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July 25, 2014

BY HAND DELIVERY

Ms. Carlotta Stauffer, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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COMMISSION
CLERK


**Re: Docket No. 140001-EI: Fuel and Purchased Power Cost Recovery Clause with
Generating Performance Incentive Factor**

Dear Ms. Stauffer:

Enclosed for filing, please find the original and 15 copies of a Petition for Approval of Actual/Estimated True-Up Amount submitted on behalf of Florida Public Utilities Company, along with the Direct Testimony and Exhibit CDY-2 of Mr. Curtis Young. Also enclosed for filing are copies of the schedules included in this filing on CD in native format.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,


Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
clause with generating performance incentive
factor.

DOCKET NO. 140001-EI

DATED: July 25, 2014

**FLORIDA PUBLIC UTILITIES COMPANY'S
PETITION FOR APPROVAL
OF FUEL ADJUSTMENT AND PURCHASED POWER COST RECOVERY
ESTIMATED/ACTUAL TRUE-UP AMOUNT**

Florida Public Utilities Company (FPUC or Company), by and through its undersigned counsel, hereby files this Petition asking the Florida Public Service Commission (FPSC or Commission) for approval of FPUC's fuel adjustment and purchased power cost recovery estimated true-up amount for the period January 2014 through December 2014. In support of this request, the Company hereby states:

- 1) FPUC is an electric utility subject to the Commission's jurisdiction. Its principal business address is:

Florida Public Utilities Company
1641 Worthington Road, Suite 220
West Palm Beach, FL 33409

- 2) The name and mailing address of the persons authorized to receive notices are:

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

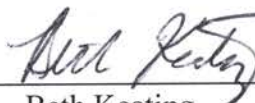
Cheryl Martin
Florida Public Utilities Company
911 South 8th Street
Fernandina Beach, FL
32034

- 3) Consistent with the requirements for this proceeding, the Company has prefiled the fuel adjustment and purchased power cost recovery true-up forms supplied by the Commission consistent with the requirements for such filings.

- 4) In accordance with Order No. PSC-14-0084-PCO-EI, issued February 4, 2014, in this Docket, the Company is also submitting, contemporaneously with this Petition, the Direct Testimony and Exhibit CDY-2 of Mr. Curtis Young in support of the Company's request for approval of the requested actual/estimated true-up amount.
- 5) The final true-up amounts for the period January 2013 through December 2013 are an under-recovery of \$1,806,713 for the Marianna Division and an over-recovery of \$1,213,227 for the Fernandina Beach Division.
- 6) The estimated true-up amounts for the period January 2014 through December 2014 are an under-recovery of \$757,446 for the Marianna Division, and an under-recovery of \$1,538,409 for the Fernandina Beach Division.
- 7) The Company's total true-up amounts that would be collected or refunded during the period January 2015 through December 2015 are an under-recovery of \$2,564,159 for the Marianna Division, and an under-recovery of \$325,182 for the Fernandina Beach Division.

WHEREFORE, FPUC respectfully requests that the Commission approve the estimated true-up amounts for January 2014 through December 2014.

RESPECTFULLY SUBMITTED this 25th day of July, 2014.



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Attorneys for Florida Public Utilities Company

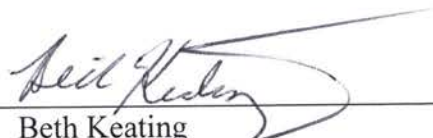
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition for Approval of Estimated/Actual True-Up Amount, as well as the Direct Testimony and Exhibit CDY-2 of Curtis D. Young, has been furnished by Electronic Mail to the following parties of record this 25th day of July, 2014:

<p>Martha Barrera Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 Mbarrera@PSC.STATE.FL.US</p>	<p>James D. Beasley/J. Jeffrey Wahlen/Ashley Daniels Ausley Law Firm Post Office Box 391 Tallahassee, FL 32302 jbeasley@ausley.com jwahlen@ausley.com adaniels@ausley.com</p>
<p>Jeffrey Stone/Russell Badders/Steven Griffen Beggs & Lane P.O. Box 12950 Pensacola, FL 32591-2950 jas@beggslane.com</p>	<p>James W. Brew/F. Alvin Taylor Brickfield Law Firm Eighth Floor, West Tower 1025 Thomas Jefferson Street, NW Washington, DC 20007 jbrew@bbrslaw.com</p>
<p>John T. Butler Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 John.Butler@fpl.com</p>	<p>Kenneth Hoffman Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, FL 32301 Ken.Hoffman@fpl.com</p>
<p>Ms. Paula K. Brown Tampa Electric Company Regulatory Affairs P.O. Box 111 Tampa, FL 33601-0111 Regdept@tecoenergy.com</p>	<p>Florida Industrial Users Power Group Jon C. Moyle, Jr. Moyle Law Firm 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com</p>
<p>Cheryl Martin Florida Public Utilities Company 1641 Worthington Road, Suite 220 West Palm Beach, FL 33409 Cheryl_Martin@fpuc.com</p>	<p>Florida Retail Federation Robert Scheffel Wright/John T. LaVia Gardner Law Firm 1300 Thomaswood Drive Tallahassee, FL 32308 schef@gbwlegal.com</p>

<p>Robert L. McGee, Jr. Gulf Power Company One Energy Place Pensacola, FL 32520 rlmcgee@southernco.com</p>	<p>J.R. Kelly/P. Christensen/C. Rehwinkel/ Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 Christensen.patty@leg.state.fl.us</p>
<p>Matthew Bernier/Paul Lewis, Jr. Duke Energy 106 East College Avenue, Suite 800 Tallahassee, FL 32301 Paul.lewisjr@duke-energy.com Matthew.Bernier@duke-energy.com</p>	<p>John T. Burnett/Dianne M. Triplett Duke Energy 299 First Avenue North St. Petersburg, FL 33701 John.burnett@duke-energy.com Dianne.Triplett@duke-energy.com</p>
	<p>Randy B. Miller White Springs Agricultural Chemicals, Inc. Post Office Box 300 White Springs, FL 32096 Rmiller@pcsphosphate.com</p>

By: _____



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 140001-EI
Fuel and purchased power cost recovery clause with
generating performance incentive factor.**

**Direct Testimony (Estimated/Actual) of
Curtis D. Young
On Behalf of
Florida Public Utilities**

1 **Q. Please state your name and business address.**

2 A. Curtis D. Young, 1641 Worthington Road Suite 220, West Palm Beach,
3 FL 33409.

4 **Q. By whom and in what capacity are you employed?**

5 A. I am employed by Florida Public Utilities as Senior Regulatory Analyst.

6 **Q. Have you previously testified in this Docket?**

7 A. Yes.

8 **Q. What is the purpose of your testimony at this time?**

9 A. I will briefly describe the basis for the Company's computations that were
10 made in preparation of the schedules that have been submitted to support the
11 calculation of the levelized fuel adjustment factor for January 2015 – December
12 2015.

13 **Q. Were the schedules filed by the Company completed by you or under
14 your direction?**

15 A. Yes.

16 **Q. Which of the Staff's set of schedules has the Company completed and
17 filed?**

18 A. The Company has filed Schedules E1-A, E1-B, and E1-B1 for the

1 Northwest Division and E1-A, E1-B, and E1-B1 for the Northeast Division. They
2 are included in Composite Prehearing Identification Number CDY-2. Schedule
3 E1-B shows the Calculation of Purchased Power Costs and Calculation of True-
4 Up and Interest Provision for the period January 2014 – December 2014 based on
5 6 Months Actual and 6 Months Estimated data.

6 **Q. What was the final remaining true-up amount for the period January**
7 **2013 – December 2013 for the Northwest division?**

8 A. In the Northwest Division, the final remaining true-up amount was an
9 under-recovery of \$1,806,713. The final remaining true-up amount for the
10 Northeast Division was an over-recovery of \$1,213,227.

11 **Q. What is the estimated true-up amount for the period January 2014 –**
12 **December 2014?**

13 A. In the Northwest Division, there is an estimated under-recovery of
14 \$757,446. The Northeast Division has an estimated under-recovery of \$1,538,409.

15 **Q. What is the total true-up amount to be collected or refunded during**
16 **January 2015 – December 2015?**

17 A. The Company has determined that at the end of December 2014, based on
18 six months actual and six months estimated, the Company will under-recover
19 \$2,564,159 in purchased power costs in the Northwest Division to be collected

1 and will under-recover \$325,182 in the Northeast Division to be collected during
2 January 2015 – December 2015.

3 **Q. Does this conclude your testimony?**

4 A. Yes.

FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF TRUE-UP SURCHARGE
APPLICABLE TO LEVELIZED FUEL ADJUSTMENT PERIOD
JANUARY 2014 - DECEMBER 2014
BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

Northwest Florida Division

Under-recovery of purchased power costs for the period
January 2014 - December 2014. (See Schedule E1-B, Calculation
of Estimated Purchased Power Costs and Calculation of True-
Up and Interest Provision for the Twelve Month Period ended
December 2014)(Estimated)

\$ 2,654,159

FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION
ACTUAL/ESTIMATED FOR THE PERIOD: JANUARY 2014 - DECEMBER 2014
BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

Schedule E1-B

	ACTUAL		ACTUAL		ACTUAL		ACTUAL		ACTUAL		Estimated		Estimated		Estimated		Estimated		Total	
	JANUARY 2014	FEBRUARY 2014	MARCH 2014	APRIL 2014	MAY 2014	JUNE 2014	JULY 2014	AUGUST 2014	SEPTEMBER 2014	OCTOBER 2014	NOVEMBER 2014	DECEMBER 2014								
MARIANNA DIVISION																				
Total System Sales - KWH	28,302,737	27,377,767	21,631,850	19,434,427	21,840,965	25,728,498	32,040,000	32,768,000	31,310,000	28,829,000	23,992,000	26,296,000	319,551,244							
Total System Purchases - KWH	32,651,753	22,559,528	23,396,311	18,952,601	25,562,899	29,040,143	33,001,200	33,751,040	32,249,300	29,693,870	24,711,760	27,084,880	332,655,285							
System Billing Demand - KW	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	1,092,000							
Peak Billing Demand-KW	56,046	57,285	59,557	59,533	58,122	57,805	55,053	54,690	54,745	54,447	54,262	54,204	675,749							
Purchased Power Rates:																				
Energy/Environmental - \$/KWH		Loss Factor 0.974	0.05490	0.05490	0.05490	0.05490	0.05490	0.05486	0.05486	0.05486	0.05486	0.05486								
Demand and Non-Fuel:																				
Capacity Charge - \$/KWH	10.05000	10.050000	10.050000	10.050000	10.050000	10.050000	10.050000	10.050000	10.050000	10.050000	10.050000	10.050000								
Transmission and Interconnection - \$/KWH	2.60911	2.60911	2.60911	2.60911	2.60911	2.60911	2.60911	2.60911	2.60911	2.60911	2.60911	2.60911								
Distribution Charge	39.736	39.736	39.736	39.736	39.736	39.736	39.736	39.736	39.736	39.736	39.736	39.736	476.832							
Purchased Power Costs:																				
Base Fuel Costs	1,840,432	1,271,579	1,318,745	1,068,273	1,440,866	1,636,862	1,858,774	1,901,008	1,816,424	1,672,490	1,391,876	1,525,541	18,742,870							
Subtotal Fuel Costs	1,840,432	1,271,579	1,318,745	1,068,273	1,440,866	1,636,862	1,858,774	1,901,008	1,816,424	1,672,490	1,391,876	1,525,541	18,742,870							
Demand and Non-Fuel Costs:																				
Capacity Charge	914,550	914,550	914,550	914,550	914,550	914,550	914,550	914,550	914,550	914,550	914,550	914,550	10,974,600							
Transmission and Interconnection	73,115	74,732	77,696	77,664	75,824	75,410	71,820	71,418	71,029	70,788	70,712	70,712	881,552							
Distribution Facilities Charge (incl. FERC lt chrg)	41,455	41,927	41,250	41,306	41,008	41,453	41,993	42,045	41,942	41,767	41,426	41,589	499,161							
Meter Reading and Processing Charge	775	775	775	775	775	775	775	775	775	775	775	775	9,300							
Subtotal Demand & Non-Fuel Costs	1,029,895	1,031,984	1,034,271	1,034,295	1,032,157	1,032,188	1,029,138	1,028,716	1,028,685	1,028,121	1,027,539	1,027,626	12,364,613							
Total System Purchased Power Costs	2,870,327	2,303,563	2,353,016	2,102,568	2,473,023	2,669,050	2,887,912	2,929,724	2,845,109	2,700,611	2,419,415	2,553,167	31,107,483							
Special Costs	327	431	879	283	(317)	260	300	300	300	300	300	300	3,663							
Total Costs and Charges	2,870,654	2,303,994	2,353,895	2,102,851	2,472,706	2,669,310	2,888,212	2,930,024	2,845,409	2,700,911	2,419,715	2,553,467	31,111,146							
Sales Revenues - Fuel Adjustment Revenues:																				
Residential<	.09733	.09733	771,398	772,111	698,232	624,470	636,651	716,442	785,063	799,273	800,831	734,549	691,626	715,278	8,745,924					
Residential>	.10982	.10982	655,404	637,020	232,235	117,373	153,922	321,706	501,882	678,034	557,780	414,135	207,671	438,954	4,916,116					
Commercial, Small	.09822	.09822	242,745	247,990	204,771	194,023	215,595	267,372	326,383	310,766	293,086	280,220	230,619	235,726	3,049,296					
Commercial, Large	.09315	.09315	629,018	613,550	531,461	532,505	570,341	646,985	872,284	834,930	822,820	797,296	658,125	650,207	8,159,522					
Industrial	.08959	.08959	423,141	365,123	366,740	339,952	458,211	476,126	558,924	517,804	511,892	504,187	457,603	456,528	5,436,231					
Outside Lighting Private	.07590	.07590	25,952	25,670	25,782	25,691	25,703	25,530	29,068	28,840	28,613	28,613	28,688	28,764	326,914					
Street Lighting-Public	.07611	.07611	8,080	7,957	7,957	7,957	7,955	7,955	7,230	7,230	7,154	7,306	7,306	7,230	91,241					
Unbilled Fuel Revenues	(1,017,758)	728,709	(20,588)	(103,163)	213,888	95,326	0	0	0	0	0	0	400,000	296,414						
Total Fuel Revenues	1,737,980	3,398,130	2,046,590	1,738,808	2,282,266	2,557,442	3,080,834	3,176,877	3,022,252	2,766,154	2,281,638	2,932,687	31,021,658							
Non-Fuel Revenues	2,113,654	(26,965)	782,984	842,259	842,259	929,874	1,207,066	1,127,723	1,107,448	1,042,946	934,462	584,613	11,476,032							
Total Sales Revenue	3,851,634	3,371,165	2,829,574	2,521,776	3,124,525	3,487,316	4,287,900	4,304,600	4,129,700	3,809,100	3,216,100	3,517,300	42,497,690							
KWH Sales:																				
Residential<	RS	7,923,226	7,930,586	7,172,660	6,415,131	6,540,310	7,362,140	8,066,000	8,212,000	8,228,000	7,547,000	7,106,000	7,349,000	89,852,053						
Residential>	RS	5,971,445	5,803,049	2,116,354	1,069,962	1,402,648	2,929,366	4,570,000	6,174,000	5,079,000	3,771,000	1,891,000	3,997,000	44,774,824						
Commercial, Small	GS	2,471,327	2,524,861	2,084,831	1,975,438	2,195,040	2,722,199	3,323,000	3,164,000	2,984,000	2,853,000	2,348,000	2,400,000	31,045,696						
Commercial, Large	GSD	6,765,332	6,600,821	5,719,994	5,736,139	6,144,989	6,959,135	9,364,000	8,963,000	8,833,000	8,559,000	7,065,000	6,980,000	87,690,410						
Industrial	GSLD	4,723,320	4,075,688	4,093,748	3,794,720	5,114,788	5,314,760	6,239,000	5,780,000	5,714,000	5,628,000	5,108,000	5,096,000	60,682,024						
Outside Lighting-Private	OL-2	341,929	338,210	339,711	338,485	338,669	336,377	383,000	380,000	377,000	377,000	378,000	379,000	4,307,381						
Street Lighting-Public	SL-1, 2, 3	106,158	104,552	104,552	104,552	104,521	95,000	95,000	95,000	94,000	96,000	95,000	1,198,856							
Total KWH Sales		28,302,737	27,377,767	21,631,850	19,434,427	21,840,965	25,728,498	32,040,000	32,768,000	31,310,000	28,829,000	23,992,000	26,296,000	319,551,244						
True-up Calculation:																				
Fuel Revenues		1,737,980	3,398,130	2,046,590	1,738,808	2,282,266	2,557,442	3,080,834	3,176,877	3,022,252	2,766,154	2,281,638	2,932,687	31,021,658						
True-up Provision for the Period - collect/(refund)		62,945	62,948	62,948	62,948	62,948	62,948	62,948	62,948	62,948	62,948	62,948	62,948	755,373						
Gross Receipts Tax Refund		0	0	0	0	0	0	0	0	0	0	0	0	0						
Fuel Revenue		1,675,035	3,335,182	1,983,642	1,675,860	2,219,318	2,494,494	3,017,886	3,113,929	2,959,304	2,703,206	2,218,690	2,869,739	30,266,285						
Total Purchased Power Costs		2,870,654	2,303,994	2,353,895	2,102,851	2,472,706	2,669,310	2,888,212	2,930,024	2,845,409	2,700,911	2,419,715	2,553,467	31,111,146						
True-up Provision for the Period		(1,195,619)	1,031,189	(370,253)	(426,991)	(253,388)	(174,816)	129,675	183,905	113,895	2,295	(201,025)	316,272	(844,861)						
Interest Provision for the Period		(103)	(132)	(127)	(142)	(141)	(162)	(334)	(313)	(293)	(281)	(285)	(273)	(2,586)						
True-up and Interest Provision																				
Beginning of Period		(2,562,085)	(3,694,862)	(2,600,858)	(2,908,289)	(3,272,474)	(3,463,055)	(3,575,085)	(3,382,796)	(3,136,256)	(2,959,706)	(2,894,744)	(3,033,106)	(2,562,085)						
True-up Collected or (Refunded)		62,945	62,948	62,948	62,948	62,948	62,948	62,948	62,948	62,948	62,948	62,948	62,948	755,373						
End of Period, Net True-up		(3,694,862)	(2,600,858)	(2,908,289)	(3,272,474)	(3,463,055)	(3,575,085)	(3,382,796)	(3,136,256)	(2,959,706)	(2,894,744)	(3,033,106)	(2,654,159)	(2,654,159)						
10% Rule - Interest Provision:																				
Beginning True-up Amount		(2,562,085)	(3,694,862)	(2,600,858)	(2,908,289)	(3,272,474)	(3,463,055)	(3,575,085)	(3,382,796)	(3,136,256)	(2,959,706)	(2,894,744)	(3,033,106)							
Ending True-up Amount Before Interest		(3,694,759)	(2,600,726)	(2,908,162)	(3,272,332)	(3,462,914)	(3,574,923)	(3,382,462)	(3,135,943)	(2,959,413)	(2,894,463)	(3,032,821)	(2,653,886)							
Total Beginning and Ending True-up		(6,256,844)	(6,295,588)	(5,509,020)	(6,180,621)	(6,735,388)	(7,037,977)	(6,957,547)	(6,518,73											

FLORIDA PUBLIC UTILITIES COMPANY
MARIANNA DIVISION
 COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS
 OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR
 FOR THE PERIOD JANUARY 2014 - DECEMBER 2014

SCHEDULE E1-B1

	DOLLARS				MWH				CENTS/KWH			
	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	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												
3 Coal Car Investment												
4 Adjustments to Fuel Cost (A2, Page 1)												
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) (A7)	18,742,870	19,156,686	(413,816)	-2.2%	332,655	340,113	(7,458)	-2.2%	5.63433	5.63245	0.00188	0.0%
7 Energy Cost of Sched C & X Econ Purch (Broker)(A9)												
8 Energy Cost of Other Econ Purch (Non-Broker)(A9)												
9 Energy Cost of Sched E Economy Purch (A9)												
10 Demand and Non Fuel Cost of Purchased Power (A9)	12,364,613	12,278,445	86,168	0.7%	332,655	340,113	(7,458)	-2.2%	3.71695	3.61011	0.10684	3.0%
11 Energy Payments to Qualifying Facilities (A8a)												
12 TOTAL COST OF PURCHASED POWER	31,107,483	31,435,131	(327,648)	-1.0%	332,655	340,113	(7,458)	-2.2%	9.35127	9.24255	0.10872	1.2%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					332,655	340,113	(7,458)	-2.2%				
14 Fuel Cost of Economy Sales (A6)												
15 Gain on Economy Sales (A6)												
16 Fuel Cost of Unit Power Sales (SL2 Parpts)(A6)												
17 Other Fuel Related Costs	3,663	3,600	63	1.8%					0.00000	0.00000	0.00000	0.0%
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	3,663	3,600	63	1.8%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
19 NET INADVERTENT INTERCHANGE												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	31,111,146	31,438,731	(327,585)	-1.0%	332,655	340,113	(7,458)	-2.2%	9.35238	9.24361	0.10877	1.2%
21 Net Unbilled Sales	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
22 Company Use	19,546	22,092	(2,546)	-11.5%	209	239	(30)	-12.6%	0.00612	0.00669	(0.00057)	-8.5%
23 T & D Losses	1,205,989	893,580	312,409	35.0%	12,895	9,667	3,228	33.4%	0.37740	0.27061	0.10679	39.5%
24 SYSTEM KWH SALES	31,111,146	31,438,731	(327,585)	-1.0%	319,551	330,207	(10,656)	-3.2%	9.73590	9.52091	0.21499	2.3%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	31,111,146	31,438,731	(327,585)	-1.0%	319,551	330,207	(10,656)	-3.2%	9.73590	9.52091	0.21499	2.3%
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	31,111,146	31,438,731	(327,585)	-1.0%	319,551	330,207	(10,656)	-3.2%	9.73590	9.52091	0.21499	2.3%
28 GPIF**												
29 TRUE-UP**	755,373	755,373	0	0.0%	319,551	330,207	(10,656)	-3.2%	0.23639	0.22876	0.00763	3.3%
30 TOTAL JURISDICTIONAL FUEL COST	31,866,519	32,194,104	(327,585)	-1.0%	319,551	330,207	(10,656)	-3.2%	9.97228	9.74967	0.22261	2.3%
31 Revenue Tax Factor									1.00072	1.00072	0.00000	0.0%
32 Fuel Factor Adjusted for Taxes									9.97946	9.75669	0.22277	2.3%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									9.979	9.757	0.222	2.3%

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

EXHIBIT NO. _____
 DOCKET NO. 140001-EI
 FLORIDA PUBLIC UTILITIES COMPANY
 (CDY-2)
 PAGE 3 OF 6

FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF TRUE-UP SURCHARGE
APPLICABLE TO LEVELIZED FUEL ADJUSTMENT PERIOD
JANUARY 2014 - DECEMBER 2014
BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED OPERATIONS

Northeast Florida Division

Over-recovery of purchased power costs for the period
January 2014 - December 2014. (See Schedule E1-B, Calculation
of Estimated Purchased Power Costs and Calculation of True-
Up and Interest Provision for the Twelve Month Period ended
December 2014.)(Estimated)

\$ 325,182

FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION-EXCLUDING GSLED1
ACTUAL/ESTIMATED FOR THE PERIOD: JANUARY 2014 THROUGH DECEMBER 2014
BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED
 (EXCLUDES LINE LOSS, EXCLUDES TAXES)

NORTHEAST FLORIDA DIVISION

	ACTUAL Jan 2014	ACTUAL Feb 2014	ACTUAL Mar 2014	ACTUAL Apr 2014	ACTUAL May 2014	ACTUAL Jun 2014	Estimated Jul 2014	Estimated Aug 2014	Estimated Sep 2014	Estimated Oct 2014	Estimated Nov 2014	Estimated Dec 2014	Total	
Total System Sales - KWH	28,944,284	31,839,817	27,828,235	22,564,618	27,330,969	30,058,293	34,657,000	33,410,000	31,854,000	28,716,000	23,935,000	23,159,000	344,297,216	
CCA Purchases - KWH	581,556	662,603	440,945	460,817	976,667	1,486,387	600,000	600,000	600,000	600,000	600,000	600,000	8,208,975	
Rayonier Purchases - KWH - On Peak	522,269	232,753	440,927	621,637	392,986	479,191	420,000	420,000	420,000	420,000	420,000	420,000	5,209,763	
Rayonier Purchases - KWH - Off Peak	675,841	339,791	650,623	1,168,277	746,082	914,696	980,000	980,000	980,000	980,000	980,000	980,000	10,375,310	
JEA Purchases - KWH	32,740,736	25,999,885	27,411,795	21,710,309	29,987,884	30,668,645	32,023,000	31,581,833	28,784,807	26,748,032	21,233,919	21,836,320	330,727,165	
System Billing Demand - KW	109,088	64,512	74,095	47,255	72,352	68,051	74,600	73,600	72,700	65,300	57,100	63,700	842,353	
DEMAND-KW(network load)	124,915	99,827	75,259	67,726	99,926	100,660	115,072	113,536	112,128	100,736	88,192	98,304	1,196,281	
Purchased Power Rates:														
CCA Fuel Costs - \$/KWH	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426		
Rayonier - Energy Charge - On Peak - \$/KWH	0.09378	0.04563	0.09378	0.10478	0.10478	0.10478	0.09958	0.09958	0.09958	0.09958	0.08812	0.09047		
Rayonier - Energy Charge - Off Peak - \$/KWH	0.05460	0.05460	0.05460	0.05460	0.05460	0.05460	0.05822	0.05822	0.05822	0.05822	0.05822	0.05822		
Base Fuel Costs - \$/KWH	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360		
Energy Charge - \$/KWH	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162		
Demand and Non-Fuel:														
Demand Charge - \$/KW	14.31	14.31	14.31	14.31	14.31	14.31	14.31	14.31	14.31	14.31	14.31	14.31		
Customer Charge - \$	39,736.00	39,736.00	39,736.00	39,736.00	39,736.00	39,736.00	39,736.00	39,736.00	39,736.00	39,736.00	39,736.00	39,736.00		
Transmission Charge \$/KW	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000		
Purchased Power Costs:														
CCA Fuel Costs	25,743	29,328	19,516	20,396	43,231	65,793	26,556	26,556	26,556	26,556	26,556	26,556	363,343	
Rayonier Standby Costs	85,879	29,175	76,874	128,923	81,913	100,152	98,880	98,880	98,880	98,880	94,066	95,053	1,087,555	
JEA Base Fuel Costs	1,427,496	1,133,595	1,195,154	946,569	1,307,472	1,337,153	1,396,203	1,376,968	1,255,018	1,166,214	925,799	952,064	14,419,705	
JEA Fuel Adjustment	380,447	302,119	318,525	252,274	348,459	356,370	372,107	366,981	334,479	310,812	246,738	253,738	3,843,049	
Subtotal Fuel Costs	1,919,565	1,494,217	1,610,069	1,348,162	1,781,075	1,859,468	1,893,746	1,869,385	1,714,933	1,602,462	1,293,159	1,327,411	19,713,652	
Demand and Non-Fuel Costs:														
Demand Charge	1,561,050	923,167	1,060,299	676,219	1,035,357	973,810	1,067,526	1,053,216	1,040,337	934,443	817,101	911,547	12,054,072	
Facility Charge	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	476,832	
Transmission Charge	261,737	225,470	191,337	179,930	226,712	227,407	245,579	242,785	240,731	223,140	203,958	219,151	2,687,937	
Subtotal Demand & Non-Fuel Costs	1,862,523	1,188,373	1,291,372	895,885	1,301,805	1,240,953	1,352,841	1,335,737	1,320,804	1,197,319	1,060,795	1,170,434	15,218,841	
Total System Purchased Power Costs	3,782,088	2,682,590	2,901,441	2,244,047	3,082,880	3,100,421	3,246,587	3,205,122	3,035,737	2,799,781	2,353,954	2,497,845	34,932,493	
Less Direct Billing To GSLED1 Class:														
Demand Commodity	377,428	33,966	213,317	47,706	156,512	177,265	188,267	188,267	307,626	188,267	188,267	307,626	2,374,514	
Net Purchased Power Costs	44,477	207,633	256,654	94,295	238,394	80,481	159,858	159,858	160,835	161,751	161,684	161,684	1,926,408	
Special Costs	3,320,183	2,440,991	2,431,470	2,102,046	2,687,974	2,842,673	2,898,462	2,856,927	2,567,693	2,450,679	2,003,936	2,028,535	30,631,571	
	45,241	93,815	44,112	22,118	17,321	10,000	10,000	10,000	10,000	10,000	10,000	10,000	288,850	
Total Costs and Charges	3,365,424	2,534,806	2,475,582	2,124,164	2,705,295	2,848,918	2,908,462	2,866,927	2,577,693	2,460,679	2,013,936	2,038,535	30,920,421	
Sales Revenues - Fuel Adjustment Revenues:														
RS<	08969	956,938	986,424	902,117	810,354	838,227	977,094	1,268,963	1,199,543	1,101,785	939,814	694,525	696,048	11,371,832
RS>	.10218	621,290	662,795	335,019	211,397	285,699	535,416	517,421	498,212	426,689	359,457	528,885	5,283,885	
GS	.08329	192,787	213,655	182,562	179,488	215,419	254,711	233,795	231,130	216,804	210,724	176,658	2,470,315	
GSD	.08214	491,296	474,469	414,519	444,351	484,730	545,503	632,485	612,935	612,120	564,061	479,456	435,182	6,191,107
GSLED	.08239	185,232	177,839	179,299	166,320	193,371	216,884	167,583	166,512	166,100	145,749	149,786	142,206	2,056,881
OL	.05224	5,906	5,482	6,338	5,911	5,974	5,956	5,423	5,373	5,163	5,058	5,320	5,529	67,433
SL,CSL	.05202	3,531	3,624	3,625	3,625	3,625	3,625	4,214	4,214	4,266	4,214	4,214	4,214	46,991
Unbilled Fuel Revenues	(1,331,200)	526,583	(433,925)	129,255	55,448	261,287	0	0	0	0	0	0	(792,552)	
Total Fuel Revenues (Excl. GSLED1)	1,125,780	3,050,871	1,589,554	1,950,701	2,082,493	2,800,476	2,829,884	2,717,919	2,577,578	2,296,309	1,869,109	1,805,218	26,695,892	
GSLED1 Fuel Revenues	461,905	241,599	469,971	142,001	394,906	257,746	348,125	348,195	468,044	349,102	350,018	469,310	4,300,922	
Non-Fuel Revenues	1,003,740	1,034,165	969,189	798,032	882,487	1,027,432	2,133,391	2,160,786	1,851,378	1,700,789	1,484,773	1,573,772	16,619,934	
Total Sales Revenue	2,591,425	4,326,635	3,028,714	2,890,734	3,359,886	4,085,654	5,311,400	5,226,900	4,897,000	4,346,200	3,703,900	3,848,300	47,616,748	
KWH Sales:														
RS<	10,669,648	10,998,699	10,058,658	9,035,495	9,346,301	10,893,215	14,150,000	13,375,000	12,285,000	10,479,000	7,744,000	7,761,000	126,796,016	
RS>	6,080,679	6,486,756	3,278,820	2,068,928	2,796,133	5,240,997	5,064,000	4,876,000	4,613,000	4,176,000	3,515,000	3,518,000	51,713,413	
GS	2,314,529	2,565,192	2,191,899	2,586,377	3,058,117	2,807,000	2,775,000	2,775,000	2,603,000	2,530,000	2,121,000	1,952,000	29,672,633	
GSD	5,980,121	5,776,283	5,451,876	5,430,376	5,901,204	6,641,074	7,700,000	7,462,000	7,439,000	6,867,000	5,837,000	5,298,000	75,783,934	
GSLED	2,248,220	2,158,480	2,176,200	2,018,680	2,346,920	2,632,380	2,034,000	2,021,000	2,016,000	1,769,000	1,818,000	1,726,000	24,964,880	
GSLED1	1,470,000	3,680,000	4,480,000	1,680,000	4,170,000	4,170,000	2,717,000	2,717,000	2,717,000	2,717,000	2,717,000	2,717,000	33,172,000	
OL	112,845	104,730	121,110	112,943	114,357	113,732	104,000	103,000	99,000	97,000	102,000	106,000	1,290,717	
SL,CSL	68,242	69,677	69,672	69,677	69,677	69,677	81,000	81,000	82,000	81,000	81,000	81,000	903,622	
Total KWH Sales	28,944,284	31,839,817	27,828,235	22,564,618	27,330,969	30,058,292	34,657,000	33,410,000	31,854,000	28,716,000	23,935,000	23,159,000	344,297,215	
True-up Calculation (Excl. GSLED1):														
Fuel Revenues	1,125,780	3,050,871	1,589,554	1,950,701	2,082,493	2,800,476	2,829,884	2,717,919	2,577,578	2,296,309	1,869,109	1,805,218	26,695,892	
True-up Provision - collect/(refund)	(223,811)	(223,806)	(223,806)	(223,806)	(223,806)	(223,806)	(223,806)	(223,806)	(223,806)	(223,806)	(223,806)	(223,806)	(2,685,677)	
Gross Receipts Tax Refund													0	
Fuel Revenue	1,349,591	3,274,677	1,813,360	2,174,507	2,306,299	3,024,282	3,053,690	2,941,725	2,801,384	2,520,115	2,092,915	2,029,024	29,381,569	
Net Purchased Power and Other Fuel Costs	3,365,424	2,534,806	2,475,582	2,124,164	2,705,295	2,848,918	2,908,462	2,866,927	2,577,693	2,460,679	2,013,936	2,038,535	30,920,421	
True-up Provision for the Period	(2,015,833)	739,871	(662,222)	50,343	(398,996)	175,364	145,228	74,798	223,691	59,436	78,979	(9,511)	(1,538,852)	
Interest Provision for the Period	92	81	80	55	34	22	39	28	21	13	(2)	(20)	443	
Beginning of Period True-up and Interest Provision	3,898,904	1,659,352	2,175,498	1,289,550	1,116,142									

FLORIDA PUBLIC UTILITIES COMPANY
NORTHEAST FLORIDA DIVISION
 COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS
 OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR
 JANUARY 2014 - DECEMBER 2014

	DOLLARS				MWH				CENTS/KWH			
	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	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)												
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)	18,262,754	16,755,200	1,507,554	9.0%	330,727	303,426	27,301	9.0%	5.52200	5.52201	(0.00001)	0.0%
7 Energy Cost of Sched C & X Econ Purch (Broker)(A9)												
8 Energy Cost of Other Econ Purch (Non-Broker)(A9)												
9 Energy Cost of Sched E Economy Purch (A9)												
10 Demand and Non Fuel Cost of Purchased Power (A9)	15,218,841	14,943,859	274,982	1.8%	330,727	303,426	27,301	9.0%	4.60163	4.92504	(0.32341)	-6.6%
11 Energy Payments to Qualifying Facilities (A8a)	1,450,898	1,453,939	(3,041)	-0.2%	23,794	24,000	(206)	-0.9%	6.09775	6.05808	0.03967	0.7%
12 TOTAL COST OF PURCHASED POWER	34,932,493	33,152,998	1,779,495	5.4%	354,521	327,426	27,095	8.3%	9.85343	10.12534	(0.27191)	-2.7%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					354,521	327,426	27,095	8.3%				
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)	288,850	120,000	168,850	140.7%								
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	288,850	120,000	168,850	140.7%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
19 NET INADVERTENT INTERCHANGE (A10)												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	35,221,343	33,272,998	1,948,345	5.9%	354,521	327,426	27,095	8.3%	9.93491	10.16199	(0.22708)	-2.2%
21 Net Unbilled Sales (A4)	0 *	0 *	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
22 Company Use (A4)	46,495 *	45,424 *	1,071	2.4%	468	447	21	4.7%	0.01350	0.01394	(0.00044)	-3.2%
23 T & D Losses (A4)	969,250 *	123,773 *	845,477	683.1%	9,756	1,218	8,538	701.0%	0.28152	0.03800	0.24352	640.8%
24 SYSTEM KWH SALES	35,221,343	33,272,998	1,948,345	5.9%	344,297	325,761	18,536	5.7%	10.22993	10.21393	0.01600	0.2%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	35,221,343	33,272,998	1,948,345	5.9%	344,297	325,761	18,536	5.7%	10.22993	10.21393	0.01600	0.2%
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	35,221,343	33,272,998	1,948,345	5.9%	344,297	325,761	18,536	5.7%	10.22993	10.21393	0.01600	0.2%
28 GPIF**												
29 TRUE-UP**	(2,685,677)	(2,685,677)	0	0.0%	344,297	325,761	18,536	5.7%	(0.78005)	(0.82443)	0.04438	-5.4%
30 TOTAL JURISDICTIONAL FUEL COST	32,535,666	30,587,321	1,948,345	6.4%	344,297	325,761	18,536	5.7%	9.44988	9.38950	0.06038	0.6%
31 Revenue Tax Factor									1.00072	1.00072	0.00000	0.0%
32 Fuel Factor Adjusted for Taxes									9.45668	9.39626	0.06042	0.6%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									9.457	9.396	0.061	0.7%

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