INDUSTRY ASSOCIATION                       | 1,000            | (1,000)          | 1,000            | -                | 82               | -                | 3,308            | -                | -                | -                | -                | -                | 4,390             |           |
| 146      | 93023       | ECONOMIC DEVELOPMENT                       | -                | -                | -                | -                | -                | -                | -                | 5,000            | -                | -                | -                | -                | 5,000             |           |
| 147      | 931         | RENTS                                      | 560              | 580              | 550              | 589              | 642              | 613              | 613              | 585              | 820              | 40               | 1,671            | 1,044            | 8,307             |           |
| 148      |             |  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |           |
| 149      |             | <b>TOTAL OPERATING EXPENSES</b>            | <b>2,914,048</b> | <b>3,072,172</b> | <b>2,851,679</b> | <b>2,681,109</b> | <b>2,919,010</b> | <b>3,273,844</b> | <b>3,605,915</b> | <b>3,524,337</b> | <b>3,222,196</b> | <b>2,943,558</b> | <b>2,616,051</b> | <b>3,046,915</b> | <b>36,670,834</b> |           |
| 150      |             | <b>Total Operating Expenses Less Fuel</b>  | <b>479,387</b>   | <b>435,027</b>   | <b>550,088</b>   | <b>437,158</b>   | <b>509,011</b>   | <b>539,212</b>   | <b>473,923</b>   | <b>502,551</b>   | <b>507,303</b>   | <b>495,569</b>   | <b>499,337</b>   | <b>635,832</b>   | <b>6,064,398</b>  |           |
| 151      |             | <b>Maintenance Expenses</b>                |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |           |
| 152      |             |  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |           |
| 153      | 641-645.1   | <b>Hydraulic Power Gen - Maintenance</b>   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |           |
| 154      | 554         | MAINT OF MISC POWER                        | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                 |           |
| 155      |             |  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |           |
| 156      | 668-674     | <b>Transmission Expenses - Maintenance</b> |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |           |
| 157      | 570         | MAINT OF STATION EQU                       | 371              | 845              | 2,974            | 4,720            | 6,291            | 2,796            | 2,502            | 2,520            | 2,304            | 2,346            | 2,616            | 68,777           | 99,062            |           |
| 158      |             | PAYROLL                                    | 121              | 242              | 480              | 119              | 434              | 569              | 290              | 281              | 138              | 154              | 340              | 11,436           | 14,604            |           |
| 159      |             | NON-PAYROLL                                | 250              | 603              | 2,494            | 4,601            | 5,857            | 2,227            | 2,212            | 2,239            | 2,166            | 2,192            | 2,276            | 57,341           | 84,458            |           |
| 160      | 571         | MAINT OF OVERHEAD LINES                    | 106              | 145              | -                | 2,837            | 9,368            | 24,957           | 8,032            | 12,348           | 8,432            | 5,692            | 7,291            | (1,255)          | 77,953            |           |
| 161      |             | PAYROLL                                    | -                | 145              | -                | 1,920            | 3,338            | 110              | 1,164            | 4,212            | 1,341            | 464              | 4,031            | (1,317)          | 15,408            |           |
| 162      |             | NON-PAYROLL                                | 106              | -                | -                | 917              | 6,030            | 24,847           | 6,868            | 8,136            | 7,091            | 5,228            | 3,260            | 62               | 62,545            |           |
| 163      | 573         | MAINT OF MISC TRANSMISSION                 | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | 446              | 446               |           |
| 164      |             |  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |           |
| 165      | 590-598     | <b>Distribution Expenses - Maintenance</b> |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |           |
| 166      | 590         | MAINT SUPERVISION/EN                       | 14,441           | 16,085           | 18,815           | 11,122           | 8,625            | 9,588            | 7,001            | 9,164            | 8,669            | 8,575            | 6,416            | 17,819           | 136,320           |           |
| 167      |             | PAYROLL                                    | 12,710           | 14,253           | 16,658           | 8,753            | 7,352            | 7,720            | 5,595            | 7,479            | 6,902            | 7,083            | 5,891            | 15,104           | 115,500           |           |
| 168      |             | NON-PAYROLL                                | 1,731            | 1,832            | 2,157            | 2,369            | 1,273            | 1,868            | 1,406            | 1,685            | 1,767            | 1,492            | 525              | 2,715            | 20,820            |           |
| 169      | 591         | MAINT OF STRUCTURES                        | 1,046            | (151)            | 20               | 2,393            | (721)            | 1,226            | 590              | 1,333            | 4,083            | (259)            | 509              | -                | 10,069            |           |
| 170      |             | PAYROLL                                    | 908              | (151)            | -                | 2,349            | (741)            | 298              | 470              | (27)             | 134              | 152              | -                | -                | 3,392             |           |
| 171      |             | NON-PAYROLL                                | 138              | -                | 20               | 44               | 20               | 928              | 120              | 1,360            | 3,949            | (411)            | 509              | -                | 6,677             |           |
| 172      | 592         | MAINT OF STATION EQUIP                     | 5,283            | 2,223            | 12,951           | 661              | 9,961            | 5,500            | 3,351            | 9,814            | 7,273            | 223              | 2,603            | 13,131           | 72,974            |           |
| 173      |             | PAYROLL                                    | 2,708            | 1,251            | 2,681            | 333              | 3,340            | 4,737            | 2,795            | 6,148            | 329              | 655              | 2,041            | 6,500            | 33,518            |           |
| 174      |             | NON-PAYROLL                                | 2,575            | 972              | 10,270           | 328              | 6,621            | 763              | 556              | 3,666            | 6,944            | (432)            | 562              | 6,631            | 39,456            |           |

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:  
Historic Year Ended 12/31/2006  
Witness: Mehrdad Khojasteh

COMPANY: FLORIDA PUBLIC UTILITIES  
Consolidated Electric Division  
DOCKET NO.: 070304-EI

| Line No. | Account No. | Account Title                          | Jan-06         | Feb-06         | Mar-06         | Apr-06         | May-06         | Jun-06         | Jul-06         | Aug-06         | Sep-06         | Oct-06         | Nov-06         | Dec-06         | 12 Month Total   |
|----------|-------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| 175      | 5931        | MAINT OF POLES/TOWER                   | 12,952         | 2,277          | 10,374         | 2,371          | 962            | 2,664          | 3,700          | 2,562          | 1,286          | 1,178          | 811            | 3,393          | 44,530           |
| 176      |             | PAYROLL                                | 4,552          | 6,178          | 5,507          | 1,883          | 455            | 1,097          | 2,843          | 3,178          | 578            | 554            | 607            | 232            | 27,664           |
| 177      |             | NON-PAYROLL                            | 8,400          | (3,901)        | 4,867          | 488            | 507            | 1,567          | 857            | (616)          | 708            | 624            | 204            | 3,161          | 16,866           |
| 178      | 5932        | MAINT OF OVERHEAD CO                   | 55,088         | 46,001         | 104,735        | 42,441         | 98,128         | 115,680        | 85,887         | 71,504         | 96,976         | 72,799         | 90,083         | 67,813         | 947,135          |
| 179      |             | PAYROLL                                | 18,574         | 12,531         | 17,487         | 12,799         | 26,371         | 23,056         | 26,173         | 20,969         | 22,660         | 12,567         | 17,662         | 18,587         | 229,436          |
| 180      |             | NON-PAYROLL                            | 36,514         | 33,470         | 87,248         | 29,642         | 71,757         | 92,624         | 59,714         | 50,535         | 74,316         | 60,232         | 72,421         | 49,226         | 717,699          |
| 181      | 5933        | MAINT OF SERVICES                      | 10,960         | 6,766          | 9,136          | 7,419          | 11,146         | 13,590         | 11,544         | 14,691         | 11,800         | 10,004         | 9,725          | 16,444         | 133,225          |
| 182      |             | PAYROLL                                | 8,411          | 6,779          | 7,872          | 5,750          | 8,654          | 9,402          | 8,987          | 10,976         | 9,464          | 7,031          | 7,032          | 11,640         | 101,998          |
| 183      |             | NON-PAYROLL                            | 2,549          | (13)           | 1,264          | 1,669          | 2,492          | 4,188          | 2,557          | 3,715          | 2,336          | 2,973          | 2,693          | 4,804          | 31,227           |
| 184      | 5941        | MAINT OF UNDERGROUND                   | 626            | 311            | 490            | 246            | 1,653          | 421            | 263            | 570            | 549            | 610            | 734            | 988            | 7,461            |
| 185      |             | PAYROLL                                | 174            | (29)           | 259            | (75)           | 175            | (77)           |                |                | 129            | 205            | 40             | 373            | 1,174            |
| 186      |             | NON-PAYROLL                            | 452            | 340            | 231            | 321            | 1,478          | 498            | 263            | 570            | 420            | 405            | 694            | 615            | 6,287            |
| 187      | 5942        | MAINT OF UNDERGRND L                   | 11,249         | 4,044          | 8,196          | 5,118          | 7,748          | 16,343         | 34,228         | 9,107          | 9,681          | 6,235          | 6,662          | 9,939          | 128,550          |
| 188      |             | PAYROLL                                | 5,031          | 2,489          | 3,988          | 2,982          | 3,892          | 9,077          | 15,497         | 3,958          | 2,987          | 2,387          | 1,180          | 7,772          | 61,240           |
| 189      |             | NON-PAYROLL                            | 6,218          | 1,555          | 4,208          | 2,136          | 3,856          | 7,266          | 18,731         | 5,149          | 6,694          | 3,848          | 5,482          | 2,167          | 67,310           |
| 190      | 5951        | MAINT OF LINE TRANSF                   | 2,990          | 2,966          | 4,047          | 4,756          | 6,532          | 8,130          | 5,037          | 4,647          | 8,386          | 16,115         | 8,182          | (7,281)        | 64,507           |
| 191      |             | PAYROLL                                | 2,591          | 2,437          | 2,689          | 3,388          | 5,902          | 4,060          | 3,907          | 3,315          | 4,865          | 6,317          | 6,005          | (91)           | 45,385           |
| 192      |             | NON-PAYROLL                            | 399            | 529            | 1,358          | 1,368          | 630            | 4,070          | 1,130          | 1,332          | 3,521          | 9,798          | 2,177          | (7,190)        | 19,122           |
| 193      | 5952        | MAINT OF LINE TRANSF                   | -              | -              | 289            | -              | -              | 389            | 8,244          | 318            | 29             | (827)          | (1,861)        | 396            | 6,977            |
| 194      |             | PAYROLL                                | -              | -              | -              | -              | -              | -              | 5,668          | 214            | -              | -              | -              | 306            | 6,188            |
| 195      |             | NON-PAYROLL                            | -              | -              | 289            | -              | -              | 389            | 2,576          | 104            | 29             | (827)          | (1,861)        | 90             | 789              |
| 196      | 5953        | MAINT OF LINE TRANSF                   | 3,147          | 1,182          | 4,681          | 2,269          | 3,113          | 9,956          | 3,629          | 9,639          | 4,151          | 3,668          | 6,780          | 2,342          | 54,557           |
| 197      |             | PAYROLL                                | 533            | 832            | 2,444          | 510            | 1,608          | 5,247          | 746            | 3,699          | 1,646          | 2,633          | 3,043          | 252            | 23,193           |
| 198      |             | NON-PAYROLL                            | 2,614          | 350            | 2,237          | 1,759          | 1,505          | 4,709          | 2,883          | 5,940          | 2,505          | 1,035          | 3,737          | 2,090          | 31,364           |
| 199      | 596         | MAINT -STREET LIGHT/                   | 2,571          | 1,707          | 4,799          | 1,945          | 2,867          | 2,339          | 3,631          | 2,952          | 1,821          | 2,903          | 9,090          | 12,474         | 49,099           |
| 200      |             | PAYROLL                                | 1,617          | 911            | 3,513          | 1,183          | 1,627          | 1,776          | 2,422          | 1,871          | 721            | 1,667          | 1,778          | 3,240          | 22,326           |
| 201      |             | NON-PAYROLL                            | 954            | 796            | 1,286          | 762            | 1,240          | 563            | 1,209          | 1,081          | 1,100          | 1,236          | 7,312          | 9,234          | 26,773           |
| 202      | 597         | MAINT OF METERS                        | 2,015          | 2,400          | 3,154          | 5,594          | 2,118          | 2,766          | 3,038          | 2,592          | 3,973          | 1,922          | 2,499          | 3,179          | 35,250           |
| 203      |             | PAYROLL                                | 1,588          | 1,673          | 2,004          | 2,559          | 1,503          | 2,136          | 1,413          | 2,041          | 2,658          | 1,563          | 2,139          | 2,373          | 23,650           |
| 204      |             | NON-PAYROLL                            | 427            | 727            | 1,150          | 3,035          | 615            | 630            | 1,625          | 551            | 1,315          | 359            | 360            | 806            | 11,600           |
| 205      | 598         | MAINT OF MISC DISTRI                   | 5,491          | 4,527          | 5,718          | 2,933          | 3,529          | 5,606          | 3,742          | 5,075          | 5,852          | 4,771          | 11,546         | 12,906         | 71,496           |
| 206      |             | PAYROLL                                | 3,872          | 2,910          | 4,180          | 1,743          | 1,786          | 4,247          | 2,587          | 3,632          | 3,417          | 3,442          | 2,886          | 4,145          | 38,847           |
| 207      |             | NON-PAYROLL                            | 1,619          | 1,617          | 1,538          | 1,190          | 1,743          | 1,359          | 1,155          | 1,443          | 2,235          | 1,329          | 8,660          | 8,761          | 32,649           |
| 208      | 936         | Administrative & General - Maintenance | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -                |
| 209      | 935         | MAINT OF GENERAL PLA                   | 13,383         | 7,544          | 27,072         | 9,514          | 21,326         | 10,620         | 14,880         | 12,211         | 7,546          | 12,728         | 10,459         | 12,419         | 159,702          |
| 210      |             | PAYROLL                                | 0.31           | 1,558          | 389            | 450            | 745            | 251            | 419            | 614            | 657            | 926            | 730            | 632            | 8,651            |
| 211      |             | NON-PAYROLL                            | 11,825         | 7,155          | 26,622         | 8,769          | 21,075         | 10,201         | 14,266         | 11,554         | 6,620          | 11,998         | 9,827          | 11,139         | 151,051          |
| 212      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 213      |             | <b>TOTAL MAINTENANCE EXPENSES</b>      | <b>141,719</b> | <b>98,872</b>  | <b>217,451</b> | <b>106,339</b> | <b>192,646</b> | <b>232,571</b> | <b>199,299</b> | <b>171,047</b> | <b>182,611</b> | <b>148,683</b> | <b>174,145</b> | <b>233,930</b> | <b>2,099,313</b> |
| 214      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 215      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 216      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 217      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 218      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 219      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 220      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 221      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 222      |             | <b>Other Operating Expenses</b>        |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 223      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 224      | 4030.1      | DEPRECIATION EXPENSE                   | 215,045        | 212,491        | 216,576        | 224,241        | 221,074        | 221,371        | 222,112        | 223,655        | 224,143        | 224,639        | 224,987        | 180,013        | 2,610,347        |
| 225      | 4030.2      | DEPR EXP-COMMON                        | 12,950         | 9,486          | 9,586          | 9,500          | 8,861          | 8,817          | 8,868          | 8,897          | 8,897          | 8,897          | 8,927          | 8,465          | 112,151          |
| 226      |             | <b>403 - Depreciation Expenses</b>     | <b>227,995</b> | <b>221,977</b> | <b>226,162</b> | <b>233,741</b> | <b>229,935</b> | <b>230,188</b> | <b>230,980</b> | <b>232,552</b> | <b>233,040</b> | <b>233,536</b> | <b>233,914</b> | <b>188,478</b> | <b>2,722,498</b> |
| 227      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 228      | 4070.3      | Amortization - Storm Hardening         | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -                |
| 229      |             | <b>407 - Storm Hardening</b>           | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>         |
| 230      |             |  |                |                |                |                |                |                |                |                |                |                |                |                |                  |
| 231      | 4080.1      | AD VALOREM TAXES                       | 44,215         | 44,215         | 44,215         | 44,215         | 44,215         | 44,215         | 44,215         | 44,215         | 44,215         | 44,215         | 35,868         | 35,868         | 513,886          |
| 232      | 4080.2      | STATE GROSS RECEIPTS                   | 97,866         | 97,869         | 90,971         | 85,461         | 90,831         | 102,708        | 119,260        | 112,935        | 116,828        | 97,125         | 81,319         | 91,611         | 1,184,784        |

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: FLORIDA PUBLIC UTILITIES  
 Consolidated Electric Division  
 DOCKET NO.: 070304-EI

EXPLANATION:

If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:  
 Historic Year Ended 12/31/2006  
 Witness: Mehrdad Khojasteh

| Line No. | Account No.                         | Account Title                         | Jan-06           | Feb-06           | Mar-06           | Apr-06           | May-06           | Jun-06           | Jul-06           | Aug-06           | Sep-06           | Oct-06           | Nov-06           | Dec-06           | 12 Month Total    |
|----------|-------------------------------------|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 233      | 4080.3                              | FPSC ASSESSMENT                       | 2,712            | 2,857            | 2,661            | 2,501            | 2,735            | 3,055            | 3,654            | 3,366            | 3,304            | 2,780            | 2,142            | 2,641            | 34,408            |
| 234      | 4080.4                              | EMERGENCY EXCISE TAX                  | -                | -                | -                | -                | -                | (8,261)          | -                | -                | -                | -                | -                | -                | (8,261)           |
| 235      | 4080.5                              | FEDERAL UNEMPLOYMENT                  | 2,693            | 869              | (225)            | (753)            | (738)            | (997)            | 61               | 128              | 69               | 41               | 70               | 114              | 1,332             |
| 236      | 4080.6                              | STATE UNEMPLOYMENT T                  | 4,025            | 626              | (380)            | (1,225)          | (1,200)          | (1,605)          | 98               | 206              | 111              | 65               | 112              | 184              | 1,017             |
| 237      | 4080.7                              | F.I.C.A.                              | 18,978           | 17,601           | 32,360           | 17,342           | 18,509           | 16,743           | 18,576           | 32,963           | 18,392           | 17,420           | 17,904           | 14,970           | 241,758           |
| 238      | 4080.8                              | MISCELLANEOUS TAXES                   | -                | -                | -                | -                | -                | -                | -                | 313              | 300              | -                | -                | -                | 613               |
| 239      | 4080.11                             | FRANCHISE TAX                         | 166,851          | 170,147          | 155,756          | 145,697          | 155,113          | 173,835          | 197,308          | 191,221          | 196,953          | 164,605          | 138,314          | 156,835          | 2,012,635         |
| 240      | 408 - Taxes Other Than Income Taxes |                                       | 337,340          | 334,184          | 325,358          | 293,238          | 309,465          | 329,693          | 383,172          | 385,347          | 380,172          | 326,251          | 275,729          | 302,223          | 3,982,172         |
| 241      |                                     |                                       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |
| 242      | 4090.1                              | I/T -FEDERAL- UTIL O                  | 122,000          | 45,400           | 42,700           | 80,400           | (12,500)         | (83,402)         | 137,374          | 122,300          | 90,400           | 104,900          | 5,900            | 4,900            | 660,372           |
| 243      | 4090.2                              | I/T -STATE - UTIL O                   | 20,800           | 7,900            | 7,300            | 13,700           | (2,200)          | (15,089)         | 23,912           | 20,900           | 15,500           | 17,900           | 1,000            | 900              | 112,523           |
| 244      | 409 - Income Taxes                  |                                       | 142,800          | 53,300           | 50,000           | 94,100           | (14,700)         | (98,491)         | 161,286          | 143,200          | 105,900          | 122,800          | 6,900            | 5,800            | 772,895           |
| 245      |                                     |                                       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |
| 246      | 4100.1                              | DEFERRED I/T-FEDERAL                  | (50,683)         | 16,298           | (53,371)         | (40,949)         | 58,125           | 135,052          | (40,482)         | (13,614)         | (41,552)         | (83,449)         | 10,440           | (28,318)         | (132,503)         |
| 247      | 4100.2                              | DEFERRED I/T-STATE                    | (8,675)          | 2,792            | (9,140)          | (7,006)          | 9,953            | 23,116           | (6,931)          | (2,333)          | (7,112)          | (14,287)         | 1,793            | (4,852)          | (22,682)          |
| 248      | 4100.3                              | DEFERRED I/T AMORTIZ                  | -                | -                | -                | -                | -                | -                | -                | -                | (41,157)         | -                | -                | -                | (41,157)          |
| 249      | 4100.4                              | DEFERRED I/T AMORTIZ                  | -                | -                | -                | -                | -                | -                | -                | -                | 554              | -                | -                | -                | 554               |
| 250      | 410 - Deferred Income Taxes         |                                       | (59,358)         | 19,090           | (62,511)         | (47,955)         | 68,078           | 158,168          | (47,413)         | (15,947)         | (89,267)         | (97,736)         | 12,233           | (33,170)         | (195,788)         |
| 251      |                                     |                                       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |
| 252      | 4110.4                              | INVEST TAX CREDIT- U                  | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,688)          | (32,322)          |
| 253      | 411 - Investment Tax Credit         |                                       | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,694)          | (2,688)          | (32,322)          |
| 254      |                                     |                                       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |
| 255      |                                     | <b>TOTAL OTHER OPERATING EXPENSES</b> | <b>646,083</b>   | <b>625,857</b>   | <b>536,315</b>   | <b>570,430</b>   | <b>590,084</b>   | <b>616,864</b>   | <b>725,331</b>   | <b>742,458</b>   | <b>627,151</b>   | <b>582,157</b>   | <b>526,082</b>   | <b>460,643</b>   | <b>7,249,455</b>  |
| 256      |                                     |                                       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                   |
| 257      |                                     | <b>TOTAL EXPENSES INCLUDING FUEL</b>  | <b>3,701,850</b> | <b>3,796,901</b> | <b>3,605,445</b> | <b>3,357,878</b> | <b>3,701,740</b> | <b>4,123,279</b> | <b>4,530,545</b> | <b>4,437,842</b> | <b>4,031,958</b> | <b>3,674,398</b> | <b>3,316,278</b> | <b>3,741,488</b> | <b>46,019,602</b> |

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY:FLORIDA PUBLIC UTILITIES  
 Consolidated Electric Division  
 DOCKET NO.: 070304-EI

EXPLANATION:

If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:  
 Prior Year Ended 12/31/2007  
 Witness: Mehrdad Khojasteh

If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

| Line No. | Account No. | Account Title                     | Adjustment Basis     | Adjustment Factor | Over and Above | Jan-07    | Feb-07    | Mar-07    | Apr-07    | May-07    | Jun-07    | Jul-07    | Aug-07    | Sep-07    | Oct-07    | Nov-07    | Dec-07    | 12 Month Total |        |
|----------|-------------|-----------------------------------|----------------------|-------------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|--------|
| 1        |             | <b>OPERATING EXPENSES</b>         |                      |                   |                |           |           |           |           |           |           |           |           |           |           |           |           |                |        |
| 3        | 555-657     | Other Power Supply Expenses       |                      |                   |                |           |           |           |           |           |           |           |           |           |           |           |           |                |        |
| 4        | 555         | PURCHASED POWER                   | Billing Determinants |                   |                | 2,732,628 | 3,331,037 | 2,578,653 | 2,645,833 | 3,108,065 | 3,315,527 | 3,535,784 | 3,566,175 | 2,971,190 | 2,726,914 | 2,521,665 | 2,756,882 | 35,790,353     |        |
| 5        | 55501       | PURCHASED POWER-QUAL              | 19                   | 0%                |                | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |        |
| 6        | 5551        | UNDER REC:FUEL ADJ.               | Calculated           |                   |                | 234,546   | (325,203) | 247,468   | (91,875)  | (396,332) | (262,693) | 180,420   | (295,616) | 395,298   | 373,758   | (189,714) | (139,068) | (269,012)      |        |
| 7        | 556         | SYSTEM CONTROL & LOAD DISP.       | 0                    | 100%              |                | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |        |
| 8        | 557         | OTHER EXPENSES                    | 0                    | 100%              |                | (565)     | 5,421     | (16,501)  | 245       | 44,573    | 105,507   | 1,041     | 26,650    | 59,797    | 1,081     | 39,811    | 79,179    | 346,239        |        |
| 10       | 560-667.1   | Transmission Expenses - Operation |                      |                   |                |           |           |           |           |           |           |           |           |           |           |           |           |                |        |
| 11       | 562         | STATION EXPENSES                  | 1                    | 102.2%            | 25,000         | 2,434     | 2,604     | 2,939     | 3,860     | 4,066     | 6,168     | 2,456     | 3,283     | 3,525     | 4,266     | 2,698     | 4,202     | 42,501         |        |
| 12       |             | PAYROLL                           |                      |                   |                | 298       | 1,698     | 866       | 866       | 671       | 932       | 1,359     | 2,268     | 2,044     | 907       | 1,432     | 2,039     | 16,607         |        |
| 13       |             | NON-PAYROLL                       |                      |                   |                | 2,136     | 905       | 846       | 2,993     | 3,395     | 5,236     | 1,097     | 1,015     | 1,482     | 3,360     | 1,266     | 2,163     | 25,894         |        |
| 14       | 566         | MISC TRANSMISSION EXPENSES        | 13                   | 103.4%            | 12,000         | 1,010     | 1,000     | 1,000     | 1,000     | 1,000     | 1,000     | 1,000     | 1,000     | 1,105     | 1,000     | 1,000     | 1,000     | 12,116         |        |
| 16       | 580-589     | Distribution Expenses - Operation |                      |                   |                |           |           |           |           |           |           |           |           |           |           |           |           |                |        |
| 17       | 580         | OPERATION SUPERVISION & ENG       | 5                    | 105.5%            | 56,408         | 32,573    | 25,183    | 34,414    | 28,073    | 32,589    | 33,368    | 27,753    | 34,631    | 35,651    | 27,357    | 26,869    | 41,960    | 380,422        |        |
| 18       |             | PAYROLL                           |                      |                   |                | 27,602    | 20,897    | 25,965    | 23,112    | 25,979    | 24,427    | 22,545    | 26,296    | 21,282    | 22,229    | 35,024    | 35,024    | 303,163        |        |
| 19       |             | NON-PAYROLL                       |                      |                   |                | 4,971     | 4,296     | 8,448     | 4,961     | 6,609     | 8,941     | 5,209     | 6,816     | 9,355     | 6,075     | 4,640     | 6,938     | 77,258         |        |
| 20       | 581         | LOAD DISPATCHING                  | 13                   | 103.4%            | -              | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |        |
| 21       | 582         | STATION EXPENSES                  | 5                    | 105.5%            | 45,000         | 7,825     | 6,058     | 8,000     | 8,694     | 6,744     | 10,572    | 6,228     | 6,970     | 6,775     | 8,112     | 8,067     | 10,626    | 94,672         |        |
| 22       |             | PAYROLL                           |                      |                   |                | 2,881     | 4,591     | 4,594     | 3,033     | 3,415     | 5,243     | 3,450     | 3,873     | 2,117     | 5,048     | 4,793     | 4,731     | 47,768         |        |
| 23       |             | NON-PAYROLL                       |                      |                   |                | 4,945     | 1,468     | 3,406     | 5,660     | 3,329     | 5,328     | 2,779     | 3,097     | 4,657     | 3,064     | 3,275     | 5,895     | 46,903         |        |
| 24       | 5831        | OPERATION OF OVERHEAD             | 16                   | 106.8%            | -              | 2,596     | 2,471     | 4,357     | 3,454     | 3,307     | 5,907     | 3,134     | 6,300     | 3,190     | 9,324     | 8,721     | 2,152     | 54,913         |        |
| 25       |             | PAYROLL                           |                      |                   |                | 1,582     | 768       | 2,290     | 723       | 1,670     | 917       | 1,571     | 480       | 6,085     | 6,350     | (844)     | -         | 22,328         |        |
| 26       |             | NON-PAYROLL                       |                      |                   |                | 1,015     | 1,706     | 2,068     | 2,998     | 2,583     | 4,237     | 2,216     | 4,729     | 2,730     | 3,238     | 2,371     | 2,996     | 32,586         |        |
| 27       | 5832        | REMOVING & RESETTING              | 16                   | 106.8%            | -              | 4,198     | 3,315     | 4,196     | 3,010     | 6,527     | 5,116     | 8,282     | 7,200     | 8,364     | 7,339     | 3,352     | 4,663     | 65,562         |        |
| 28       |             | PAYROLL                           |                      |                   |                | 3,491     | 2,621     | 3,167     | 2,294     | 5,669     | 3,245     | 6,680     | 5,544     | 6,713     | 3,758     | 2,691     | 3,430     | 49,304         |        |
| 29       |             | NON-PAYROLL                       |                      |                   |                | 707       | 694       | 1,030     | 716       | 858       | 1,671     | 1,602     | 1,650     | 3,591     | 661       | 1,232     | 1,630     | 16,258         |        |
| 30       | 5841        | UNDERGROUND LINE EXP              | 5                    | 105.5%            | -              | 68        | 716       | 716       | 716       | 716       | 716       | 716       | 716       | 716       | 716       | 716       | 716       | 7,160          |        |
| 31       | 5842        | UNDERGRND LINE EXPEN              | 5                    | 105.5%            | -              | 1,540     | 1,888     | 3,967     | 2,028     | 4,535     | 4,524     | 1,589     | 1,136     | 2,085     | 860       | 1,345     | 2,007     | 27,504         |        |
| 32       |             | PAYROLL                           |                      |                   |                | 198       | 236       | 281       | 441       | 285       | 350       | 429       | 429       | (122)     | 219       | 389       | 44        | 2,751          |        |
| 33       |             | NON-PAYROLL                       |                      |                   |                | 1,342     | 1,652     | 3,686     | 1,587     | 4,251     | 4,174     | 1,589     | 707       | 2,207     | 640       | 958       | 1,962     | 24,752         |        |
| 34       | 585         | STREET LIGHT/SIGNAL               | 16                   | 106.8%            | -              | 484       | 889       | 1,250     | 1,723     | 1,416     | 911       | 397       | 1,340     | 918       | 751       | 1,792     | 889       | 12,770         |        |
| 35       |             | PAYROLL                           |                      |                   |                | 252       | 765       | 895       | 1,138     | 470       | 722       | 314       | 569       | 839       | 657       | 1,621     | 94        | 8,327          |        |
| 36       |             | NON-PAYROLL                       |                      |                   |                | 242       | 124       | 354       | 584       | 689       | 83        | 771       | 79        | 94        | 171       | 795       | 4,443     |                |        |
| 37       | 586         | METER EXPENSES                    | 16                   | 106.8%            | -              | 23,648    | 18,818    | 24,107    | 20,069    | 20,305    | 23,132    | 19,957    | 21,802    | 25,877    | 28,470    | 25,661    | 21,212    | 273,056        |        |
| 38       |             | PAYROLL                           |                      |                   |                | 18,668    | 14,484    | 18,964    | 15,603    | 16,731    | 16,914    | 15,804    | 17,062    | 18,710    | 21,237    | 21,397    | 15,479    | 208,953        |        |
| 39       |             | NON-PAYROLL                       |                      |                   |                | 5,082     | 4,334     | 7,143     | 4,465     | 3,574     | 6,218     | 4,152     | 4,740     | 7,166     | 7,232     | 4,263     | 5,733     | 64,102         |        |
| 40       | 5871        | AREA LIGHT EXPENSE                | 16                   | 106.8%            | -              | 3,587     | 5,387     | 4,747     | 4,080     | 3,346     | 3,572     | 4,121     | 4,817     | 5,365     | 5,094     | 4,090     | 4,731     | 55,585         |        |
| 41       |             | PAYROLL                           |                      |                   |                | 944       | 1,934     | 1,670     | 1,560     | 2,422     | 2,006     | 2,830     | 3,124     | 3,201     | 2,734     | 4,731     | 3,803     | 36,003         |        |
| 42       |             | NON-PAYROLL                       |                      |                   |                | 3,041     | 2,833     | 4,611     | 1,544     | 6,922     | 4,406     | 4,286     | 4,041     | 2,102     | 1,894     | 1,356     | 2,047     | 19,582         |        |
| 43       | 5872        | OTHER CUSTOMER INSTA              | 16                   | 106.8%            | -              | 2,404     | 2,267     | 3,222     | 1,222     | 5,420     | 2,067     | 3,260     | 3,297     | 2,011     | 2,926     | 3,367     | 2,795     | 44,010         |        |
| 44       |             | PAYROLL                           |                      |                   |                | 637       | 566       | 1,388     | 323       | 1,502     | 1,439     | 908       | 744       | 1,247     | 847       | 1,127     | 525       | 32,760         |        |
| 45       |             | NON-PAYROLL                       |                      |                   |                | 7,381     | 7,238     | 8,678     | 6,908     | 10,219    | 10,378    | 8,168     | 9,414     | 6,035     | 8,744     | 8,677     | 13,887    | 105,926        |        |
| 46       | 5881        | DISTRIBUTION MAPS &               | 16                   | 106.8%            | -              | 7,249     | 6,448     | 8,132     | 6,152     | 7,952     | 9,765     | 7,522     | 8,277     | 5,569     | 6,329     | 8,050     | 13,488    | 94,929         |        |
| 47       |             | PAYROLL                           |                      |                   |                | 132       | 791       | 546       | 758       | 2,268     | 613       | 648       | 448       | 448       | 448       | 448       | 448       | 399            | 10,997 |
| 48       |             | NON-PAYROLL                       |                      |                   |                | 11,670    | 9,638     | 14,868    | 12,750    | 11,444    | 16,637    | 12,688    | 9,088     | 16,555    | 7,882     | 13,261    | 19,054    | 155,533        |        |
| 49       | 5882        | OTHER DIST OFFICE SU              | 16                   | 106.8%            | 50,800         | 347       | 360       | 334       | 916       | 166       | 315       | 448       | 448       | 309       | 498       | 333       | 168       | 5,042          |        |
| 50       |             | PAYROLL                           |                      |                   |                | 11,323    | 9,279     | 14,534    | 11,833    | 11,278    | 16,322    | 11,840    | 8,638     | 16,246    | 7,383     | 12,929    | 18,886    | 150,492        |        |
| 51       |             | NON-PAYROLL                       |                      |                   |                | 1,605     | 1,928     | 461       | 1,880     | 488       | 461       | 555       | 559       | 461       | 423       | 742       | 1,565     | 11,129         |        |
| 52       | 5883        | MISC DISTRIBUTION OF              | 16                   | 106.8%            | -              | 220       | -         | -         | 110       | -         | -         | 110       | 353       | -         | 68        | 18        | 18        | 1,053          |        |
| 53       | 589         | RENTS                             | 1                    | 102.2%            | -              | -         | -         | -         | -         | -         | -         | -         | -         | -         | 42        | 18        | 98        | 158            |        |
| 54       |             | PAYROLL                           |                      |                   |                | 220       | -         | -         | 110       | -         | -         | 110       | 353       | -         | 68        | 18        | 98        | 1,053          |        |
| 55       |             | NON-PAYROLL                       |                      |                   |                | -         | -         | -         | -         | -         | -         | -         | -         | -         | 42        | 18        | 98        | 158            |        |
| 56       |             |                                   |                      |                   |                | 220       | -         | -         | 110       | -         | -         | 110       | 353       | -         | 27        | -         | 75        | 894            |        |
| 57       | 901-906     | Customer Accounts - Operation     |                      |                   |                |           |           |           |           |           |           |           |           |           |           |           |           |                |        |
| 58       | 901         | SUPERVISION                       | 5                    | 105.5%            | 1,426          | 11,897    | 387       | 5,457     | 5,062     | 5,201     | 4,927     | 4,532     | 4,961     | 4,934     | 7,760     | 6,896     | 11,750    | 73,765         |        |
| 59       |             | PAYROLL                           |                      |                   |                | 9,451     | 5,619     | 4,450     | 3,841     | 4,701     | 4,094     | 3,895     | 4,148     | 4,241     | 7,454     | 6,379     | 11,293    | 69,565         |        |
| 60       |             | NON-PAYROLL                       |                      |                   |                | 2,446     | (5,232)   | 1,007     | 1,221     | 500       | 832       | 637       | 814       | 893       | 306       | 517       | 457       | 4,200          |        |
| 61       | 9011        | SUPERVISION A&G                   | 5                    | 105.5%            | -              | 8,204     | 4,238     | 3,173     | 4,035     | 4,996     | 3,265     | 5,353     | 4,502     | 3,253     | 4,893     | 3,144     | 49,056    |                |        |
| 62       |             | PAYROLL                           |                      |                   |                | 3,250     | 3,769     | 3,769     | 3,408     | 3,768     | 3,408     | 2,572     | 3,073     | 3,021     | 3,028     | 3,563     | 2,805     | 36,122         |        |
| 63       |             | NON-PAYROLL                       |                      |                   |                | -         | 4,954     | 469       | 208       | 267       | 1,588     | 694       | 1,380     | 1,481     | 226       | 1,330     | 339       | 12,934         |        |
| 64       | 902         | METER READING EXPENSE             | 16                   | 106.8%            | -              | 22,845    | 22,476    | 29,123    | 21,318    | 25,415    | 27,068    | 23,611    | 26,563    | 24,338    | 24,131    | 24,849    | 23,970    | 295,709        |        |
| 65       |             | PAYROLL                           |                      |                   |                | 16,118    | 15,713    | 20,831    | 13,589    | 19,268    | 18,225    | 16,061    | 19,014    | 16,898    | 16,257    | 18,624    | 16,528    | 207,727        |        |
| 66       |             | NON-PAYROLL                       |                      |                   |                | 6,726     | 6,763     | 8,292     | 7,729     | 6,147     | 8,843     | 6,751     | 7,550     | 7,639     | 7,874     | 6,225     | 7,442     | 87,982         |        |
| 67       | 903         | CUSTOMER RECORDS/COLLECTION       | 5                    | 105.5%            | -              | 59,992    | 20,449    | 46,530    | 35,493    | 39,238    | 47,572    | 44,634    | 47,108    | 44,297    | 45,136    | 44,560    | 49,909    | 524,917        |        |
| 68       |             | PAYROLL                           |                      |                   |                | 37,514    | 29,847    | 33,102    | 28,       |           |           |           |           |           |           |           |           |                |        |

Schedule C-7 (2007)

OPERATION AND MAINTENANCE EXPENSES -- PRIOR YEAR 2007

OPERATION AND MAINTENANCE EXPENSES -- PRIOR YEAR 2007

| FLORIDA PUBLIC SERVICE COMMISSION |             | EXPLANATION:                          | Adjustment Basis | Adjustment Factor | Over and Above | Type of Data Shown:   |   |          |          |          |                             |          |          |          |          |          |          |                           |
|-----------------------------------|-------------|---------------------------------------|------------------|-------------------|----------------|---|---|----------|----------|----------|-----------------------------|----------|----------|----------|----------|----------|----------|---------------------------|
| COMPANY:FLORIDA PUBLIC UTILITIES  |             |                                       |                  |                   |                | If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year. |   |          |          |          | Prior Year Ended 12/31/2007 |          |          |          |          |          |          | Witness: Mehdad Khojasteh |
| Consolidated Electric Division    |             |                                       |                  |                   |                |   | If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year. |          |          |          |                             |          |          |          |          |          |          |                           |
| Line No.                          | Account No. | Account Title                         |                  |                   |                | Jan-07  | Feb-07  | Mar-07   | Apr-07   | May-07   | Jun-07                      | Jul-07   | Aug-07   | Sep-07   | Oct-07   | Nov-07   | Dec-07   | 12 Month Total            |
| 80                                |             |                                       |                  |                   |                |   |   |          |          |          |                             |          |          |          |          |          |          |                           |
| 81                                | 906-910     | Customer Service and Info - Operation |                  |                   |                |   |   |          |          |          |                             |          |          |          |          |          |          |                           |
| 82                                | 9061        | UNDERRECOVERY; CONSERVATION           | Calculated       |                   |                | (12,464)  | 7,736   | (20,268) | 11,065   | (17,737) | (3,204)                     | 6,810    | (3,122)  | (10,101) | 1,433    | (14,696) | (13,859) | (68,607)                  |
| 83                                | 907         | SUPERVISION                           | 13               | 103.4%            |                | 6,184   | 6,989   | 8,129    | 6,326    | 7,973    | 5,716                       | 3,034    | 9,057    | 3,175    | 6,211    | 5,439    | 8,221    | 76,455                    |
| 84                                |             | PAYROLL                               |                  |                   |                | 5,381   | 5,519   | 6,384    | 5,162    | 5,997    | 4,929                       | 2,588    | 5,928    | 1,908    | 5,868    | 4,483    | 4,964    | 59,089                    |
| 85                                |             | NON-PAYROLL                           |                  |                   |                | 803   | 1,469   | 1,745    | 1,164    | 1,978    | 787                         | 446      | 3,129    | 1,270    | 343      | 976      | 3,257    | 17,366                    |
| 86                                | 908         | CUSTOMER ASSISTANCE                   | 13               | 103.4%            |                | 16,977  | 16,298  | 18,258   | 12,016   | 14,787   | 15,868                      | 15,714   | 18,921   | 17,098   | 19,569   | 18,652   | 22,945   | 207,105                   |
| 87                                |             | PAYROLL                               |                  |                   |                | 11,037  | 9,889   | 12,125   | 9,760    | 10,580   | 12,355                      | 10,823   | 11,225   | 9,916    | 9,972    | 10,361   | 12,213   | 130,255                   |
| 88                                |             | NON-PAYROLL                           |                  |                   |                | 5,940   | 6,409   | 6,134    | 2,256    | 4,207    | 3,512                       | 4,891    | 7,696    | 7,182    | 9,598    | 8,292    | 10,733   | 76,850                    |
| 89                                | 909         | INFO & INSTRUCTIONAL                  | 13               | 103.4%            |                | 20,794  | 851   | 23,319   | (1,819)  | 24,505   | 15,440                      | 14,726   | 10,675   | 24,254   | 6,180    | 15,543   | 10,083   | 164,550                   |
| 90                                | 910         | MISC CUSTOMER SERVICE                 | 13               | 103.4%            |                | 1,846   | 1,966   | 2,135    | 1,115    | 1,444    | 1,673                       | 1,690    | 1,522    | 4,077    | 1,462    | 1,714    | 2,917    | 23,551                    |
| 91                                |             | PAYROLL                               |                  |                   |                | 1,009   | 951   | 1,147    | 943      | 761      | 931                         | 1,078    | 1,059    | 984      | 999      | 999      | 863      | 11,708                    |
| 92                                |             | NON-PAYROLL                           |                  |                   |                | 837   | 1,014   | 989      | 172      | 683      | 742                         | 613      | 463      | 3,093    | 478      | 716      | 2,054    | 11,853                    |
| 93                                |             |                                       |                  |                   |                |   |   |          |          |          |                             |          |          |          |          |          |          |                           |
| 94                                | 911-917     | Sales Expenses - Operation            |                  |                   |                |   |   |          |          |          |                             |          |          |          |          |          |          |                           |
| 95                                | 912         | DEMONSTRATING & SELLING               | 5                | 105.5%            |                | -   | -   | -        | -        | -        | -                           | -        | -        | -        | -        | -        | -        | -                         |
| 96                                | 9131        | PROMOTIONAL ADVERTISING               | 13               | 103.4%            |                | -   | -   | -        | -        | -        | -                           | -        | -        | -        | -        | -        | -        | -                         |
| 97                                | 9132        | CONSERVATION ADVERTISING              | 13               | 103.4%            |                | -   | -   | -        | -        | -        | 8,184                       | -        | -        | (6,595)  | 6,595    | (6,595)  | -        | 1,589                     |
| 98                                | 9133        | SAFETY ADVERTISING                    | 13               | 103.4%            |                | 143   | -   | -        | 150      | 1,794    | 1,781                       | 2,488    | -        | 151      | -        | -        | 1,998    | 8,504                     |
| 99                                | 9134        | OTHER INFOINSTRICON                   | 13               | 103.4%            | 28,800         | 7,736   | 7,766   | 8,355    | 12,823   | 10,303   | 10,291                      | 7,570    | 27,530   | 7,684    | 22,291   | 15,466   | 16,332   | 154,148                   |
| 100                               | 9135        | COMMUNITY AFFAIRS ADVERTISING         | 13               | 103.4%            |                | -   | -   | -        | -        | -        | -                           | -        | -        | -        | -        | -        | -        | -                         |
| 101                               | 9136        | OTHER ADVERTISING                     | 13               | 103.4%            |                | -   | -   | -        | -        | -        | -                           | -        | -        | -        | -        | -        | -        | -                         |
| 102                               | 916         | MISC. SALES EXPENSES                  | 13               | 103.4%            |                | 116   | 140   | 119      | 123      | 58       | 2,356                       | 31       | 12,769   | (2,208)  | 27       | 55       | 114      | 13,699                    |
| 103                               |             |                                       |                  |                   |                |   |   |          |          |          |                             |          |          |          |          |          |          |                           |
| 104                               | 920-933     | Administrative & General - Operation  |                  |                   |                |   |   |          |          |          |                             |          |          |          |          |          |          |                           |
| 105                               | 920         | ADM & GENERAL SALARIES                | 5                | 105.5%            | 58,302         | 85,059  | 85,110  | 93,667   | 83,130   | 92,799   | 92,854                      | 88,613   | 94,568   | 88,423   | 87,917   | 90,338   | 88,891   | 1,071,369                 |
| 106                               |             | PAYROLL                               |                  |                   |                | 84,155  | 84,384  | 93,027   | 81,028   | 92,183   | 91,294                      | 87,608   | 94,138   | 85,859   | 87,624   | 89,595   | 87,964   | 1,058,858                 |
| 107                               |             | NON-PAYROLL                           |                  |                   |                | 904   | 728   | 641      | 2,102    | 616      | 1,560                       | 1,005    | 430      | 2,564    | 293      | 742      | 927      | 12,511                    |
| 108                               | 9211        | OFFICE SUPPLIES                       | 1                | 102.2%            |                | 918   | 918   | 1,488    | 753      | 730      | 1,158                       | 1,214    | 1,286    | 886      | 625      | 633      | 582      | 10,867                    |
| 109                               | 9212        | OFFICE POSTAGE & MAI                  | 1                | 102.2%            |                | 783   | 833   | 1,087    | 794      | 164      | 896                         | 35       | 786      | 91       | 782      | 21       | 839      | 7,111                     |
| 110                               | 9213        | OFF COMPUTER SUPP & PAYROLL           | 1                | 102.2%            |                | 6,371   | 686   | (7,814)  | 4,982    | (3,123)  | 401                         | 1,005    | 1,486    | 2,606    | 204      | 965      | 344      | 8,113                     |
| 111                               |             | NON-PAYROLL                           |                  |                   |                | 50  | 59  | 223      | 147      | 102      | 48                          | 42       | 79       | 139      | 102      | 60       | 388      | (23)                      |
| 112                               |             | NON-PAYROLL                           |                  |                   |                | 6,322   | 627   | (8,037)  | 4,835    | (3,226)  | 355                         | 963      | 1,407    | 2,467    | 102      | 905      | 368      | 1,025                     |
| 113                               | 9214        | OFFICE UTILITY EXPENSE                | 1                | 102.2%            |                | 3,099   | 2,672   | 3,422    | 2,040    | 3,675    | 3,166                       | 2,255    | 2,241    | 3,586    | 2,659    | 2,811    | 2,088    | 7,088                     |
| 114                               | 9215        | MISC OFFICE EXPENSE                   | 1                | 102.2%            |                | 5,431   | 7,182   | 8,546    | 7,604    | 6,235    | 6,980                       | 11,302   | 2,969    | 7,588    | 9,484    | 8,237    | 11,749   | 34,425                    |
| 115                               |             | PAYROLL                               |                  |                   |                | (11)  | 47  | 76       | 147      | 102      | 3                           | (41)     | 408      | 355      | (60)     | 287      | 600      | 1,913                     |
| 116                               |             | NON-PAYROLL                           |                  |                   |                | 5,442   | 7,135   | 8,470    | 7,456    | 6,133    | 6,977                       | 11,343   | 2,561    | 7,233    | 9,544    | 7,950    | 11,148   | 91,394                    |
| 117                               | 9216        | CO TRAINING EXPENSE                   | 1                | 102.2%            | 5,200          | 433   | 569   | 790      | 433      | 482      | 536                         | 433      | 482      | 444      | 1,383    | 494      | 433      | 4,333                     |
| 118                               | 9231        | OUTSIDE SERVICES - O                  | 1                | 102.2%            |                | -   | -   | 3,575    | 41       | -        | -                           | 1,803    | -        | 2,099    | 645      | 6,755    | 3,388    | 18,306                    |
| 119                               | 9232        | LEGAL FEES AND EXPENSES               | 1                | 102.2%            |                | 2,197   | 1,357   | 491      | 1,308    | 12,133   | 6,363                       | 1,866    | 3,407    | 1,349    | 3,221    | 3,246    | 3,344    | 40,283                    |
| 120                               | 9233        | OUTSIDE AUDIT & ACCO                  | 13               | 103.4%            | 82,150         | 18,615  | 18,615  | 25,532   | 19,165   | 18,751   | 18,751                      | 16,547   | 16,547   | 16,547   | 6,738    | 15,978   | 34,873   | 226,660                   |
| 121                               | 924         | PROPERTY INSURANCE                    | FPUC             |                   |                | 13,510  | 13,510  | 13,510   | 13,510   | 13,510   | 13,510                      | 13,510   | 13,510   | 13,510   | 13,955   | 13,955   | 31,304   | 181,238                   |
| 122                               | 9251        | INJURIES AND DAMAGES                  | 16               | 106.8%            | 632            | 7,404   | 3,459   | 15,089   | 3,752    | 9,728    | 14,731                      | 8,292    | 9,759    | 11,946   | 8,872    | 11,237   | 10,689   | 114,957                   |
| 123                               |             | PAYROLL                               |                  |                   |                | 2,854   | 2,620   | 3,084    | 2,820    | 3,022    | 2,607                       | 2,763    | 2,629    | 2,312    | 2,812    | 2,930    | 1,446    | 31,899                    |
| 124                               |             | NON-PAYROLL                           |                  |                   |                | 4,550   | 839   | 12,006   | 932      | 6,705    | 12,124                      | 5,530    | 7,129    | 9,634    | 6,060    | 8,308    | 9,243    | 83,058                    |
| 125                               | 9252        | GENERAL LIABILITY                     | 13               | 103.4%            | 133000         | 41,983  | 41,763  | 41,467   | 41,415   | 42,093   | 40,333                      | 38,497   | 41,424   | 41,412   | 39,396   | 39,672   | 26,139   | 475,595                   |
| 126                               |             | PAYROLL                               |                  |                   |                | (6,351)   | (6,662)   | (7,083)  | (6,294)  | (6,197)  | (8,479)                     | (5,945)  | (6,121)  | (5,901)  | (8,055)  | (5,656)  | (11,173) | (81,919)                  |
| 127                               |             | NON-PAYROLL                           |                  |                   |                | 48,335  | 48,425  | 48,551   | 47,709   | 48,290   | 48,812                      | 47,545   | 47,313   | 45,452   | 45,329   | 37,313   | 37,313   | 557,514                   |
| 128                               | 9261        | EMPLOYEE PENSIONS                     | FPUC             |                   |                | 27,245  | 27,245  | 27,245   | 27,245   | 27,245   | 27,245                      | 27,245   | 27,245   | 28,130   | 28,143   | 28,136   | 63,130   | 365,487                   |
| 129                               |             | PAYROLL                               |                  |                   |                | (11,408)  | (12,856)  | (8,575)  | (12,009) | (11,488) | (11,468)                    | (10,196) | (11,203) | (3,006)  | (594)    | (10,746) | (12,272) | (115,823)                 |
| 130                               |             | NON-PAYROLL                           |                  |                   |                | 38,653  | 40,100  | 35,820   | 39,254   | 38,734   | 38,712                      | 37,441   | 38,448   | 31,136   | 28,737   | 38,882   | 75,402   | 481,320                   |
| 131                               | 9262        | EMPLOYEE BENEFITS- O                  | FPUC             |                   |                | 36,399  | 36,399  | 36,399   | 36,399   | 36,399   | 36,399                      | 36,399   | 36,399   | 37,582   | 37,598   | 37,590   | 84,341   | 488,303                   |
| 132                               |             | PAYROLL                               |                  |                   |                | (12,434)  | (16,463)  | (9,919)  | (15,172) | (14,952) | (17,156)                    | (13,132) | (15,113) | (11,573) | (11,492) | (13,981) | (28,013) | (182,399)                 |
| 133                               |             | NON-PAYROLL                           |                  |                   |                | 48,833  | 52,862  | 46,318   | 51,571   | 51,351   | 53,555                      | 49,531   | 51,512   | 49,155   | 52,000   | 51,571   | 112,355  | 670,702                   |
| 134                               | 9263        | RETIREE BENEFITS-POS                  | FPUC             |                   |                | 4,025   | 4,025   | 4,025    | 4,025    | 4,025    | 4,025                       | 4,025    | 4,025    | 4,156    | 4,158    | 4,157    | 9,327    | 54,000                    |
| 135                               | 9264        | 401(K) EXPENSE COMPA                  | 16               | 106.8%            |                | -   | -   | 523      | 356      | 642      | 513                         | 598      | (3,247)  | 4,454    | 695      | 782      | 852      | 6,157                     |
| 136                               |             | PAYROLL                               |                  |                   |                | -   | -   | -        | -        | -        | -                           | -        | (4,377)  | 3,580    | (271)    | (301)    | (318)    | (1,687)                   |
| 137                               |             | NON-PAYROLL                           |                  |                   |                | -   | -   | 523      | 356      | 642      | 513                         | 598      | 1,130    | 873      | 956      | 1,082    | 1,171    | 7,844                     |
| 138                               | 928         | REGULATORY COMMISSION                 | 1                | 102.2%            |                | 732   | 11,016  | 12,478   | 9,576    | 10,635   | 13,877                      | 9,157    | 10,880   | 16,191   | 8,255    | 13,638   | 17,533   | 133,967                   |
| 139                               |             | PAYROLL                               |                  |                   |                | 571   | 549   | 651      | 549      | 460      | 524                         | 636      | 669      | 621      | 629      | 614      | 486      | 6,960                     |
| 140                               |             | NON-PAYROLL                           |                  |                   |                | 160   | 10,467  | 11,827   | 9,027    | 10,175   | 13,352                      | 8,521    | 10,211   | 15,569   | 7,626    | 13,023   | 17,047   | 127,007                   |
| 141                               | 9301        | INSTITUTIONAL/GOODWILL                | 13               | 103.4%            |                | -   | -   | -        | -        | -        | -                           | -        | -        | -        | -        | -        | -        | -                         |
| 142                               | 9302        | MISC. GENERAL EXPENSE                 | 13               | 103.4%            |                | 3,230   | 4,984   | 14,229   | 4,662    | 5,534    | 6,594                       | 2,119    | 5,593    | 6,229    | 4,999    | 10,271   | 10,784   | 79,227                    |
| 143                               |             | PAYROLL                               |                  |                   |                | -   | -   | -        | -        | -        | -                           | -        | -        | -        | -        | -        | -        | 391                       |
| 144                               |             | NON-PAYROLL                           |                  |                   |                | 3,230   | 4,984   | 14,229   | 4,662    | 5,534    | 6,203                       | 2,119    | 5,593    | 6,229    | 4,999    |          |          |                           |



Schedule C-7 (2008)

OPERATION AND MAINTENANCE EXPENSES -- PROJECTED TEST YEAR 2008

OPERATION AND MAINTENANCE EXPENSES -- PROJECTED TEST YEAR 2008

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION.

If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown: Projected Test Year Ended 12/31/2008 Witness: Mehrdad Khojasteh

If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

COMPANY:FLORIDA PUBLIC UTILITIES  
Consolidated Electric Division  
DOCKET NO.: 070304-EI

Table with columns: Line No., Account No., Account Title, Jan-08, Feb-08, Mar-08, Apr-08, May-08, Jun-08, Jul-08, Aug-08, Sep-08, Oct-08, Nov-08, Dec-08, 12 Month Total. Rows include categories like OPERATING EXPENSES, Transmission Expenses, Distribution Expenses, Customer Accounts, etc.

Schedule C-7 (2008)

OPERATION AND MAINTENANCE EXPENSES - PROJECTED TEST YEAR 2008

OPERATION AND MAINTENANCE EXPENSES - PROJECTED TEST YEAR 2008

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY-FLORIDA PUBLIC UTILITIES  
 Consolidated Electric Division  
 DOCKET NO.: 070304-EI

EXPLANATION  
 If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.  
 Type of Data Shown:  
 Projected Test Year Ended 12/31/2008  
 Witness: Mehrdad Khojastah  
 If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

| Line No. | Account No. | Account Title                         |            | Jan-08    | Feb-08    | Mar-08    | Apr-08    | May-08    | Jun-08    | Jul-08    | Aug-08    | Sep-08    | Oct-08    | Nov-08    | Dec-08    | 12 Month Total |
|----------|-------------|---------------------------------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|
| 81       | 908-910     | Customer Service and Info - Operation |            |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 82       | 9061        | UNDERRECOVERY: CONSERVATION           | Calculated | (12,900)  | 8,007     | (20,978)  | 11,452    | (18,356)  | (3,318)   | 8,841     | (3,232)   | (10,455)  | 1,483     | (15,210)  | (14,344)  | (71,007)       |
| 83       | 907         | SUPERVISION                           | 13         | 6,401     | 7,233     | 8,414     | 8,547     | 8,252     | 5,016     | 3,140     | 9,374     | 3,287     | 6,429     | 5,629     | 8,509     | 78,131         |
| 84       |             | PAYROLL                               | 103.5%     | 5,569     | 5,713     | 6,607     | 5,342     | 6,207     | 5,102     | 2,679     | 6,135     | 1,972     | 6,073     | 4,619     | 5,138     | 61,157         |
| 85       |             | NON-PAYROLL                           |            | 832       | 1,521     | 1,808     | 1,205     | 2,045     | 814       | 461       | 3,238     | 1,314     | 355       | 1,010     | 3,371     | 17,974         |
| 86       | 908         | CUSTOMER ASSISTANCE                   | 13         | 17,571    | 18,868    | 18,897    | 12,437    | 15,305    | 16,423    | 16,264    | 19,583    | 17,697    | 20,254    | 19,305    | 23,749    | 214,354        |
| 87       |             | PAYROLL                               | 103.5%     | 11,423    | 10,235    | 12,549    | 10,102    | 10,950    | 12,788    | 11,202    | 11,818    | 10,263    | 10,321    | 10,723    | 12,640    | 134,814        |
| 88       |             | NON-PAYROLL                           |            | 6,148     | 6,633     | 6,348     | 2,335     | 4,355     | 3,635     | 5,062     | 7,965     | 7,434     | 9,934     | 8,582     | 11,109    | 79,540         |
| 89       | 909         | INFO & INSTRUCTIONAL                  | 13         | 21,522    | 881       | 24,135    | (1,882)   | 25,382    | 15,980    | 15,242    | 11,049    | 25,102    | 6,397     | 16,087    | 10,435    | 170,309        |
| 90       | 910         | MISC CUSTOMER SERVICE                 | 13         | 1,910     | 2,034     | 2,210     | 1,154     | 1,495     | 1,732     | 1,749     | 1,575     | 4,220     | 1,513     | 1,774     | 3,019     | 24,385         |
| 91       |             | PAYROLL                               | 103.5%     | 1,045     | 985       | 1,187     | 976       | 788       | 963       | 1,114     | 1,096     | 1,019     | 1,019     | 1,034     | 894       | 12,118         |
| 92       |             | NON-PAYROLL                           |            | 866       | 1,050     | 1,023     | 178       | 707       | 768       | 635       | 479       | 3,201     | 494       | 741       | 2,125     | 12,268         |
| 93       |             |                                       |            |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 94       | 911-917     | Sales Expenses - Operation            |            |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 95       | 912         | DEMONSTRATING & SELLING               | 5          | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 96       | 9131        | PROMOTIONAL ADVERTISING               | 13         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 97       | 9132        | CONSERVATION ADVERTISING              | 13         | -         | -         | -         | -         | -         | 8,471     | -         | -         | (8,826)   | 8,826     | (6,826)   | -         | 1,645          |
| 98       | 9133        | SAFETY ADVERTISING                    | 13         | 148       | -         | -         | 155       | 1,857     | 1,843     | 2,575     | -         | 156       | -         | -         | 2,068     | 8,801          |
| 99       | 9134        | OTHER INFORMATIONS                    | 13         | 29,808    | 8,007     | 8,038     | 8,647     | 13,272    | 10,663    | 10,652    | 7,835     | 28,494    | 7,953     | 23,071    | 16,007    | 159,543        |
| 100      | 9135        | COMMUNITY AFFAIRS ADVERTISING         | 13         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 101      | 9136        | OTHER ADVERTISING                     | 13         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 102      | 916         | MISC. SALES EXPENSES                  | 13         | 120       | 144       | 123       | 127       | 60        | 2,439     | 32        | 13,216    | (2,285)   | 28        | 57        | 118       | 14,179         |
| 103      |             |                                       |            |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 104      | 920-933     | Administrative & General - Operation  |            |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 105      | 920         | ADM & GENERAL SALARIES                | 5          | 123,161   | 94,874    | 103,957   | 92,840    | 103,041   | 103,099   | 98,624    | 104,907   | 98,424    | 97,890    | 100,444   | 98,918    | 1,191,947      |
| 106      |             | PAYROLL                               | 105.5%     | 93,866    | 94,119    | 103,246   | 90,492    | 102,357   | 101,367   | 97,506    | 104,430   | 95,570    | 97,563    | 99,619    | 97,886    | 1,178,020      |
| 107      |             | NON-PAYROLL                           |            | 1,008     | 810       | 711       | 2,348     | 684       | 1,732     | 1,119     | 477       | 2,854     | 326       | 825       | 1,032     | 13,926         |
| 108      | 9211        | OFFICE SUPPLIES                       | 1          | 608       | 939       | 1,522     | 771       | 748       | 1,185     | 1,242     | 1,315     | 908       | 640       | 647       | 595       | 11,117         |
| 109      | 9212        | OFFICE POSTAGE & MAI                  | 1          | 801       | 852       | 1,112     | 812       | 167       | 917       | 36        | 804       | 93        | 800       | 22        | 858       | 7,275          |
| 110      | 9213        | OFF COMPUTER SUPP & PAYROLL           | 1          | 6,518     | 702       | (7,894)   | 5,097     | (3,195)   | 410       | 1,028     | 1,520     | 2,668     | 209       | 987       | 352       | 8,299          |
| 111      |             | NON-PAYROLL                           |            | 51        | 60        | 228       | 151       | 105       | 47        | 43        | 81        | 142       | 104       | 61        | (24)      | 1,049          |
| 112      |             | PAYROLL                               | 103.5%     | 6,467     | 641       | (8,222)   | 4,946     | (3,300)   | 383       | 985       | 1,439     | 2,524     | 105       | 926       | 376       | 7,251          |
| 113      | 9214        | OFFICE UTILITY EXPENSE                | 1          | 3,170     | 2,733     | 2,733     | 2,087     | 3,760     | 3,239     | 2,306     | 2,865     | 2,293     | 3,669     | 2,720     | 2,875     | 35,217         |
| 114      | 9215        | MISC OFFICE EXPENSE                   | 1          | 5,200     | 5,989     | 7,780     | 8,212     | 6,812     | 7,574     | 11,998    | 3,471     | 8,196     | 10,138    | 8,860     | 12,452    | 100,654        |
| 115      |             | PAYROLL                               | 103.5%     | (13)      | 50        | 81        | 159       | 112       | 3         | (43)      | 477       | 384       | (64)      | 309       | 638       | 2,092          |
| 116      |             | NON-PAYROLL                           |            | 6,002     | 7,730     | 9,095     | 8,053     | 6,700     | 7,571     | 12,039    | 2,994     | 7,813     | 10,200    | 8,551     | 11,816    | 98,562         |
| 117      | 9216        | CO TRAINING EXPENSE                   | 1          | 5,488     | 457       | 598       | 822       | 457       | 507       | 562       | 457       | 507       | 468       | 1,428     | 519       | 457            |
| 118      | 9231        | OUTSIDE SERVICES - O                  | 1          | -         | -         | 3,657     | 42        | -         | -         | 1,844     | -         | 2,147     | 660       | 6,911     | 3,466     | 18,727         |
| 119      | 9232        | LEGAL FEES AND EXPENSES               | 1          | 2,248     | 1,388     | 502       | 1,338     | 12,412    | 6,509     | 1,909     | 3,488     | 1,380     | 3,295     | 3,321     | 3,421     | 41,210         |
| 120      | 9233        | OUTSIDE AUDIT & ACCO                  | 13         | 19,737    | 19,737    | 28,887    | 20,306    | 19,878    | 17,597    | 17,597    | 17,597    | 7,445     | 17,008    | 38,565    | 240,243   |                |
| 121      | 924         | PROPERTY INSURANCE                    | FPUC       | 19,642    | 19,642    | 19,642    | 19,642    | 19,642    | 19,642    | 19,642    | 19,642    | 20,280    | 20,280    | 20,284    | 45,512    | 263,498        |
| 122      | 9251        | INJURIES AND DAMAGES                  | 18         | 21,800    | 9,675     | 5,462     | 17,883    | 5,775     | 12,157    | 17,501    | 10,624    | 14,526    | 11,243    | 13,789    | 13,184    | 143,889        |
| 123      |             | PAYROLL                               | 106.8%     | 3,729     | 4,137     | 3,854     | 4,341     | 3,777     | 3,097     | 3,539     | 3,284     | 2,812     | 3,564     | 3,591     | 1,783     | 41,309         |
| 124      |             | NON-PAYROLL                           |            | 5,946     | 1,324     | 14,229    | 1,434     | 8,380     | 14,404    | 7,085     | 8,908     | 11,714    | 7,690     | 10,178    | 11,401    | 102,680        |
| 125      | 9252        | GENERAL LIABILITY                     | 13         | 31,982    | 31,754    | 31,448    | 31,393    | 32,095    | 30,274    | 28,373    | 31,403    | 31,390    | 29,304    | 29,590    | 15,583    | 354,586        |
| 126      |             | PAYROLL                               | 103.5%     | (4,838)   | (5,066)   | (5,372)   | (4,771)   | (4,725)   | (6,364)   | (4,382)   | (4,604)   | (4,473)   | (4,504)   | (4,219)   | (6,661)   | (60,014)       |
| 127      |             | NON-PAYROLL                           |            | 36,820    | 36,819    | 36,819    | 36,164    | 36,820    | 36,638    | 32,755    | 36,042    | 35,863    | 33,808    | 33,808    | 22,244    | 414,600        |
| 128      | 9261        | EMPLOYEE PENSIONS                     | FPUC       | 29,946    | 29,946    | 29,946    | 29,946    | 29,946    | 29,946    | 29,946    | 29,946    | 30,919    | 30,832    | 30,926    | 69,388    | 401,730        |
| 129      |             | PAYROLL                               | 103.5%     | (12,539)  | (14,130)  | (9,425)   | (13,200)  | (12,828)  | (12,604)  | (11,207)  | (12,314)  | (3,304)   | (653)     | (11,811)  | (13,489)  | (127,309)      |
| 130      |             | NON-PAYROLL                           |            | 42,485    | 44,076    | 39,371    | 43,146    | 42,574    | 42,550    | 41,153    | 42,259    | 34,223    | 31,588    | 42,736    | 82,877    | 529,034        |
| 131      | 9262        | EMPLOYEE BENEFITS- O                  | FPUC       | 40,548    | 40,548    | 40,548    | 40,548    | 40,548    | 40,548    | 40,548    | 40,548    | 41,886    | 41,885    | 41,875    | 93,958    | 543,969        |
| 132      |             | PAYROLL                               | 103.5%     | (13,852)  | (18,339)  | (11,050)  | (18,901)  | (18,656)  | (19,112)  | (14,629)  | (16,836)  | (12,892)  | (16,144)  | (15,574)  | (31,207)  | (203,193)      |
| 133      |             | NON-PAYROLL                           |            | 54,400    | 58,888    | 51,599    | 57,450    | 57,205    | 59,660    | 55,177    | 57,384    | 54,758    | 58,028    | 57,450    | 125,163   | 747,162        |
| 134      | 9263        | RETIREE BENEFITS-POS                  | FPUC       | 4,025     | 4,025     | 4,025     | 4,025     | 4,025     | 4,025     | 4,025     | 4,025     | 4,158     | 4,158     | 4,157     | 9,327     | 54,000         |
| 135      | 9264        | 401(K) EXPENSE COMPA                  | 18         | -         | -         | 559       | -         | 380       | 686       | 547       | 639       | (3,467)   | 4,756     | 731       | 835       | 910            |
| 136      |             | PAYROLL                               | 106.8%     | -         | -         | -         | -         | -         | -         | -         | (4,675)   | 3,824     | (2,900)   | (3,211)   | (3,401)   | (1,802)        |
| 137      |             | NON-PAYROLL                           |            | -         | -         | 559       | 390       | 888       | 547       | 639       | 1,207     | 933       | 1,021     | 1,156     | 1,250     | 8,377          |
| 138      | 928         | REGULATORY COMMISSION                 | 1          | 117,235   | 10,518    | 21,039    | 22,534    | 19,568    | 20,849    | 23,965    | 19,137    | 20,900    | 26,332    | 18,214    | 23,721    | 27,706         |
| 139      |             | PAYROLL                               | 102.3%     | 8,212     | 1,048     | 1,176     | 1,121     | 893       | 905       | 1,329     | 1,286     | 1,011     | 1,387     | 1,068     | 769       | 20,204         |
| 140      |             | NON-PAYROLL                           |            | 2,306     | 19,991    | 21,358    | 18,445    | 19,756    | 23,060    | 17,809    | 19,614    | 25,322    | 16,827    | 22,652    | 26,938    | 234,079        |
| 141      | 9301        | INSTITUTIONAL/GOODWILL                | 13         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 142      | 9302        | MISC. GENERAL EXPENSE                 | 13         | 3,343     | 5,158     | 14,727    | 4,825     | 5,728     | 8,825     | 2,193     | 5,789     | 6,447     | 5,174     | 10,630    | 11,161    | 82,000         |
| 143      |             | PAYROLL                               | 103.5%     | -         | -         | -         | -         | -         | -         | 405       | -         | -         | -         | -         | 405       | -              |
| 144      |             | NON-PAYROLL                           |            | 3,343     | 5,158     | 14,727    | 4,825     | 5,728     | 8,420     | 2,193     | 5,789     | 6,447     | 5,174     | 10,630    | 11,161    | 81,596         |
| 145      | 93022       | INDUSTRY ASSOCIATION                  | 13         | 1,070     | (1,070)   | 1,070     | -         | 88        | -         | 3,540     | -         | -         | -         | -         | -         | 4,698          |
| 146      | 93023       | ECONOMIC DEVELOPMENT                  | 13         | 863       | 863       | 863       | 863       | 863       | 863       | 863       | 863       | 863       | 863       | 863       | 863       | 15,701         |
| 147      | 931         | RENTS                                 | 1          | 585       | 608       | 575       | 616       | 671       | 641       | 641       | 641       | 612       | 857       | 42        | 1,747     | 6,685          |
| 148      |             |                                       |            |           |           |           |           |           |           |           |           |           |           |           |           |                |
| 149      |             | <b>TOTAL OPERATING EXPENSES</b>       |            | 4,283,898 | 4,319,821 | 4,155,581 | 3,756,893 | 4,056,632 | 4,612,630 | 5,242,667 | 4,771,108 | 4,906,700 | 4,492,044 | 3,579,529 | 4,204,118 | 52,381,723     |



OPERATION AND MAINTENANCE EXPENSES -- PROJECTED TEST YEAR 2008

OPERATION AND MAINTENANCE EXPENSES -- PROJECTED TEST YEAR 2008

| FLORIDA PUBLIC SERVICE COMMISSION  |                       |  |              | OPERATION AND MAINTENANCE EXPENSES -- PROJECTED TEST YEAR 2008                            |         |         |         |         |         |         |         |         |         |         |         | 12 Month Total  |
|--|-----------------------|--|--------------|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---|
| Line No.   | Account No.           | Account Title                          | EXPLANATION: | Jan-08  | Feb-08  | Mar-08  | Apr-08  | May-08  | Jun-08  | Jul-08  | Aug-08  | Sep-08  | Oct-08  | Nov-08  | Dec-08  | 12 Month Total  |
| COMPANY: FLORIDA PUBLIC UTILITIES<br>Consolidated Electric Division<br>DOCKET NO.: 070304-EI |                       |  |              | Type of Data Shown:<br>Projected Test Year Ended 12/31/2008<br>Witness: Mehrdad Khojasteh |         |         |         |         |         |         |         |         |         |         |         | If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year. |
| 155  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 156  | 568-574               | Transmission Expenses - Maintenance    |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 157  | 570                   | MAINT OF STATION EQUIP                 | 13           | 103.5%  | 397     | 904     | 3,183   | 5,051   | 8,733   | 2,992   | 2,878   | 2,687   | 2,466   | 2,511   | 2,800   | 73,604  |
| 158  |                       | PAYROLL                                |              |   | 129     | 259     | 514     | 127     | 464     | 609     | 310     | 301     | 148     | 165     | 364     | 12,239  |
| 159  |                       | NON-PAYROLL                            |              |   | 268     | 645     | 2,669   | 4,924   | 6,268   | 2,383   | 2,367   | 2,396   | 2,318   | 2,346   | 2,436   | 61,366  |
| 160  | 571                   | MAINT OF OVERHEAD LINES                | 13           | 103.5%  | 113     | 155     | -       | 3,036   | 10,026  | 26,709  | 8,596   | 13,215  | 9,024   | 6,062   | 7,803   | (1,343)   |
| 161  |                       | PAYROLL                                |              |   | -       | -       | -       | 2,055   | 3,572   | 118     | 1,246   | 4,508   | 1,435   | 497     | 4,314   | (1,409)   |
| 162  |                       | NON-PAYROLL                            |              |   | 113     | 155     | -       | 981     | 6,453   | 26,591  | 7,350   | 8,707   | 7,589   | 5,595   | 3,489   | 66  |
| 163  | 573                   | MAINT OF MISC TRANSMISSION             | 13           | 103.5%  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | 477   |
| 164  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         | 477   |
| 165  | 590-598               | Distribution Expenses - Maintenance    |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 166  | 590                   | MAINT SUPERVISION & ENG                | 5            | 105.5%  | 11,581  | 17,038  | 18,868  | 21,907  | 13,344  | 10,565  | 11,837  | 8,757   | 11,165  | 10,814  | 10,509  | 8,106   |
| 167  |                       | PAYROLL                                |              |   | 14,996  | 16,719  | 19,395  | 10,502  | 9,006   | 9,370   | 6,999   | 9,712   | 8,450   | 8,681   | 7,443   | 17,629  |
| 168  |                       | NON-PAYROLL                            |              |   | 2,042   | 2,149   | 2,511   | 2,842   | 1,559   | 2,267   | 1,759   | 2,053   | 2,163   | 1,829   | 663     | 3,169   |
| 169  | 591                   | MAINT OF STRUCTURES                    | 13           | 103.5%  | 1,119   | (162)   | 21      | 2,561   | (772)   | 1,312   | 631     | 1,427   | 4,370   | (277)   | 545     | -   |
| 170  |                       | PAYROLL                                |              |   | 972     | (162)   | -       | 2,514   | (793)   | 319     | 503     | (29)    | 143     | 183     | -       | 3,630   |
| 171  |                       | NON-PAYROLL                            |              |   | 148     | -       | 21      | 47      | 21      | 993     | 128     | 1,455   | 4,226   | (440)   | 545     | -   |
| 172  | 592                   | MAINT OF STATION EQUIP                 | 13           | 103.5%  | 5,654   | 2,379   | 13,860  | 707     | 10,860  | 5,888   | 3,588   | 10,503  | 7,783   | 239     | 2,788   | 14,053  |
| 173  |                       | PAYROLL                                |              |   | 2,898   | 1,339   | 2,889   | 356     | 3,574   | 5,069   | 2,991   | 6,580   | 352     | 701     | 2,184   | 8,956   |
| 174  |                       | NON-PAYROLL                            |              |   | 2,756   | 1,040   | 10,991  | 351     | 7,085   | 817     | 595     | 3,923   | 7,431   | (462)   | 501     | 7,096   |
| 175  | 5931                  | MAINT OF POLES/TOWER                   | 13           | 103.5%  | 219,833 | 20,758  | 29,422  | 20,857  | 19,349  | 21,170  | 22,278  | 21,061  | 19,898  | 18,580  | 19,187  | 21,951  |
| 176  |                       | PAYROLL                                |              |   | 32,181  | 20,758  | 29,422  | 20,857  | 19,349  | 21,170  | 22,278  | 21,061  | 19,898  | 18,580  | 19,187  | 21,951  |
| 177  |                       | NON-PAYROLL                            |              |   | 11,310  | 56,316  | 15,616  | 16,564  | 9,152   | 8,718   | 17,119  | 26,125  | 8,652   | 9,208   | 14,361  | 1,501   |
| 178  | 5932                  | MAINT OF OVERHEAD CO                   | 13           | 103.5%  | 439,372 | 95,569  | 85,844  | 148,701 | 82,034  | 141,630 | 160,414 | 128,530 | 113,137 | 140,397 | 114,523 | 133,020   |
| 179  |                       | PAYROLL                                |              |   | 32,223  | 23,385  | 24,828  | 24,739  | 38,062  | 31,872  | 39,168  | 33,178  | 32,806  | 29,927  | 29,827  | 33,778  |
| 180  |                       | NON-PAYROLL                            |              |   | 63,346  | 62,460  | 123,873 | 57,295  | 103,568 | 128,442 | 89,362  | 79,859  | 107,591 | 94,753  | 106,940 | 79,260  |
| 181  | 5933                  | MAINT OF SERVICES                      | 13           | 103.5%  | 5,000   | 12,146  | 7,858   | 10,194  | 8,356   | 12,345  | 14,981  | 16,139  | 13,045  | 11,123  | 10,824  | 18,015  |
| 182  |                       | PAYROLL                                |              |   | 9,321   | 7,872   | 8,784   | 6,477   | 9,585   | 10,350  | 9,942   | 12,058  | 10,462  | 7,817   | 7,827   | 12,752  |
| 183  |                       | NON-PAYROLL                            |              |   | 2,825   | (15)    | 1,410   | 1,880   | 2,760   | 4,610   | 2,829   | 4,081   | 2,582   | 3,306   | 2,997   | 5,263   |
| 184  | 5941                  | MAINT OF UNDERGROUND LINES             | 16           | 106.8%  | 714     | 355     | 559     | 281     | 1,885   | 480     | 300     | 650     | 626     | 696     | 837     | 1,127   |
| 185  |                       | PAYROLL                                |              |   | 198     | (33)    | 295     | (88)    | 200     | (88)    | -       | -       | 147     | 234     | 46      | 425   |
| 186  |                       | NON-PAYROLL                            |              |   | 516     | 388     | 263     | 368     | 1,686   | 568     | 300     | 650     | 479     | 462     | 792     | 701   |
| 187  | 5942                  | MAINT OF UNDERGROUND LINES             | 16           | 106.8%  | 6,139   | 13,342  | 5,124   | 9,860   | 6,349   | 9,349   | 19,153  | 39,553  | 10,899  | 11,554  | 7,623   | 8,110   |
| 188  |                       | PAYROLL                                |              |   | 5,967   | 3,154   | 4,798   | 3,699   | 4,696   | 10,638  | 17,908  | 4,737   | 3,565   | 2,919   | 1,437   | 9,265   |
| 189  |                       | NON-PAYROLL                            |              |   | 7,375   | 1,970   | 5,062   | 2,650   | 4,653   | 8,515   | 21,645  | 6,162   | 7,989   | 4,705   | 6,674   | 2,583   |
| 190  | 5951                  | MAINT OF LINE TRANSFORMERS             | 16           | 106.8%  | 3,410   | 3,383   | 4,616   | 5,425   | 7,451   | 9,273   | 5,745   | 5,300   | 9,585   | 18,381  | 9,333   | (8,305)   |
| 191  |                       | PAYROLL                                |              |   | 2,955   | 2,780   | 3,067   | 3,864   | 6,732   | 4,631   | 4,456   | 3,781   | 5,549   | 7,205   | 6,849   | (1,04)  |
| 192  |                       | NON-PAYROLL                            |              |   | 455     | 603     | 1,549   | 1,560   | 719     | 4,642   | 1,289   | 1,519   | 4,016   | 11,176  | 2,483   | (8,201)   |
| 193  | 5952                  | MAINT OF LINE TRANSFORMERS             | 16           | 106.8%  | -       | -       | 330     | -       | -       | 444     | 9,403   | 363     | 33      | (943)   | (2,123) | 452   |
| 194  |                       | PAYROLL                                |              |   | -       | -       | -       | -       | -       | -       | 444     | 363     | 33      | -       | -       |   |
| 195  |                       | NON-PAYROLL                            |              |   | -       | -       | 330     | -       | -       | 444     | 6,465   | 244     | -       | -       | 349     |   |
| 196  | 5953                  | MAINT OF LINE TRANSFORMERS             | 16           | 106.8%  | 3,590   | 1,348   | 5,339   | 2,588   | 3,551   | 11,358  | 4,139   | 10,894  | 4,735   | 4,184   | 7,733   | 2,671   |
| 197  |                       | PAYROLL                                |              |   | 608     | 949     | 2,788   | 582     | 1,834   | 5,985   | 851     | 4,219   | 1,877   | 3,003   | 3,471   | 287   |
| 198  |                       | NON-PAYROLL                            |              |   | 2,982   | 399     | 2,552   | 2,006   | 1,717   | 5,371   | 3,288   | 6,775   | 2,857   | 1,181   | 4,263   | 2,384   |
| 199  | 596                   | MAINT - STREET LIGHT/SIGNALS           | 16           | 106.8%  | 2,933   | 1,947   | 5,474   | 2,219   | 3,270   | 2,668   | 4,142   | 3,367   | 2,077   | 3,311   | 10,358  | 14,228  |
| 200  |                       | PAYROLL                                |              |   | 1,844   | 1,039   | 4,007   | 1,349   | 1,856   | 2,028   | 2,763   | 2,134   | 822     | 1,901   | 2,028   | 3,698   |
| 201  |                       | NON-PAYROLL                            |              |   | 1,089   | 908     | 1,467   | 869     | 1,414   | 642     | 1,379   | 1,233   | 1,255   | 1,410   | 8,340   | 10,533  |
| 202  | 597                   | MAINT OF METERS                        | 16           | 106.8%  | 2,298   | 2,737   | 3,598   | 6,381   | 2,416   | 3,155   | 3,465   | 2,956   | 4,532   | 2,182   | 2,850   | 3,628   |
| 203  |                       | PAYROLL                                |              |   | 1,811   | 1,908   | 2,286   | 2,919   | 1,714   | 2,436   | 1,612   | 2,328   | 3,032   | 1,783   | 2,440   |   |
| 204  |                       | NON-PAYROLL                            |              |   | 487     | 829     | 1,312   | 3,462   | 701     | 719     | 1,854   | 628     | 1,500   | 409     | 411     |   |
| 205  | 598                   | MAINT OF MISC DIST PLANT               | 13           | 103.5%  | 5,876   | 4,845   | 6,119   | 3,139   | 3,777   | 5,999   | 4,005   | 5,431   | 6,049   | 5,108   | 12,356  | 13,812  |
| 206  |                       | PAYROLL                                |              |   | 4,144   | 3,114   | 4,473   | 1,865   | 1,911   | 4,545   | 2,769   | 3,887   | 3,657   | 3,684   | 3,089   | 4,436   |
| 207  |                       | NON-PAYROLL                            |              |   | 1,733   | 1,730   | 1,646   | 1,274   | 1,865   | 1,454   | 1,236   | 1,544   | 2,392   | 1,422   | 9,268   |   |
| 208  | 935                   | Administrative & General - Maintenance |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 209  | 935                   | MAINT OF GENERAL PLANT                 | 13           | 103.5%  | 10,223  | 15,174  | 8,925   | 29,824  | 11,034  | 23,675  | 12,217  | 16,778  | 13,820  | 8,928   | 14,473  | 12,045  |
| 210  |                       | PAYROLL                                |              |   | 1,766   | 460     | 496     | 864     | 279     | 482     | 892     | 749     | 1,096   | 830     | 728     | 1,457   |
| 211  |                       | NON-PAYROLL                            |              |   | 13,408  | 8,465   | 29,328  | 10,169  | 23,396  | 11,735  | 16,084  | 13,171  | 7,832   | 13,643  | 11,317  | 12,685  |
| 212  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         | 171,235   |
| 213  |                       | <b>TOTAL MAINTENANCE EXPENSES</b>      |              |   | 211,556 | 165,068 | 293,008 | 173,362 | 265,909 | 309,828 | 275,357 | 243,225 | 255,493 | 219,322 | 246,582 | 310,344   |
| 214  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         | 2,969,049   |
| 215  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 216  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 217  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 218  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 219  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 220  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 221  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 222  |                       | <b>Other Operating Expenses</b>        |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 223  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 224  | 4030.1                | DEPRECIATION EXPENSE - ELECTRIC        | Direct       |   | 239,855 | 240,449 | 241,107 | 241,776 | 243,113 | 244,328 | 245,717 | 246,362 | 247,151 | 247,602 | 248,344 | 249,231   |
| 225  | 4030.1                | DEPR ADJ - NONREGULATED ELECTRIC       | Direct       |   |         |         |         |         |         |         |         |         |         |         |         |   |
| 226  | 4030.2                | DEPR EXP-COMMON                        | Direct       |   | 10,324  | 10,370  | 10,535  | 10,668  | 10,885  | 10,960  | 11,046  | 11,114  | 11,273  | 11,298  | 11,519  | 11,519  |
| 227  |                       | <b>403 - Depreciation Expenses</b>     |              |   | 250,179 | 250,819 | 251,642 | 252,442 | 253,998 | 255,288 | 256,763 | 257,476 | 258,424 | 258,900 | 259,860 | 260,750   |
| 228  |                       |  |              |   |         |         |         |         |         |         |         |         |         |         |         | 3,066,539   |
| 229  | 4070.3                | Amortization - Storm Hardening         | Direct       |   | 29,550  | 29,550  | 29,550  | 29,550  | 29,550  | 29,550  | 29,550  | 29,550  | 29,550  | 29,550  | 29,550  | 29,550  |
| 230  | 407 - Storm Hardening |  |              |   | 29,550  | 29,     |         |         |         |         |         |         |         |         |         |   |

| FLORIDA PUBLIC SERVICE COMMISSION |                                     |                                       | EXPLANATION:  | OPERATION AND MAINTENANCE EXPENSES -- PROJECTED TEST YEAR 2008  |           |           |           |           |           |           |           |           |           |           |           |                |
|-----------------------------------|-------------------------------------|---------------------------------------|---|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|
| COMPANY: FLORIDA PUBLIC UTILITIES |                                     |                                       | If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year. | Type of Data Shown:<br>Projected Test Year Ended 12/31/2008<br>Witness: Mehrdad Khojasteh   |           |           |           |           |           |           |           |           |           |           |           |                |
| Consolidated Electric Division    |                                     |                                       |   | If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year. |           |           |           |           |           |           |           |           |           |           |           |                |
| DOCKET NO.: 070304-EI             |                                     |                                       |   |   |           |           |           |           |           |           |           |           |           |           |           |                |
| Line No.                          | Account No.                         | Account Title                         |   | Jan-08  | Feb-08    | Mar-08    | Apr-08    | May-08    | Jun-08    | Jul-08    | Aug-08    | Sep-08    | Oct-08    | Nov-08    | Dec-08    | 12 Month Total |
| 231                               |                                     |                                       |   |   |           |           |           |           |           |           |           |           |           |           |           |                |
| 232                               | 4080.1                              | AD VALOREM TAXES                      | 13  | 47,318  | 47,318    | 47,318    | 47,318    | 47,318    | 47,318    | 47,318    | 47,318    | 47,318    | 47,318    | 38,386    | 38,386    | 549,956        |
| 233                               | 4080.2                              | STATE GROSS RECEIPTS                  | Pass-Through  | 127,589   | 127,593   | 118,600   | 111,416   | 118,417   | 133,901   | 155,480   | 147,234   | 152,310   | 128,623   | 108,016   | 119,434   | 1,544,614      |
| 234                               | 4080.3                              | FPSC ASSESSMENT                       | Direct  | 3,310   | 3,487     | 3,248     | 3,053     | 3,338     | 3,729     | 4,460     | 4,108     | 4,033     | 3,393     | 2,814     | 3,224     | 41,997         |
| 235                               | 4080.4                              | EMERGENCY EXCISE TAX                  | 0   | -   | -         | -         | -         | -         | (8,261)   | -         | -         | -         | -         | -         | -         | (8,261)        |
| 236                               | 4080.5                              | FEDERAL UNEMPLOYMENT                  | 5   | 2,997   | 967       | (250)     | (838)     | (821)     | (1,110)   | 68        | 142       | 77        | 46        | 78        | 127       | 1,483          |
| 237                               | 4080.6                              | STATE UNEMPLOYMENT T                  | 5   | 4,480   | 697       | (423)     | (1,363)   | (1,336)   | (1,786)   | 109       | 229       | 124       | 72        | 125       | 205       | 1,132          |
| 238                               | 4080.7                              | F.I.C.A.                              | 16  | 21,647  | 20,078    | 36,911    | 19,781    | 21,112    | 19,097    | 21,188    | 37,598    | 20,978    | 18,870    | 20,422    | 17,075    | 275,755        |
| 239                               | 4080.8                              | MISCELLANEOUS TAXES                   | 13  | -   | -         | -         | -         | -         | -         | -         | 335       | 321       | -         | -         | -         | 658            |
| 240                               | 4080.11                             | FRANCHISE TAX                         | Pass-Through  | 158,597   | 161,730   | 148,051   | 138,489   | 147,440   | 165,235   | 187,547   | 181,761   | 187,210   | 156,482   | 131,472   | 149,078   | 1,913,070      |
| 241                               | 408 - Taxes Other Than Income Taxes |                                       |   | 365,938   | 361,868   | 353,454   | 317,858   | 335,468   | 358,124   | 418,171   | 418,728   | 412,370   | 353,784   | 299,112   | 327,528   | 4,320,401      |
| 242                               |                                     |                                       |   |   |           |           |           |           |           |           |           |           |           |           |           |                |
| 243                               | 4090.1                              | I/T - FEDERAL - UTIL O                | Direct  | (212,305)   | (79,005)  | (74,307)  | (139,913) | 21,753    | 145,137   | (239,059) | (212,827) | (157,315) | (182,548) | (10,267)  | (8,527)   | (1,149,183)    |
| 244                               | 4090.2                              | I/T - STATE - UTIL O                  | Direct  | (39,307)  | (14,929)  | (13,795)  | (25,869)  | 4,157     | 28,514    | (45,187)  | (38,496)  | (29,291)  | (33,826)  | (1,890)   | (1,701)   | (212,639)      |
| 245                               | 409 - Income Taxes                  |                                       |   | (251,612)   | (93,934)  | (88,102)  | (165,802) | 25,910    | 173,651   | (284,246) | (252,323) | (186,606) | (218,374) | (12,157)  | (10,228)  | (1,361,822)    |
| 246                               |                                     |                                       |   |   |           |           |           |           |           |           |           |           |           |           |           |                |
| 247                               | 4100.1                              | DEFERRED I/T - FEDERAL                | Direct  | 185,842   | (59,761)  | 195,698   | 150,150   | (213,130) | (495,202) | 148,437   | 49,919    | 152,361   | 305,988   | (38,281)  | 103,835   | 485,855        |
| 248                               | 4100.2                              | DEFERRED I/T - STATE                  | Direct  | 36,580  | (11,773)  | 38,541    | 29,542    | (41,969)  | (97,473)  | 29,226    | 9,838     | 29,989    | 60,244    | (7,561)   | 20,459    | 95,643         |
| 249                               | 4100.3                              | DEFERRED I/T AMORTIZ                  | Direct  | -   | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 250                               | 4100.4                              | DEFERRED I/T AMORTIZ                  | Direct  | -   | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -              |
| 251                               | 410 - Deferred Income Taxes         |                                       |   | 222,422   | (71,534)  | 234,239   | 179,692   | (255,098) | (592,675) | 177,663   | 59,757    | 182,350   | 388,230   | (45,841)  | 124,294   | 581,488        |
| 252                               |                                     |                                       |   |   |           |           |           |           |           |           |           |           |           |           |           |                |
| 253                               | 4110.4                              | INVEST TAX CREDIT - U                 | Direct  | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (27,935)       |
| 254                               | 411 - Investment Tax Credit         |                                       |   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (2,328)   | (27,935)       |
| 255                               |                                     |                                       |   |   |           |           |           |           |           |           |           |           |           |           |           |                |
| 256                               |                                     | <b>TOTAL OTHER OPERATING EXPENSES</b> |   | 614,149   | 474,441   | 778,455   | 611,410   | 387,500   | 221,609   | 593,573   | 510,860   | 693,761   | 789,762   | 528,196   | 729,565   | 6,933,281      |
| 257                               |                                     |                                       |   |   |           |           |           |           |           |           |           |           |           |           |           |                |
| 258                               |                                     | <b>TOTAL EXPENSES INCLUDING FUEL</b>  |   | 5,109,603   | 4,959,431 | 5,227,042 | 4,541,665 | 4,710,041 | 5,144,066 | 6,111,596 | 5,525,183 | 5,855,953 | 5,501,129 | 4,354,307 | 5,244,027 | 62,284,053     |

Supporting Schedules: C13, C14, C15, C20

Recap Schedules: C1, C6

Supporting Schedules: C13, C14, C15, C20

# JOB OPENING

## *CIS Project Analyst*

(South Florida)

.....  
December 26, 2007

**JOB SUMMARY:** To ensure the compliance with SOX 404 internal controls on assigned tasks. To provide executive summary reports to management. Back up trainer for the CIS application; help support and month end duties. Work closely with Customer Service Managers and General Managers. Communicate, analyze and facilitate requests. Work with IT and vendors on projects with Customer Relations management.

Responsible for completing, monitoring and reviewing the daily, weekly, bi-weekly and monthly reports contained in Customer Service Procedure 10A company wide and others that may be necessary to ensure we are obtaining all revenues and pass our internal controls audits as a company. Perform analysis company wide on all Meter Reading performance, Collection Performance, Telephone Performance and Contact Analysis to assist in First Call Resolution and submit monthly documentation to the COO, GM's, Director, Customer Relations, CIS Manager and others as requested. Provide monthly analysis on active Bankruptcies and back up position for month end duties. Assist with training of new staff and assist in coordinating outstanding and new projects with IT and our vendors as well as involvement with all software that is integrated with the CIS system. Provide ongoing reports requested by auditors or others as needs develop. Catalog and analyze SI's (Support Incidents) from ADS to identify and create solutions to issues and improvements and provide data to CIS Manager. Other tasks as assigned by Manager.

This individual must be highly self-motivated, dependable, self-starter with strong initiative, multi tasking and with the ability to meet deadlines. Strong follow-up, attention to details and strong work ethic are necessary for success. The individual must be a problem solver with the ability to analyze issues and bring solutions to a conclusion without the need for constant supervision.

Two years college education is preferred.

Customer Service background is preferred. Reporting analysis and reconciliation background is necessary. Utility knowledge, project management and existing experience in a CIS system is preferred.

Strong knowledge of MS applications required

**Interested employees should submit job posting form to Kathi Oakes, SF CIS Manager (561) 838-1761 no later than Tuesday, January 8, 2008.**



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## Careers and Job Opportunities

Florida Public Utilities Company provides energy services to communities in growing markets throughout Florida. If you are looking to become part of a winning team and have the drive and ambitions to succeed, then please apply for one of the following positions:

e-mail your resumes to:  
**humanresources@fpuc.com**  
**download application** (PDF Format)  
Fax to: (561) 650-8438

**Apply Now!**

### Central Marketing

Posted on 12/27/2007

#### Marketing Representative

The Marketing Representative is responsible for maintaining and increasing both residential and commercial customer accounts. Residential accounts include new construction, existing after market homes and competitive takeover propane accounts. Commercial accounts include restaurants, country clubs, office buildings, hospitals, shopping centers, school facilities, light manufacturers etc. The primary challenge to this position is to credibly present gas as a cost-effective energy source to generate additional gas sales. Inherent to this challenge is its requirement of a broad-based knowledge of residential appliances, commercial processes and equipment across the industry and applicable gas technologies with continual updating for use in gaining the competitive edge. A bachelor's degree or equivalent work experience and a minimum of two years marketing and sales or related work experience (preferably in natural or propane gas

Central Florida

**Apply Now!**

### South Florida Customer Relations

Posted on 12/27/2007

#### CIS Project Analyst

This position is responsible to ensure the compliance with SOX 404 internal controls on assigned tasks. Provide executive summary reports to management. Back up trainer for the CIS application; help support and month end duties. Work closely with Customer Service Managers and General Managers. Communicate, analyze and facilitate requests. Work with IT and vendors on projects with Customer Relations management. Responsible for completing, monitoring and reviewing the daily, weekly,

bi-weekly and monthly reports contained in Customer Service Procedure 10A company wide and others that may be necessary to ensure we are obtaining all revenues and pass our internal controls audits as a company. Perform analysis company wide on all Meter Reading performance, Collection Performance, Telephone Performance and Contact Analysis to assist in First Call Resolution and submit monthly documentation to the COO, GM's, Director, Customer Relations, CIS Manager and others as requested. Provide monthly analysis on active Bankruptcies and back up position for month end duties. Assist with training of new staff and assist in coordinating outstanding and new projects with IT and our vendors as well as involvement with all software that is integrated with the CIS system. Provide ongoing reports requested by auditors or others as needs develop. Catalog and analyze SI's (Support Incidents) from ADS to identify and create solutions to issues and improvements and provide data to CIS Manager. Other tasks as assigned by Manager. Strong knowledge of MS applications required. Two years college education preferred.

#### Customer Relations

**Apply Now!**

#### Northeast Customer Service

Posted on 12/27/2007

##### Customer Service Representative

We are currently seeking a Part-Time & a Full-Time Customer Service Rep for our Northeast office to handle various duties for our electric and propane departments. Responsibilities include: The ability to handle irate customers effectively and professionally. Handle inquiries from both walk-in and phone customers. Process daily mail and drop box payments, customer correspondence involving high bills, turn ons/offs, deposits and service requests. Handle emergency power outage and propane leak calls and maintain accurate record of these calls. Prepare orders for new service applications, transfer existing services and discontinue services. Balancing cash drawer. Filing service orders and cashier batch tickets.

#### Fernandina Beach

**Apply Now!**

#### Northeast Marketing

Posted on 8/31/2007

##### Propane Marketing Representative

We are seeking an innovative, dynamic and self motivated individual to market and sell propane and gas appliances in our Northeast Division. Must have excellent sales and communication skills. Duties as follows: Conducts market survey's in areas as directed and applies to data base. Utilizes information from market survey's to conduct a systematic process of making contact with potential competitive takeover accounts. Develops working relationships with builders and contractors to expand company market share of the new construction industry. Obtains signed proposals from customers and coordinates installation schedules with operations departments. Responsible for obtaining information to apply for installation permits. Promotes the sale of appliances to all new and existing customers. Work and share information with other residential and commercial representative in the Company concerning prospects, sale and installation of gas products and services. Develops marketing strategies consistent with the Company's Marketing goals and objectives. Provides assistance to Propane Manager in coordination of special projects. Works closely with Commercial Marketing department to share information regarding large Natural Gas customers who may have propane requirements for forklifts or stand-by power applications. Be cognizant of Company rates and sales and credit policies. Represents Company with various industry and trade associations when necessary. Maintain close relationships with customers to promote customer retention.

**Fernandina Beach**

**Apply Now!**

**Northwest Marketing**

Posted on 10/30/2007

**Energy Conservation Representative**

The position is responsible for implementation of energy conservation programs. Individuals must have current knowledge of construction techniques utilized by the building industry to accurately analyze and recommend energy efficiency option and to promote electric utilization and end use equipment. Residential and/or commercial energy use, weatherization, energy rating or related certifications are a plus. AA degree required, BS preferred.

**Northwest Florida**

**Apply Now!**

**South Florida Accounting**

Posted on 1/11/2008

**Compliance Accountant**

The Compliance Accountant is primarily responsible for testing compliance of internal controls, managing and updating the internal control documentation, and assisting with the internal audit and risk assessment processes. They will perform various internal audits including both accounting and operational. They will perform testing as it relates to 404 compliance as well as other special projects as determined by management. They will also assist with recommendations for improvements with internal controls and related processes. Work with outside auditors and internal division personnel to provide necessary information, analysis and assistance as it relates to internal control and compliance. Work with internal division personnel to test controls, recommend improvements, and assist with updating internal control documentation. Detail Oriented Projects including testing, analysis, and recommendations on internal controls. Extensive division travel is required for compliance and audit projects. Strong analytical skills are necessary. Must have high level of initiative. Must be able to communicate well in both written and verbal forms. Must understand accounting processes. Must be proficient with computer skills. Must be confident and able to handle sensitive/difficult situations. An undergraduate degree in Accounting is required. Minimum four years experience in accounting and experience in internal audit preferred

**South Florida**

**Apply Now!**

**South Florida**

Posted on 12/26/2007

**Customer Service Representative**

We are currently seeking a Customer Service Rep for our South Florida Customer Service Department. Duties include: Handling customer inquiries from walk-in customers and phone-in customers with a professional and friendly attitude. Handling customer correspondence and inquiries involving high bills, turn-ons/offers, deposits and service requests. Handling emergency leak calls and maintain an accurate record of these calls. Handling irate customers effectively. Processing daily mail payments. Sorting and processing return mail daily. Filing job orders, CGI orders and Cashier batch tickets. Updating service requests. Price and batch job work orders. Researching and charging back return checks. Reconciling petty cash weekly. Processing commercial and residential sales orders. Occasional light typing. Processing commissions and forwarding to residential sales manager weekly. Issuing deposit refunds on active

accounts.

**South Florida**

**Apply Now!**

**South Florida Operations**

Posted on 11/3/2007

System Improvement Specialist

This position is responsible for planning, coordinating and ensuring execution of projects which require relocations of services, fuel lines, meters as well as meter upgrading due to increased customer usage. The position will estimate the cost of relocating and improving FPU's and customer owned gas facilities. Related trade experience in natural or propane gas and possess a considerable knowledge of plumbing & piping.

**South Florida**

**Apply Now!**

**South Florida Operations**

Posted on 11/3/2007

Welder

This position must be able to perform down-hand, horizontal or forehand welding. Must be able to read blueprints and sketches and be able to construct weld fittings or assemblies as shown by the blueprints or sketches and must be able to create clear and legible drawings and written records of work operations. Must have the ability to qualify for certification by Oxy-Acetylene and shielded ARC in accordance with API 1104 latest edition, ASME Section 9 as well as FPUC's Construction Procedures within 30 days after hire. Must have the ability to become qualified to make all PE fused joints. Familiarity with distribution systems as well as federal, state and local rules and regulations are a plus.

**South Florida**

**Apply Now!**

**South Florida General Accounting**

Posted on 11/3/2007

Senior Construction Accountant

This position is responsible for preparing, maintaining, monitoring & reporting construction information to internal and external customers. Adheres to Construction/Fixed Assets procedures and controls to minimize errors and maintain integrity of the Fixed Assets system. Responsible for posting units of property to construction ledger. Records depreciation of assets. Processes activity of capital items for the GL and Fixed Asset systems. Undergraduate degree in Accounting is required along with one to three years of utility experience in accounting and fixed assets.

**South Florida**

**Apply Now!**

**South Florida Gas Operations**

Posted on 10/30/2007

Gas Utility Worker

Looking for experienced and entry level individuals in good physical condition capable of heavy manual labor. Must have construction, mechanical, electrical or technical background, experience or exposure. Must obtain CDL License and have clean driving record.

**South Florida**

**Apply Now!****South Florida Operations**

Posted on 10/30/2007

**Administrative Assistant - Distribution Office**

The position is responsible for performing administrative skills required for the effective operation of the South Florida Operations Center. This position will provide administrative support to Gas Operations Managers and Supervisors and provide guidance to other administrative employees. Must maintain all files for Division Operations Manager including all confidential personnel files. Prepare interoffice and external correspondence, disciplinary letters, procedures, gas incident reports and narratives, check requests and expense reports. Prepare all employee performance reviews, noting accomplishments and reprimands, if any, payroll advises, Personnel Action Notice forms (PAN) and supplemental data for Operations Center. Processes PAN forms for annual salary adjustments for supervisory and office personnel and for Union personnel per contract negotiations. Maintains petty cash. Schedules and prepares employee tests for position advancement, and prepare job postings and promotions in grade. Coordinates and tracks uniform purchases. Prepares all Workers' Compensation "Notice of Injury" reports and schedules visits for medical treatment. Prepares file of accidents, injuries and worker's compensation incident reports for monthly safety meetings. Coordinates annual revisions to the O&M and Emergency manuals. Prepares Fixed Asset Addition/Retirement forms. Maintain OSHA-300 Logs. Maintains employee drivers license files. Tracks and schedules all DOT physicals. FPU Newsletter coordinator for Operations Center. Backup for Payroll Clerk (AS400) Perform additional tasks or assignments as required by management.

**South Florida****Apply Now!****Gas Supply**

Posted on 10/24/2007

**Gas Logistics Analyst**

This position is responsible for assisting the department manager in the management of gas supply procurement and the Commercial Customer Choice Program. They will also be responsible for the maintenance of customer contracts, imbalance monitoring, confirmation of pool manager deliveries and SCADA coordination. The ideal candidate will have the ability to simultaneously handle multiple projects as well as effectively communicate ideas, procedures and results of analyses. Must be proficient in the use of Excel, Word, Access and PowerPoint. Assoc. degree from an accredited college or university with major course work in accounting, business or management required.

**South Florida****Apply Now!****South Florida Propane Operations**

Posted on 10/24/2007

**Propane District Manager**

The qualified candidate will possess 5+ years of progressive operations, marketing and customer service management. Working knowledge of DOT & OPS regulations is required. Must be of strong character, high integrity and be able to demonstrate a high degree of leadership along with exceptional organizational & communication skills. Must have two years of college, course work in management, marketing or related field. Successful applicant will be required to obtain a Florida LP Gas Master Qualifier designation, 804 qualification and a current CDL with Hazmat



endorsement. Responsibilities include P&L performance involving gas and merchandising operations, day-to-day management of the business and employees; ensuring quality customer service at all points along the service cycle; administrative office; show room and field services.

**South Florida**

**Apply Now!**

**South Florida Propane Operations**

Posted on 10/24/2007

Propane Driver

Must have 3 years experience as Gas Utility Worker or equivalent relevant experience. Must be familiar with provisions and applications for Nat'l Fuel Gas Code, Southern Building Code Congress Int'l, Standard Gas Code & Standard for Storage and Handling of LP Gas. Must have clean driving record and the ability to obtain a CDL license (Class A/X endorsement). Accurately read meters and identify meters, regulators and propane tanks by size and type.

**South Florida**

**Apply Now!**

**South Florida Engineering**

Posted on 8/23/2007

Engineer

This position is required to independently administer, organize and prioritize their own facility extension and relocation projects within deadlines. They must evaluate, select and apply engineering techniques, procedures and criteria, using their judgement in making adaptations and modifications. Complete responsibility for administering facility extension, relocation or abandonment projects. Oversee, prepare or approve construction drawings of gas distribution systems. Prepare, review or approve improvement requisitions, permit applications, easement documents, etc. Administer and coordinate with utilities, consulting engineers and governmental agencies on roadway, development and capital improvement projects. General research and abstract work using various resources to determine property ownership, location and description of easements, right-of-ways etc. Travel to project locations and perform necessary work to establish alignment, grades, utility locations, cross-sections, profiles, etc in order to layout and prepare effective facility extension and relocation proposals. Obtain field data when necessary to the preparation of engineering construction drawings and permits. Ability to use pipe locators and hand digging to locate and identify underground gas distribution facilities. Performance at this level requires developed experience. Guidance and supervision of subordinate staff is required.

**South Florida**

**Apply Now!**

**AN EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER**

In compliance with Federal and State equal opportunity laws, qualified applicants are considered for all positions without regard to race, color, religion, sex, national origin, age, marital status, veteran status, or disability.

**Resumes and applications will remain on file for future consideration for six months.**