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COMMISSION
CLERK

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

January 19, 2011

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

Re: Docket No. 100001-EI
CONTINUING SURVEILLANCE AND REVIEW OF FUEL COST
RECOVERY CLAUSES OF ELECTRIC UTILITIES

Dear Ms. Cole:

We are enclosing ten (10) copies of the December 2010 Fuel Schedules for our Marianna and Fernandina Beach divisions.

The under-recovery in our Marianna (Northwest Florida) division is higher than estimated primarily due to fuel expenses being higher than projected. The under-recovery in our Fernandina Beach (Northeast Florida) division is higher than estimated primarily due to fuel expenses being higher than projected.

If you have any questions, please contact me at cyoung@fpuc.com or Thomas A. Geoffroy at tgeoffroy@fpuc.com.

Sincerely,

Curtis D. Young
Senior Regulatory Accountant

Enclosure

Cc: Kathy Welch/ FPSC
Beth Keating
Mark Cutshaw (no enclosure)
Buddy Shelley (no enclosure)
Jeff Householder (no enclosure)
SJ 80-441

COM _____
APA _____
ECR _____
GCL _____
RAD _____
SSC _____
ADM _____
OPC _____
CLK _____

12 Fuel Monthly December 2010

DOCUMENT NUMBER 100001
00499 JAN 24 =
FPSC-COMMISSIONER CLERK

COMPARISON OF ESTIMATED AND ACTUAL
FUEL AND PURCHASED POWER COST RECOVERY FACTOR
MONTH: DECEMBER 2010

| | DOLLARS | | | | MWH | | | | CENTS/KWH | | | |
|---|------------------|------------------|----------------------|---------|--------|-----------|----------------------|---------|-----------|-----------|----------------------|---------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| 1 Fuel Cost of System Net Generation (A3) | | | | | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 2 Nuclear Fuel Disposal Cost (A13) | | | | | | | | | | | | |
| 3 Coal Car Investment | | | | | | | | | | | | |
| 4 Adjustments to Fuel Cost (A2, Page 1) | | | | | | | | | | | | |
| 5 TOTAL COST OF GENERATED POWER | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8) | 2,347,979 | 1,864,559 | 483,420 | 25.93% | 33,366 | 26,481 | 6,885 | 26.00% | 7.03704 | 7.04112 | -0.0041 | -0.06% |
| 7 Energy Cost of Sched C & X Econ Purch (Broker)(A9) | | | | | | | | | | | | |
| 8 Energy Cost of Other Econ Purch (Non-Broker)(A9) | | | | | | | | | | | | |
| 9 Energy Cost of Sched E Economy Purch (A9) | | | | | | | | | | | | |
| 10 Demand and Non Fuel Cost of Purchased Power (A9) | 1,016,706 | 1,017,745 | (1,039) | -0.10% | 33,366 | 26,481 | 6,885 | 26.00% | 3.04713 | 3.8433 | -0.79617 | -20.72% |
| 11 Energy Payments to Qualifying Facilities (A8a) | | | | | | | | | | | | |
| 12 TOTAL COST OF PURCHASED POWER | <u>3,364,685</u> | <u>2,882,304</u> | <u>482,381</u> | 16.74% | 33,366 | 26,481 | 6,885 | 26.00% | 10.08417 | 10.88442 | -0.80025 | -7.35% |
| 13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12) | | | | | 33,366 | 26,481 | 6,885 | 26.00% | | | | |
| 14 Fuel Cost of Economy Sales (A7) | | | | | | | | | | | | |
| 15 Gain on Economy Sales (A7a) | | | | | | | | | | | | |
| 16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7) | | | | | | | | | | | | |
| 17 Fuel Cost of Other Power Sales (A7) | | | | | | | | | | | | |
| 18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17) | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 19 NET INADVERTENT INTERCHANGE (A10) | | | | | | | | | | | | |
| 20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19) | <u>3,364,685</u> | <u>2,882,304</u> | <u>482,381</u> | 16.74% | 33,366 | 26,481 | 6,885 | 26.00% | 10.08417 | 10.88442 | -0.80025 | -7.35% |
| 21 Net Unbilled Sales (A4) | 505,250 * | 57,579 * | 447,671 | 777.49% | 5,010 | 529 | 4,481 | 847.13% | 1.87132 | 0.23147 | 1.63985 | 708.45% |
| 22 Company Use (A4) | 2,118 * | 1,959 * | 159 | 8.12% | 21 | 18 | 3 | 16.67% | 0.00784 | 0.00788 | -4E-05 | -0.51% |
| 23 T & D Losses (A4) | 134,624 * | 115,266 * | 19,358 | 16.79% | 1,335 | 1,059 | 276 | 26.06% | 0.49861 | 0.46338 | 0.03523 | 7.60% |
| 24 SYSTEM KWH SALES | 3,364,685 | 2,882,304 | 482,381 | 16.74% | 27,000 | 24,875 | 2,125 | 8.54% | 12.46194 | 11.58715 | 0.87479 | 7.55% |
| 25 Wholesale KWH Sales | | | | | | | | | | | | |
| 26 Jurisdictional KWH Sales | 3,364,685 | 2,882,304 | 482,381 | 16.74% | 27,000 | 24,875 | 2,125 | 8.54% | 12.46194 | 11.58715 | 0.87479 | 7.55% |
| 26a Jurisdictional Loss Multiplier | 1.000 | 1.000 | 0.000 | 0.00% | 1.000 | 1.000 | 0.000 | 0.00% | 1.000 | 1.000 | 0.000 | 0.00% |
| 27 Jurisdictional KWH Sales Adjusted for Line Losses | 3,364,685 | 2,882,304 | 482,381 | 16.74% | 27,000 | 24,875 | 2,125 | 8.54% | 12.46194 | 11.58715 | 0.87479 | 7.55% |
| 28 GPIF** | | | | | | | | | | | | |
| 29 TRUE-UP** | <u>143,773</u> | <u>143,773</u> | <u>0</u> | 0.00% | 27,000 | 24,875 | 2,125 | 8.54% | 0.53249 | 0.57798 | -0.04549 | -7.87% |
| 30 TOTAL JURISDICTIONAL FUEL COST | 3,508,458 | 3,026,077 | 482,381 | 15.94% | 27,000 | 24,875 | 2,125 | 8.54% | 12.99429 | 12.16513 | 0.82916 | 6.82% |
| 31 Revenue Tax Factor | | | | | | | | | 1.00072 | 1.00072 | 0 | 0.00% |
| 32 Fuel Factor Adjusted for Taxes | | | | | | | | | 13.00365 | 12.17389 | 0.82976 | 6.82% |
| 33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH) | | | | | | | | | 13.004 | 12.174 | 0.830 | 6.82% |

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

DOCUMENT NUMBER DATE

00499 JAN 24 =

FPSC-COMMISSION ORDER

COMPARISON OF ESTIMATED AND ACTUAL
FUEL AND PURCHASED POWER COST RECOVERY FACTOR
MONTH: DECEMBER 2010

| | PERIOD TO DATE DOLLARS | | | | PERIOD TO DATE MWH | | | | CENTS/KWH | | | |
|--|------------------------|-------------------|-------------------|---------|--------------------|-----------|-------------------|---------|-----------|-----------|-------------------|---------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| 1 Fuel Cost of System Net Generation (A3) | | | | | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 2 Nuclear Fuel Disposal Cost (A13) | | | | | | | | | | | | |
| 3 Coal Car Investment | | | | | | | | | | | | |
| 4 Adjustments to Fuel Cost (A2, Page 1) | | | | | | | | | | | | |
| 5 TOTAL COST OF GENERATED POWER | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8) | 24,590,657 | 23,368,260 | 1,222,397 | 5.23% | 350,354 | 338,506 | 11,848 | 3.50% | 7.0188 | 6.90335 | 0.11545 | 1.67% |
| 7 Energy Cost of Sched C & X Econ Purch (Broker)(A9) | | | | | | | | | | | | |
| 8 Energy Cost of Other Econ Purch (Non-Broker)(A9) | | | | | | | | | | | | |
| 9 Energy Cost of Sched E Economy Purch (A9) | | | | | | | | | | | | |
| 10 Demand and Non Fuel Cost of Purchased Power (A9) | 12,208,143 | 12,212,940 | (4,797) | -0.04% | 350,354 | 338,506 | 11,848 | 3.50% | 3.48452 | 3.60789 | -0.12337 | -3.42% |
| 11 Energy Payments to Qualifying Facilities (A8a) | | | | | | | | | | | | |
| 12 TOTAL COST OF PURCHASED POWER | <u>36,798,800</u> | <u>35,581,200</u> | <u>1,217,600</u> | 3.42% | 350,354 | 338,506 | 11,848 | 3.50% | 10.50332 | 10.51125 | -0.00793 | -0.08% |
| 13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12) | | | | | 350,354 | 338,506 | 11,848 | 3.50% | | | | |
| 14 Fuel Cost of Economy Sales (A7) | | | | | | | | | | | | |
| 15 Gain on Economy Sales (A7a) | | | | | | | | | | | | |
| 16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7) | | | | | | | | | | | | |
| 17 Fuel Cost of Other Power Sales (A7) | | | | | | | | | | | | |
| 18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17) | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 19 NET INADVERTENT INTERCHANGE (A10) | | | | | | | | | | | | |
| 20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19) | <u>36,798,800</u> | <u>35,581,200</u> | <u>1,217,600</u> | 3.42% | 350,354 | 338,506 | 11,848 | 3.50% | 10.50332 | 10.51125 | -0.00793 | -0.08% |
| 21 Net Unbilled Sales (A4) | 378,430 * | 712,032 * | (333,602) | -46.85% | 3,603 | 6,774 | (3,171) | -46.81% | 0.11381 | 0.22392 | -0.11011 | -49.17% |
| 22 Company Use (A4) | 24,788 * | 21,969 ** | 2,819 | 12.83% | 236 | 209 | 27 | 12.92% | 0.00746 | 0.00691 | 0.00055 | 7.96% |
| 23 T & D Losses (A4) | 1,471,935 * | 1,423,223 * | 48,712 | 3.42% | 14,014 | 13,540 | 474 | 3.50% | 0.44269 | 0.44758 | -0.00489 | -1.09% |
| 24 SYSTEM KWH SALES | 36,798,800 | 35,581,200 | 1,217,600 | 3.42% | 332,501 | 317,983 | 14,518 | 4.57% | 11.06728 | 11.18966 | -0.12238 | -1.09% |
| 25 Wholesale KWH Sales | | | | | | | | | | | | |
| 26 Jurisdictional KWH Sales | 36,798,800 | 35,581,200 | 1,217,600 | 3.42% | 332,501 | 317,983 | 14,518 | 4.57% | 11.06728 | 11.18966 | -0.12238 | -1.09% |
| 26a Jurisdictional Loss Multiplier | 1.000 | 1.000 | 0.000 | 0.00% | 1.000 | 1.000 | 0.000 | 0.00% | 1.000 | 1.000 | 0.000 | 0.00% |
| 27 Jurisdictional KWH Sales Adjusted for Line Losses | 36,798,800 | 35,581,200 | 1,217,600 | 3.42% | 332,501 | 317,983 | 14,518 | 4.57% | 11.06728 | 11.18966 | -0.12238 | -1.09% |
| 28 GPIF** | | | | | | | | | | | | |
| 29 TRUE-UP** | <u>1,725,320</u> | <u>1,725,320</u> | <u>0</u> | 0.00% | 332,501 | 317,983 | 14,518 | 4.57% | 0.51889 | 0.54258 | -0.02369 | -4.37% |
| 30 TOTAL JURISDICTIONAL FUEL COST | <u>38,524,120</u> | <u>37,306,520</u> | <u>1,217,600</u> | 3.26% | 332,501 | 317,983 | 14,518 | 4.57% | 11.58617 | 11.73224 | -0.14607 | -1.25% |
| 31 Revenue Tax Factor | | | | | | | | | 1.00072 | 1.00072 | 0 | 0.00% |
| 32 Fuel Factor Adjusted for Taxes | | | | | | | | | 11.59451 | 11.74069 | -0.14618 | -1.25% |
| 33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH) | | | | | | | | | 11.595 | 11.741 | -0.146 | -1.24% |

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

CALCULATION OF TRUE-UP AND INTEREST PROVISION

SCHEDULE A2

Page 1 of 4

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: DECEMBER 2010

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|---|---------------|--------------|----------------------|--------|----------------|---------------|----------------------|--------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| A. Fuel Cost & Net Power Transactions | | | | | | | | |
| 1. Fuel Cost of System Net Generation | \$ | \$ | \$ | | \$ | \$ | \$ | |
| 1a. Fuel Related Transactions (Nuclear Fuel Disposal) | | | | | | | | |
| 2. Fuel Cost of Power Sold | | | | | | | | |
| 3. Fuel Cost of Purchased Power | 2,347,979 | 1,864,559 | 483,420 | 25.93% | 24,590,657 | 23,368,260 | 1,222,397 | 5.23% |
| 3a. Demand & Non Fuel Cost of Purchased Power | 1,016,706 | 1,017,745 | (1,039) | -0.10% | 12,208,143 | 12,212,940 | (4,797) | -0.04% |
| 3b. Energy Payments to Qualifying Facilities | | | | | | | | |
| 4. Energy Cost of Economy Purchases | | | | | | | | |
| 5. Total Fuel & Net Power Transactions | 3,364,685 | 2,882,304 | 482,381 | 16.74% | 36,798,800 | 35,581,200 | 1,217,600 | 3.42% |
| 6. Adjustments to Fuel Cost (Describe Items) | | | | | | | | |
| 6a. Special Meetings - Fuel Market Issue | 56,319 | | 56,319 | 0.00% | 207,898 | | 207,898 | 0.00% |
| 7. Adjusted Total Fuel & Net Power Transactions | \$ 3,421,004 | \$ 2,882,304 | \$ 538,700 | 18.69% | \$ 37,006,698 | \$ 35,581,200 | \$ 1,425,498 | 4.01% |

CALCULATION OF TRUE-UP AND INTEREST PROVISION

SCHEDULE A2

Page 2 of 4

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: DECEMBER 2010

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|--------------|----------------------|---------|----------------|---------------|----------------------|---------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| B. Sales Revenues (Exclude Revenue Taxes & Franchise Taxes) | | | | | | | | |
| 1. Jurisdictional Sales Revenue | \$ | \$ | \$ | | \$ | \$ | \$ | |
| a. Base Fuel Revenue | | | | | | | | |
| b. Fuel Recovery Revenue | 3,211,323 | 2,954,898 | 256,425 | 8.68% | 39,537,644 | 37,773,580 | 1,764,064 | 4.67% |
| c. Jurisdictional Fuel Revenue | 3,211,323 | 2,954,898 | 256,425 | 8.68% | 39,537,644 | 37,773,580 | 1,764,064 | 4.67% |
| d. Non Fuel Revenue | 1,028,136 | 252,002 | 776,134 | 307.99% | 12,432,904 | 2,885,320 | 9,547,584 | 330.90% |
| e. Total Jurisdictional Sales Revenue | 4,239,459 | 3,206,900 | 1,032,559 | 32.20% | 51,970,548 | 40,658,900 | 11,311,648 | 27.82% |
| 2. Non Jurisdictional Sales Revenue | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 3. Total Sales Revenue | \$ 4,239,459 | \$ 3,206,900 | \$ 1,032,559 | 32.20% | \$ 51,970,548 | \$ 40,658,900 | \$ 11,311,648 | 27.82% |
| C. KWH Sales | | | | | | | | |
| 1. Jurisdictional Sales | | | | | | | | |
| 2. Non Jurisdictional Sales | | | | | | | | |
| 3. Total Sales | | | | | | | | |
| 4. Jurisdictional Sales % of Total KWH Sales | | | | | | | | |
| | 26,999,675 | 24,875,000 | 2,124,675 | 8.54% | 332,501,043 | 317,983,000 | 14,518,043 | 4.57% |
| | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| | 26,999,675 | 24,875,000 | 2,124,675 | 8.54% | 332,501,043 | 317,983,000 | 14,518,043 | 4.57% |
| | 100.00% | 100.00% | 0.00% | 0.00% | 100.00% | 100.00% | 0.00% | 0.00% |

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: DECEMBER 2010

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|---|---------------|--------------|-------------------|----------|----------------|---------------|-------------------|----------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| D. True-up Calculation | | | | | | | | |
| 1. Jurisdictional Fuel Rev. (line B-1c) | \$ 3,211,323 | \$ 2,954,898 | \$ 256,425 | 8.68% | 39,537,644 | \$ 37,773,580 | \$ 1,764,064 | 4.67% |
| 2. Fuel Adjustment Not Applicable | | | | | | | | |
| a. True-up Provision | 143,773 | 143,773 | 0 | 0.00% | 1,725,320 | 1,725,320 | 0 | 0.00% |
| b. Incentive Provision | | | | | | | | |
| c. Transition Adjustment (Regulatory Tax Refund) | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 3. Jurisdictional Fuel Revenue Applicable to Period | 3,067,550 | 2,811,125 | 256,425 | 9.12% | 37,812,324 | 36,048,260 | 1,764,064 | 4.89% |
| 4. Adjusted Total Fuel & Net Power Transaction (Line A-7) | 3,421,004 | 2,882,304 | 538,700 | 18.69% | 37,006,698 | 35,581,200 | 1,425,498 | 4.01% |
| 5. Jurisdictional Sales % of Total KWH Sales (Line C-4) | 100% | 100% | 0.00% | 0.00% | N/A | N/A | | |
| 6. Jurisdictional Total Fuel & Net Power Transactions (Line D-4 x Line D-5 x *) | 3,421,004 | 2,882,304 | 538,700 | 18.69% | 37,006,698 | 35,581,200 | 1,425,498 | 4.01% |
| 7. True-up Provision for the Month Over/Under Collection (Line D-3 - Line D-6) | (353,454) | (71,179) | (282,275) | 396.57% | 805,626 | 467,060 | 338,566 | 72.49% |
| 8. Interest Provision for the Month | (98) | | (98) | 0.00% | (4,728) | | (4,728) | 0.00% |
| 9. True-up & Inst. Provision Beg. of Month | (367,488) | 4,930,252 | (5,297,740) | -107.45% | (3,103,485) | 2,810,466 | (5,913,951) | -210.43% |
| 9a. Deferred True-up Beginning of Period | | | | | | | | |
| 10. True-up Collected (Refunded) | 143,773 | 143,773 | 0 | 0.00% | 1,725,320 | 1,725,320 | 0 | 0.00% |
| 11. End of Period - Total Net True-up (Lines D7 through D10) | \$ (577,267) | \$ 5,002,846 | \$ (5,580,113) | -111.54% | (577,267) | \$ 5,002,846 | \$ (5,580,113) | -111.54% |

| | |
|--|-----------|
| MEMO: Unbilled Over-Recovery | 1,159,110 |
| Over/(Under)-recovery per General Ledger | 581,843 |

* Jurisdictional Loss Multiplier

CALCULATION OF TRUE-UP AND INTEREST PROVISION

SCHEDULE A2

Page 4 of 4

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: DECEMBER 2010

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|--------------|----------------------|----------|----------------|-----------|----------------------|----|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| E. Interest Provision | | | | | | | | |
| 1. Beginning True-up Amount (lines D-9 + 9a) | \$ (367,488) | \$ 4,930,252 | \$ (5,297,740) | -107.45% | N/A | N/A | -- | -- |
| 2. Ending True-up Amount Before Interest (line D-7 + Lines D-9 + 9a + D-10) | (577,169) | 5,002,846 | (5,580,015) | -111.54% | N/A | N/A | -- | -- |
| 3. Total of Beginning & Ending True-up Amount | (944,657) | 9,933,098 | (10,877,755) | -109.51% | N/A | N/A | -- | -- |
| 4. Average True-up Amount (50% of Line E-3) | \$ (472,329) | \$ 4,966,549 | \$ (5,438,878) | -109.51% | N/A | N/A | -- | -- |
| 5. Interest Rate - First Day Reporting Business Month | 0.2500% | N/A | -- | -- | N/A | N/A | -- | -- |
| 6. Interest Rate - First Day Subsequent Business Month | 0.2500% | N/A | -- | -- | N/A | N/A | -- | -- |
| 7. Total (Line E-5 + Line E-6) | 0.5000% | N/A | -- | -- | N/A | N/A | -- | -- |
| 8. Average Interest Rate (50% of Line E-7) | 0.2500% | N/A | -- | -- | N/A | N/A | -- | -- |
| 9. Monthly Average Interest Rate (Line E-8 / 12) | 0.0208% | N/A | -- | -- | N/A | N/A | -- | -- |
| 10. Interest Provision (Line E-4 x Line E-9) | (98) | N/A | -- | -- | N/A | N/A | -- | -- |

ELECTRIC ENERGY ACCOUNT
Month of: DECEMBER 2010

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

(MWH)

| | | | | | | | | | | |
|----|--|--------|--------|--------|---------|---------|---------|---------|---------|-------|
| 1 | System Net Generation | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | |
| 2 | Power Sold | | | | | | | | | |
| 3 | Inadvertent Interchange Delivered - NET | | | | | | | | | |
| 4 | Purchased Power | 33,366 | 26,481 | 6,885 | 26.00% | 350,354 | 338,506 | 11,848 | 3.50% | |
| 4a | Energy Purchased For Qualifying Facilities | | | | | | | | | |
| 5 | Economy Purchases | | | | | | | | | |
| 6 | Inadvertent Interchange Received - NET | | | | | | | | | |
| 7 | Net Energy for Load | 33,366 | 26,481 | 6,885 | 26.00% | 350,354 | 338,506 | 11,848 | 3.50% | |
| 8 | Sales (Billed) | 27,000 | 24,875 | 2,125 | 8.54% | 332,501 | 317,983 | 14,518 | 4.57% | |
| 8a | Unbilled Sales Prior Month (Period) | | | | | | | | | |
| 8b | Unbilled Sales Current Month (Period) | | | | | | | | | |
| 9 | Company Use | 21 | 18 | 3 | 16.67% | 236 | 209 | 27 | 12.92% | |
| 10 | T&D Losses Estimated | 0.04 | 1,335 | 1,059 | 276 | 26.06% | 14,014 | 13,540 | 474 | 3.50% |
| 11 | Unaccounted for Energy (estimated) | 5,010 | 529 | 4,481 | 847.13% | 3,603 | 6,774 | (3,171) | -46.81% | |
| 12 | | | | | | | | | | |
| 13 | % Company Use to NEL | 0.06% | 0.07% | -0.01% | -14.29% | 0.07% | 0.06% | 0.01% | 16.67% | |
| 14 | % T&D Losses to NEL | 4.00% | 4.00% | 0.00% | 0.00% | 4.00% | 4.00% | 0.00% | 0.00% | |
| 15 | % Unaccounted for Energy to NEL | 15.02% | 2.00% | 13.02% | 651.00% | 1.03% | 2.00% | -0.97% | -48.50% | |

(\$)

| | | | | | | | | | |
|-----|--|-----------|-----------|---------|--------|------------|------------|-----------|--------|
| 16 | Fuel Cost of Sys Net Gen | | | | | | | | |
| 16a | Fuel Related Transactions | | | | | | | | |
| 16b | Adjustments to Fuel Cost | | | | | | | | |
| 17 | Fuel Cost of Power Sold | | | | | | | | |
| 18 | Fuel Cost of Purchased Power | 2,347,979 | 1,864,559 | 483,420 | 25.93% | 24,590,657 | 23,368,260 | 1,222,397 | 5.23% |
| 18a | Demand & Non Fuel Cost of Pur Power | 1,016,706 | 1,017,745 | (1,039) | -0.10% | 12,208,143 | 12,212,940 | (4,797) | -0.04% |
| 18b | Energy Payments To Qualifying Facilities | | | | | | | | |
| 19 | Energy Cost of Economy Purch. | | | | | | | | |
| 20 | Total Fuel & Net Power Transactions | 3,364,685 | 2,882,304 | 482,381 | 16.74% | 36,798,800 | 35,581,200 | 1,217,600 | 3.42% |

(Cents/KWH)

| | | | | | | | | | |
|-----|--|---------|---------|----------|---------|---------|---------|----------|--------|
| 21 | Fuel Cost of Sys Net Gen | | | | | | | | |
| 21a | Fuel Related Transactions | | | | | | | | |
| 22 | Fuel Cost of Power Sold | | | | | | | | |
| 23 | Fuel Cost of Purchased Power | 7.0370 | 7.0410 | (0.0040) | -0.06% | 7.0190 | 6.9030 | 0.1160 | 1.68% |
| 23a | Demand & Non Fuel Cost of Pur Power | 3.0470 | 3.8430 | (0.7960) | -20.71% | 3.4850 | 3.6080 | (0.1230) | -3.41% |
| 23b | Energy Payments To Qualifying Facilities | | | | | | | | |
| 24 | Energy Cost of Economy Purch. | | | | | | | | |
| 25 | Total Fuel & Net Power Transactions | 10.0840 | 10.8840 | (0.8000) | -7.35% | 10.5030 | 10.5110 | (0.0080) | -0.08% |

PURCHASED POWER

(Exclusive of Economy Energy Purchases)
For the Period/Month of: **DECEMBER 2010**

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

ESTIMATED:

| | | | | | | | | |
|--------------------|----|---------------|----------|----------|---------------|-----------------|------------------|------------------|
| GULF POWER COMPANY | RE | 26,481 | | | 26,481 | 7.041120 | 10.884423 | 1,864,559 |
| TOTAL | | 26,481 | 0 | 0 | 26,481 | 7.041120 | 10.884423 | 1,864,559 |

ACTUAL:

| | | | | | | | | |
|--------------------|----|---------------|----------|----------|---------------|-----------------|------------------|------------------|
| GULF POWER COMPANY | RE | 33,366 | | | 33,366 | 7.037041 | 10.084173 | 2,347,979 |
| TOTAL | | 33,366 | 0 | 0 | 33,366 | 7.037041 | 10.084173 | 2,347,979 |

| | | | | | | | | |
|------------------------------|----|---------|-------|-------|---------|----------|-----------|------------|
| CURRENT MONTH: DIFFERENCE | | 6,885 | 0 | 0 | 6,885 | | -0.800250 | 483,420 |
| DIFFERENCE (%) | | 26.00% | 0.00% | 0.00% | 26.00% | 0.000000 | -7.40% | 25.90% |
| PERIOD TO DATE: ACTUAL | RE | 350,354 | | | 350,354 | 7.018803 | 10.503319 | 24,590,657 |
| ESTIMATED | RE | 338,506 | | | 338,506 | 6.903352 | 10.511246 | 23,368,260 |
| DIFFERENCE | | 11,848 | 0 | 0 | 11,848 | 0.115451 | -0.007927 | 1,222,397 |
| DIFFERENCE (%) | | 3.50% | 0.00% | 0.00% | 3.50% | 1.70% | -0.10% | 5.20% |

ECONOMY ENERGY PURCHASES

INCLUDING LONG TERM PURCHASES

For the Period/Month of: DECEMBER 2010

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

ESTIMATED:

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

ACTUAL:

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

FOOTNOTE: PURCHASED POWER COSTS INCLUDE CUSTOMER, DEMAND & ENERGY CHARGE 1,016,706

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

COMPARISON OF ESTIMATED AND ACTUAL
 FUEL AND PURCHASED POWER COST RECOVERY FACTOR
 MONTH: DECEMBER 2010

| | DOLLARS | | | | MWH | | | | CENTS/KWH | | | |
|---|-----------|------------|----------------------|----------|--------|-----------|----------------------|----------|-----------|-----------|----------------------|----------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| 1 Fuel Cost of System Net Generation (A3) | | | | | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 2 Nuclear Fuel Disposal Cost (A13) | | | | | | | | | | | | |
| 3 Coal Car Investment | | | | | | | | | | | | |
| 4 Adjustments to Fuel Cost (A2, Page 1) | | | 0 | 0.0% | | | | | | | | |
| 5 TOTAL COST OF GENERATED POWER | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8) | 2,013,213 | 1,391,708 | 621,505 | 44.7% | 39,755 | 31,515 | 8,240 | 26.2% | 5.06405 | 4.41602 | 0.64803 | 14.7% |
| 7 Energy Cost of Sched C & X Econ Purch (Broker)(A9) | | | | | | | | | | | | |
| 8 Energy Cost of Other Econ Purch (Non-Broker)(A9) | | | | | | | | | | | | |
| 9 Energy Cost of Sched E Economy Purch (A9) | | | | | | | | | | | | |
| 10 Demand and Non Fuel Cost of Purchased Power (A9) | 1,985,691 | 1,552,849 | 432,842 | 27.9% | 39,755 | 31,515 | 8,240 | 26.2% | 4.99482 | 4.92733 | 0.06749 | 1.4% |
| 11 Energy Payments to Qualifying Facilities (A8a) | 25,045 | 26,898 | (1,853) | -6.9% | 487 | 600 | (113) | -18.8% | 5.14271 | 4.48300 | 0.65971 | 14.7% |
| 12 TOTAL COST OF PURCHASED POWER | 4,023,949 | 2,971,455 | 1,052,494 | 35.4% | 40,242 | 32,115 | 8,127 | 25.3% | 9.99938 | 9.25255 | 0.74683 | 8.1% |
| 13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12) | | | | | 40,242 | 32,115 | 8,127 | 25.3% | | | | |
| 14 Fuel Cost of Economy Sales (A7) | | | | | | | | | | | | |
| 15 Gain on Economy Sales (A7a) | | | | | | | | | | | | |
| 16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7) | | | | | | | | | | | | |
| 17 Fuel Cost of Other Power Sales (A7) | | | | | | | | | | | | |
| 18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17) | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 19 NET INADVERTENT INTERCHANGE (A10) | | | | | | | | | | | | |
| 20 LESS GSLD APPORTIONMENT OF FUEL COST | 431,003 | 704,705 | (273,702) | 101.1% | 0 | 0 | 0 | 0.0% | | | | |
| 20a TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19) | 3,592,946 | 2,266,750 | 1,326,196 | 58.5% | 40,242 | 32,115 | 8,127 | 25.3% | 8.92835 | 7.05823 | 1.87012 | 26.5% |
| 21 Net Unbilled Sales (A4) | 589,539 * | (46,937) * | 636,476 | -1356.0% | 6,603 | (665) | 7,268 | -1092.9% | 1.89015 | (0.15231) | 2.04246 | -1341.0% |
| 22 Company Use (A4) | 3,036 * | 2,541 * | 495 | 19.5% | 34 | 36 | (2) | -5.6% | 0.00973 | 0.00825 | 0.00148 | 17.9% |
| 23 T & D Losses (A4) | 215,620 * | 136,012 * | 79,608 | 58.5% | 2,415 | 1,927 | 488 | 25.3% | 0.69131 | 0.44135 | 0.24996 | 56.6% |
| 24 SYSTEM KWH SALES | 3,592,946 | 2,266,750 | 1,326,196 | 58.5% | 31,190 | 30,817 | 373 | 1.2% | 11.51954 | 7.35552 | 4.16402 | 56.6% |
| 25 Wholesale KWH Sales | | | | | | | | | | | | |
| 26 Jurisdictional KWH Sales | 3,592,946 | 2,266,750 | 1,326,196 | 58.5% | 31,190 | 30,817 | 373 | 1.2% | 11.51954 | 7.35552 | 4.16402 | 56.6% |
| 26a Jurisdictional Loss Multiplier | 1.000 | 1.000 | 0.000 | 0.0% | 1.000 | 1.000 | 0.000 | 0.0% | 1.000 | 1.000 | 0.00000 | 0.0% |
| 27 Jurisdictional KWH Sales Adjusted for Line Losses | 3,592,946 | 2,266,750 | 1,326,196 | 58.5% | 31,190 | 30,817 | 373 | 1.2% | 11.51954 | 7.35552 | 4.16402 | 56.6% |
| 28 GPIF** | | | | | | | | | | | | |
| 29 TRUE-UP** | 68,766 | 68,766 | 0 | 0.0% | 31,190 | 30,817 | 373 | 1.2% | 0.22047 | 0.22314 | (0.00267) | -1.2% |
| 30 TOTAL JURISDICTIONAL FUEL COST (Excluding GSLD Apportionment) | 3,661,712 | 2,335,516 | 1,326,196 | 56.8% | 31,190 | 30,817 | 373 | 1.2% | 11.74002 | 7.57866 | 4.16136 | 54.9% |
| 31 Revenue Tax Factor | | | | | | | | | 1.01609 | 1.01609 | 0.00000 | 0.0% |
| 32 Fuel Factor Adjusted for Taxes | | | | | | | | | 11.92892 | 7.70060 | 4.22832 | 54.9% |
| 33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH) | | | | | | | | | 11.929 | 7.701 | 4.228 | 54.9% |

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

| | PERIOD TO DATE DOLLARS | | | | PERIOD TO DATE MWH | | | | CENTS/KWH | | | |
|--|------------------------|-------------|-------------------|--------|--------------------|-----------|-------------------|--------|-----------|-----------|-------------------|-------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| 1 Fuel Cost of System Net Generation (A3) | | | | | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 2 Nuclear Fuel Disposal Cost (A13) | | | | | | | | | | | | |
| 3 Coal Car Investment | | | | | | | | | | | | |
| 4 Adjustments to Fuel Cost (A2, Page 1) | 0 | 0 | 0 | 0.0% | | | | | | | | |
| 5 TOTAL COST OF GENERATED POWER | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8) | 19,434,120 | 19,351,191 | 82,929 | 0.4% | 426,528 | 438,205 | (11,677) | -2.7% | 4.55635 | 4.41601 | 0.14034 | 3.2% |
| 7 Energy Cost of Sched C & X Econ Purch (Broker)(A9) | | | | | | | | | | | | |
| 8 Energy Cost of Other Econ Purch (Non-Broker)(A9) | | | | | | | | | | | | |
| 9 Energy Cost of Sched E Economy Purch (A9) | | | | | | | | | | | | |
| 10 Demand and Non Fuel Cost of Purchased Power (A9) | 19,342,320 | 19,824,947 | (482,627) | -2.4% | 426,528 | 438,205 | (11,677) | -2.7% | 4.53483 | 4.52413 | 0.01070 | 0.2% |
| 11 Energy Payments to Qualifying Facilities (A8a) | 287,448 | 322,776 | (35,328) | -11.0% | 5,970 | 7,200 | (1,230) | -17.1% | 4.81487 | 4.48300 | 0.33187 | 7.4% |
| 12 TOTAL COST OF PURCHASED POWER | 39,063,888 | 39,498,914 | (435,026) | -1.1% | 432,498 | 445,405 | (12,907) | -2.9% | 9.03215 | 8.86809 | 0.16406 | 1.9% |
| 13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12) | | | | | 432,498 | 445,405 | (12,907) | -2.9% | | | | |
| 14 Fuel Cost of Economy Sales (A7) | | | | | | | | | | | | |
| 15 Gain on Economy Sales (A7a) | | | | | | | | | | | | |
| 16 Fuel Cost of Unit Power Sales (SL2 Parpts)(A7) | | | | | | | | | | | | |
| 17 Fuel Cost of Other Power Sales (A7) | | | | | | | | | | | | |
| 18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17) | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% | 0.00000 | 0.00000 | 0.00000 | 0.0% |
| 19 NET INADVERTENT INTERCHANGE (A10) | | | | | | | | | | | | |
| 20 LESS GSLD APPORTIONMENT OF FUEL COST | 6,669,434 | 7,799,953 | (1,130,519) | -14.5% | 0 | 0 | 0 | 0.0% | | | | |
| 20a TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19) | 32,394,454 | 31,698,961 | 695,493 | 2.2% | 432,498 | 445,405 | (12,907) | -2.9% | 7.49008 | 7.11688 | 0.37320 | 5.2% |
| 21 Net Unbilled Sales (A4) | (550,071) * | (580,951) * | 30,880 | -5.3% | (7,344) | (8,163) | 819 | -10.0% | (0.13304) | (0.13624) | 0.00320 | -2.4% |
| 22 Company Use (A4) | 33,256 * | 29,322 * | 3,934 | 13.4% | 444 | 412 | 32 | 7.8% | 0.00604 | 0.00688 | 0.00116 | 16.9% |
| 23 T & D Losses (A4) | 1,943,676 * | 1,901,915 * | 41,761 | 2.2% | 25,950 | 26,724 | (774) | -2.9% | 0.47011 | 0.44601 | 0.02410 | 5.4% |
| 24 SYSTEM KWH SALES | 32,394,454 | 31,698,961 | 695,493 | 2.2% | 413,448 | 426,432 | (12,984) | -3.0% | 7.83519 | 7.43353 | 0.40166 | 5.4% |
| 25 Wholesale KWH Sales | | | | | | | | | | | | |
| 26 Jurisdictional KWH Sales | 32,394,454 | 31,698,961 | 695,493 | 2.2% | 413,448 | 426,432 | (12,984) | -3.0% | 7.83519 | 7.43353 | 0.40166 | 5.4% |
| 26a Jurisdictional Loss Multiplier | 1.000 | 1.000 | 0.000 | 0.0% | 1.000 | 1.000 | 0.000 | 0.0% | 1.000 | 1.000 | 0.00000 | 0.0% |
| 27 Jurisdictional KWH Sales Adjusted for Line Losses | 32,394,454 | 31,698,961 | 695,493 | 2.2% | 413,448 | 426,432 | (12,984) | -3.0% | 7.83519 | 7.43353 | 0.40166 | 5.4% |
| 28 GPIF** | | | | | | | | | | | | |
| 29 TRUE-UP** | 825,258 | 825,258 | 0 | 0.0% | 413,448 | 426,432 | (12,984) | -3.0% | 0.19960 | 0.19353 | 0.00607 | 3.1% |
| 30 TOTAL JURISDICTIONAL FUEL COST | 33,219,712 | 32,524,219 | 695,493 | 2.1% | 413,448 | 426,432 | (12,984) | -3.0% | 8.03480 | 7.62706 | 0.40774 | 5.4% |
| 31 Revenue Tax Factor | | | | | | | | | 1.01609 | 1.01609 | 0.00000 | 0.0% |
| 32 Fuel Factor Adjusted for Taxes | | | | | | | | | 8.16408 | 7.74978 | 0.41430 | 5.4% |
| 33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH) | | | | | | | | | 8.164 | 7.750 | 0.414 | 5.3% |

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

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

Month of: DECEMBER 2010

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|---|---------------|--------------|-------------------|--------|----------------|---------------|-------------------|--------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| A. Fuel Cost & Net Power Transactions | | | | | | | | |
| 1. Fuel Cost of System Net Generation | \$ | \$ | \$ | | \$ | \$ | \$ | |
| 1a. Fuel Related Transactions (Nuclear Fuel Disposal) | | | | | | | | |
| 2. Fuel Cost of Power Sold | | | | | | | | |
| 3. Fuel Cost of Purchased Power | 2,013,213 | 1,391,708 | 621,505 | 44.7% | 19,434,120 | 19,351,191 | 82,929 | 0.4% |
| 3a. Demand & Non Fuel Cost of Purchased Power | 1,985,691 | 1,552,849 | 432,842 | 27.9% | 19,342,320 | 19,824,947 | (482,627) | -2.4% |
| 3b. Energy Payments to Qualifying Facilities | 25,045 | 26,898 | (1,853) | -6.9% | 287,448 | 322,776 | (35,328) | -11.0% |
| 4. Energy Cost of Economy Purchases | | | | | | | | |
| 5. Total Fuel & Net Power Transactions | 4,023,949 | 2,971,455 | 1,052,494 | 35.4% | 39,063,888 | 39,498,914 | (435,026) | -1.1% |
| 6. Adjustments to Fuel Cost (Describe Items) | | | | | | | | |
| 6a. Special Meetings - Fuel Market Issue | (2,669) | | (2,669) | 0.0% | 15,655 | | 15,655 | 0.0% |
| 7. Adjusted Total Fuel & Net Power Transactions | 4,021,280 | 2,971,455 | 1,049,825 | 35.3% | 39,079,543 | 39,498,914 | (419,371) | -1.1% |
| 8. Less Apportionment To GSLD Customers | 431,003 | 704,705 | (273,702) | -38.8% | 6,669,434 | 7,799,953 | (1,130,519) | -14.5% |
| 9. Net Total Fuel & Power Transactions To Other Classes | \$ 3,590,277 | \$ 2,266,750 | \$ 1,323,527 | 58.4% | \$ 32,410,109 | \$ 31,698,961 | \$ 711,148 | 2.2% |

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

Month of: DECEMBER 2010

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|--------------|----------------------|------|----------------|---------------|----------------------|-------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| B. Sales Revenues (Exclude Revenue Taxes & Franchise Taxes) | | | | | | | | |
| 1. Jurisdictional Sales Revenue (Excluding GSLD) | \$ | \$ | \$ | | \$ | \$ | \$ | |
| a. Base Fuel Revenue | | | | | | | | |
| b. Fuel Recovery Revenue | 2,503,996 | 2,277,860 | 226,136 | 9.9% | 33,691,143 | 32,524,816 | 1,166,327 | 3.6% |
| c. Jurisdictional Fuel Revenue | 2,503,996 | 2,277,860 | 226,136 | 9.9% | 33,691,143 | 32,524,816 | 1,166,327 | 3.6% |
| d. Non Fuel Revenue | 871,095 | 868,935 | 2,160 | 0.3% | 11,190,039 | 11,702,229 | (512,190) | -4.4% |
| e. Total Jurisdictional Sales Revenue | 3,375,091 | 3,146,795 | 228,296 | 7.3% | 44,881,182 | 44,227,045 | 654,137 | 1.5% |
| 2. Non Jurisdictional Sales Revenue | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% |
| 3. Total Sales Revenue (Excluding GSLD) | \$ 3,375,091 | \$ 3,146,795 | \$ 228,296 | 7.3% | \$ 44,881,182 | \$ 44,227,045 | \$ 654,137 | 1.5% |
| C. KWH Sales (Excluding GSLD) | | | | | | | | |
| 1. Jurisdictional Sales KWH | 29,045,586 | 28,562,000 | 483,586 | 1.7% | 355,364,952 | 360,950,000 | (5,585,048) | -1.6% |
| 2. Non Jurisdictional Sales | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0.0% |
| 3. Total Sales | 29,045,586 | 28,562,000 | 483,586 | 1.7% | 355,364,952 | 360,950,000 | (5,585,048) | -1.6% |
| 4. Jurisdictional Sales % of Total KWH Sales | 100.00% | 100.00% | 0.00% | 0.0% | 100.00% | 100.00% | 0.00% | 0.0% |

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

Month of: DECEMBER 2010

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|---|---------------|----------------|-------------------|---------|----------------|----------------|-------------------|----------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % |
| D. True-up Calculation (Excluding GSLD) | | | | | | | | |
| 1. Jurisdictional Fuel Rev. (line B-1c) | \$ 2,503,996 | \$ 2,277,860 | \$ 226,136 | 9.9% | \$ 33,691,143 | \$ 32,524,816 | \$ 1,166,327 | 3.6% |
| 2. Fuel Adjustment Not Applicable | | | | | | | | |
| a. True-up Provision | 68,766 | 68,766 | 0 | 0.0% | 825,258 | 825,258 | 0 | 0.0% |
| b. Incentive Provision | | | | | | | | |
| c. Transition Adjustment (Regulatory Tax Refund) | | | | | | | 0 | 0.0% |
| 3. Jurisdictional Fuel Revenue Applicable to Period | 2,435,230 | 2,209,094 | 226,136 | 10.2% | 32,865,885 | 31,699,558 | 1,166,327 | 3.7% |
| 4. Adjusted Total Fuel & Net Power Transaction (Line A-7) | 3,590,277 | 2,266,750 | 1,323,527 | 58.4% | 32,410,109 | 31,698,961 | 711,148 | 2.2% |
| 5. Jurisdictional Sales % of Total KWH Sales (Line C-4) | 100.00% | 100.00% | 0.00% | 0.0% | N/A | N/A | | |
| 6. Jurisdictional Total Fuel & Net Power Transactions (Line D-4 x Line D-5 x *) | 3,590,277 | 2,266,750 | 1,323,527 | 58.4% | 32,410,109 | 31,698,961 | 711,148 | 2.2% |
| 7. True-up Provision for the Month Over/Under Collection (Line D-3 - Line D-6) | (1,155,047) | (57,656) | (1,097,391) | 1903.3% | 455,776 | 597 | 455,179 | 76244.4% |
| 8. Interest Provision for the Month | 675 | | 675 | 0.0% | 5,716 | | 5,716 | 0.0% |
| 9. True-up & Inst. Provision Beg. of Month | 3,788,968 | (1,761,090) | 5,550,058 | -315.2% | 1,416,612 | (2,575,835) | 3,992,447 | -155.0% |
| 9a. Deferred True-up Beginning of Period | | | | | | | | |
| 10. True-up Collected (Refunded) | 68,766 | 68,766 | 0 | 0.0% | 825,258 | 825,258 | 0 | 0.0% |
| 11. End of Period - Total Net True-up (Lines D7 through D10) | \$ 2,703,362 | \$ (1,749,980) | \$ 4,453,342 | -254.5% | \$ 2,703,362 | \$ (1,749,980) | \$ 4,453,342 | -254.5% |

| | |
|--|-----------|
| MEMO: Unbilled Over-Recovery | 1,358,415 |
| Over/(Under)-recovery per General Ledger | 4,061,777 |

0 0

* Jurisdictional Loss Multiplier

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

Month of: DECEMBER 2010

| | CURRENT MONTH | | | | PERIOD TO DATE | | | |
|--|---------------|----------------|--------------|---------|----------------|-----------|------------|----|
| | ACTUAL | ESTIMATED | DIFFERENCE | | ACTUAL | ESTIMATED | DIFFERENCE | |
| | | | AMOUNT | % | | | AMOUNT | % |
| E. Interest Provision (Excluding GSLD) | | | | | | | | |
| 1. Beginning True-up Amount (lines D-9 + 9a) | \$ 3,788,968 | \$ (1,761,090) | \$ 5,550,058 | -315.2% | N/A | N/A | -- | -- |
| 2. Ending True-up Amount Before Interest (line D-7 + Lines D-9 + 9a + D-10) | 2,702,687 | (1,749,980) | 4,452,667 | -254.4% | N/A | N/A | -- | -- |
| 3. Total of Beginning & Ending True-up Amount | 6,491,655 | (3,511,070) | 10,002,725 | -284.9% | N/A | N/A | -- | -- |
| 4. Average True-up Amount (50% of Line E-3) | \$ 3,245,828 | \$ (1,755,535) | \$ 5,001,363 | -284.9% | N/A | N/A | -- | -- |
| 5. Interest Rate - First Day Reporting Business Month | 0.2500% | N/A | -- | -- | N/A | N/A | -- | -- |
| 6. Interest Rate - First Day Subsequent Business Month | 0.2500% | N/A | -- | -- | N/A | N/A | -- | -- |
| 7. Total (Line E-5 + Line E-6) | 0.5000% | N/A | -- | -- | N/A | N/A | -- | -- |
| 8. Average Interest Rate (50% of Line E-7) | 0.2500% | N/A | -- | -- | N/A | N/A | -- | -- |
| 9. Monthly Average Interest Rate (Line E-8 / 12) | 0.0208% | N/A | -- | -- | N/A | N/A | -- | -- |
| 10. Interest Provision (Line E-4 x Line E-9) | 675 | N/A | -- | -- | N/A | N/A | -- | -- |

ELECTRIC ENERGY ACCOUNT
Month of: DECEMBER 2010

| | CURRENT MONTH | | | | PERIOD TO DATE | | | | |
|-------|--|-----------|----------------------|--------|----------------|-----------|----------------------|----------|---------|
| | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | ACTUAL | ESTIMATED | DIFFERENCE AMOUNT | % | |
| (MWH) | | | | | | | | | |
| 1 | System Net Generation | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% |
| 2 | Power Sold | | | | | | | | |
| 3 | Inadvertent Interchange Delivered - NET | | | | | | | | |
| 4 | Purchased Power | 39,755 | 31,515 | 8,240 | 26.15% | 426,528 | 438,205 | (11,677) | -2.66% |
| 4a | Energy Purchased For Qualifying Facilities | 487 | 600 | (113) | -18.83% | 5,970 | 7,200 | (1,230) | -17.08% |
| 5 | Economy Purchases | | | | | | | | |
| 6 | Inadvertent Interchange Received - NET | | | | | | | | |
| 7 | Net Energy for Load | 40,242 | 32,115 | 8,127 | 25.31% | 432,498 | 445,405 | (12,907) | -2.90% |
| 8 | Sales (Billed) | 31,190 | 30,817 | 373 | 1.21% | 413,448 | 426,432 | (12,984) | -3.04% |
| 8a | Unbilled Sales Prior Month (Period) | | | | | | | | |
| 8b | Unbilled Sales Current Month (Period) | | | | | | | | |
| 9 | Company Use | 34 | 36 | (2) | -5.56% | 444 | 412 | 32 | 7.77% |
| 10 | T&D Losses Estimated @ 0.06 | 2,415 | 1,927 | 488 | 25.32% | 25,950 | 26,724 | (774) | -2.90% |
| 11 | Unaccounted for Energy (estimated) | 6,603 | (665) | 7,268 | -1092.93% | (7,344) | (8,163) | 819 | -10.03% |
| 12 | | | | | | | | | |
| 13 | % Company Use to NEL | 0.08% | 0.11% | -0.03% | -27.27% | 0.10% | 0.09% | 0.01% | 11.11% |
| 14 | % T&D Losses to NEL | 6.00% | 6.00% | 0.00% | 0.00% | 6.00% | 6.00% | 0.00% | 0.00% |
| 15 | % Unaccounted for Energy to NEL | 16.41% | -2.07% | 18.48% | -892.75% | -1.70% | -1.83% | 0.13% | -7.10% |

(\$)

| | | | | | | | | | |
|-----|--|-----------|-----------|-----------|--------|------------|------------|-----------|---------|
| 16 | Fuel Cost of Sys Net Gen | | | | | | | | |
| 16a | Fuel Related Transactions | | | | | | | | |
| 16b | Adjustments to Fuel Cost | | | | | | | | |
| 17 | Fuel Cost of Power Sold | | | | | | | | |
| 18 | Fuel Cost of Purchased Power | 2,013,213 | 1,391,708 | 621,505 | 44.66% | 19,434,120 | 17,997,876 | 1,436,244 | 7.98% |
| 18a | Demand & Non Fuel Cost of Pur Power | 1,985,691 | 1,552,849 | 432,842 | 27.87% | 19,342,320 | 18,390,805 | 951,515 | 5.17% |
| 18b | Energy Payments To Qualifying Facilities | 25,045 | 26,898 | (1,853) | -6.89% | 287,448 | 322,776 | (35,328) | -10.95% |
| 19 | Energy Cost of Economy Purch. | | | | | | | | |
| 20 | Total Fuel & Net Power Transactions | 4,023,949 | 2,971,455 | 1,052,494 | 35.42% | 39,063,888 | 36,711,457 | 2,352,431 | 6.41% |

(Cents/KWH)

| | | | | | | | | | |
|-----|--|-------|-------|-------|--------|-------|-------|-------|--------|
| 21 | Fuel Cost of Sys Net Gen | | | | | | | | |
| 21a | Fuel Related Transactions | | | | | | | | |
| 22 | Fuel Cost of Power Sold | | | | | | | | |
| 23 | Fuel Cost of Purchased Power | 5.064 | 4.416 | 0.648 | 14.67% | 4.556 | 4.107 | 0.449 | 10.93% |
| 23a | Demand & Non Fuel Cost of Pur Power | 4.995 | 4.927 | 0.068 | 1.38% | 4.535 | 4.197 | 0.338 | 8.05% |
| 23b | Energy Payments To Qualifying Facilities | 5.143 | 4.483 | 0.660 | 14.72% | 4.815 | 4.483 | 0.332 | 7.41% |
| 24 | Energy Cost of Economy Purch. | | | | | | | | |
| 25 | Total Fuel & Net Power Transactions | 9.999 | 9.253 | 0.746 | 8.06% | 9.032 | 8.242 | 0.790 | 9.59% |

PURCHASED POWER

(Exclusive of Economy Energy Purchases)
 For the Period/Month of: **DECEMBER 2010**

| (1) PURCHASED FROM | (2) TYPE & SCHEDULE | (3) TOTAL KWH PURCHASED (000) | (4) KWH FOR OTHER UTILITIES (000) | (5) KWH FOR INTERRUPTIBLE (000) | (6) KWH FOR FIRM (000) | (7) CENTS/KWH | | (8) TOTAL \$ FOR FUEL ADJ. (6)X(7)(a) \$ |
|---------------------------------|------------------------|----------------------------------|--------------------------------------|------------------------------------|---------------------------|------------------|-------------------|---|
| | | | | | | (a) FUEL COST | (b) TOTAL COST | |
| ESTIMATED: | | | | | | | | |
| JACKSONVILLE ELECTRIC AUTHORITY | MS | 31,515 | | | 31,515 | 4.416018 | 9.343351 | 1,391,708 |
| TOTAL | | 31,515 | 0 | 0 | 31,515 | 4.416018 | 9.343351 | 1,391,708 |
| ACTUAL: | | | | | | | | |
| JACKSONVILLE ELECTRIC AUTHORITY | MS | 39,755 | | | 39,755 | 5.064050 | 10.058871 | 2,013,213 |
| TOTAL | | 39,755 | 0 | 0 | 39,755 | 5.064050 | 10.058871 | 2,013,213 |
| CURRENT MONTH: DIFFERENCE | | 8,240 | 0 | 0 | 8,240 | 0.648032 | 0.715520 | 621,505 |
| DIFFERENCE (%) | | 26.1% | 0.0% | 0.0% | 26.1% | 14.7% | 7.7% | 44.7% |
| PERIOD TO DATE: ACTUAL | MS | 426,528 | | | 426,528 | 4.556353 | 9.091183 | 19,434,120 |
| ESTIMATED | MS | 438,205 | | | 438,205 | 4.416013 | 8.940139 | 19,351,191 |
| DIFFERENCE | | (11,677) | 0 | 0 | (11,677) | 0.140340 | 0.151044 | 82,929 |
| DIFFERENCE (%) | | -2.7% | 0.0% | 0.0% | -2.7% | 3.2% | 1.7% | 0.4% |

ENERGY PAYMENT TO QUALIFYING FACILITIES

For the Period/Month of: DECEMBER 2010

| (1) PURCHASED FROM | (2) TYPE & SCHEDULE | (3) TOTAL KWH PURCHASED (000) | (4) KWH FOR OTHER UTILITIES (000) | (5) KWH FOR INTERRUPTIBLE (000) | (6) KWH FOR FIRM (000) | (7) CENTS/KWH | | (8) TOTAL \$ FOR FUEL ADJ. (6)X(7)(a) \$ |
|-------------------------------|------------------------|----------------------------------|--------------------------------------|------------------------------------|---------------------------|------------------|-------------------|---|
| | | | | | | (a) FUEL COST | (b) TOTAL COST | |
| ESTIMATED: | | | | | | | | |
| JEFFERSON SMURFIT CORPORATION | | 600 | | | 600 | 4.483000 | 4.483000 | 26,898 |
| TOTAL | | 600 | 0 | 0 | 600 | 4.483000 | 4.483000 | 26,898 |
| ACTUAL: | | | | | | | | |
| JEFFERSON SMURFIT CORPORATION | | 487 | | | 487 | 5.142710 | 5.142710 | 25,045 |
| TOTAL | | 487 | 0 | 0 | 487 | 5.142710 | 5.142710 | 25,045 |
| CURRENT MONTH: DIFFERENCE | | (113) | 0 | 0 | (113) | 0.659710 | 0.659710 | (1,853) |
| DIFFERENCE (%) | | -18.8% | 0.0% | 0.0% | -18.8% | 14.7% | 14.7% | -6.9% |
| PERIOD TO DATE: ACTUAL | MS | 43,317 | | | 43,317 | 0.663592 | 0.663592 | 287,448 |
| ESTIMATED | MS | 7,200 | | | 7,200 | 4.483000 | 4.483000 | 322,776 |
| DIFFERENCE | | 36,117 | 0 | 0 | 36,117 | -3.819408 | -3.819408 | (35,328) |
| DIFFERENCE (%) | | 501.6% | 0.0% | 0.0% | 501.6% | -85.2% | -85.2% | -10.9% |

ECONOMY ENERGY PURCHASES

INCLUDING LONG TERM PURCHASES
 For the Period/Month of: DECEMBER 2010

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

ESTIMATED:

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

ACTUAL:

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

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

\$1,985,691

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