

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

August 19, 2014

E-PORTAL/ELECTRONIC FILING

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

Re: Docket No. 140003-GU - **Purchased gas adjustment (PGA) true-up.**

Dear Ms. Stauffer:

Attached for electronic filing, please find the Petition for Approval of PGA Factor, accompanied by the Direct Testimony and Exhibit MDN-2 of Ms. Michelle Napier, submitted in the referenced Docket on behalf of Florida Public Utilities Company. Consistent with the directions for this docket, copies of the Petition, Testimony, and Exhibit MDN-2 are being provided to Staff Counsel. A separate Request for Confidential Classification is also being submitted today for portions of Ms. Napier's testimony.

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

MEK
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Adjustment)
(PGA) True-Up)
_____)

Docket No. 140003-GU

Filed: August 19, 2014

**PETITION FOR APPROVAL OF THE PURCHASED GAS (PGA)
FACTOR FOR FLORIDA PUBLIC UTILITIES COMPANY**

Florida Public Utilities Company ("FPUC" or "the Company") hereby files its petition for approval of its Purchased Gas Adjustment ("PGA") factor to be applied for service to be rendered during the projected period of January 1, 2015 through December 31, 2015. In support of this Petition, FPUC states:

1. The Company is a natural gas utility with its principal office located at:

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. Pursuant to the requirements in this docket, FPUC, concurrently with the filing of this petition, files testimony and Schedules E-1, E-1R, E-2, E-3, E-4, and E-5 (Exhibit MDN-2) for its consolidated gas division to support the calculation of the PGA recovery (cap) factor for the period January 2015 through December 2015.
4. As indicated in the testimony of Ms. Michelle D. Napier, FPUC has calculated its total net true-up (including interest and applicable regulatory assessment fees) for the period January 2013 through December 2013 to be an over-recovery of \$95,276, inclusive of interest.

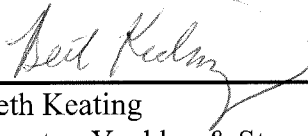
5. Schedule E-4 also shows the projected true-up for the current period January 2014 through December 2014 is an over-recovery of \$728,413, inclusive of interest.
6. The total true-up as shown on Schedule E-4 is an over-recovery of \$823,689, to be applied to the projected period.
7. Consistent with the prior year, the Company's projected period costs include amounts associated with anticipated capacity costs for extending service to unserved areas. These costs are reflected in Schedules E-1 and E-3, which are incorporated in composite Exhibit MDN-2 to the Direct Testimony of Ms. Napier. The Company seeks recovery of these costs consistent with prior Commission rulings allowing recovery of similar such costs. These costs include further expansion in Nassau County to serve existing commercial businesses in a specific area, as well as a planned, multi-use development. The Company is also moving forward with a distribution expansion in the City of Okeechobee, the gas costs, as well as customer growth, for which are accounted for in the Company's projections. The Company is also contemplating an arrangement that will enable it to increase supply to the area of one of its gate stations.
8. The Company has forecasted the 2015 weighted average cost of gas using the projected monthly pipeline demand costs, less the projected cost of capacity temporarily relinquished to third parties, the projected pipeline usage and no-notice costs, and the projected supplier commodity costs. As explained in the testimony of Company witness Napier, the sum of these costs is then divided by projected therm sales to traditional, non-transportation service customers.
9. Based on the estimated therm purchases for resale during the projected period, Schedule E-1 reflects that the maximum purchased gas cost recovery factor is 98.747 cents per therm.

Docket No. 140003-GU

This rate includes not only the projected cost of gas purchased, but also the prior period true-up and revenue tax factors.

WHEREFORE, FPUC respectfully requests that the Commission enter its Order approving the Company's proposed PGA cost recovery factor of 98.747 cents per therm to be applied to customer's bills for the period January 2015 through December 2015.

RESPECTFULLY SUBMITTED this 19th day of August, 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 FPUC's Petition for Approval of PGA Factor, in Docket No. 140003-GU, along with the Testimony and Exhibit of Michelle D. Napier (redacted only), has been furnished by regular U.S. Mail and/or electronic mail * to the following parties of record this 19th day of August, 2014:

Florida Public Utilities Company Cheryl Martin 911 South 8th Street Fernandina Beach, FL 32034	MacFarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531
Keino Young Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399	Office of Public Counsel J.R. Kelly/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Peoples Gas System Paula Brown/Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111	St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf* P.O. Box 549 Port St. Joe, FL 32457-0549
Florida City Gas Carolyn Bermudez 933 East 25 th Street Hialeah, FL 33013-3498	AGL Resources Inc. Elizabeth Wade Ten Peachtree Place Location 1470 Atlanta, GA 30309



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

REDACTED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Adjustment (PGA) Actual/Estimated Projections

DIRECT TESTIMONY OF MICHELLE D. NAPIER

On behalf of

Florida Public Utilities Company

DOCKET NO. 140003-GU

7 Q. Please state your name and business address.

8 A. My name is Michelle D. Napier. My business address is 1641 Worthington Road,
9 Suite 220, West Palm Beach, Florida 33409.

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

11 A. I am employed by Florida Public Utilities Company (FPUC) as the Senior Regulatory
12 Analyst.

13 Q. Can you please provide a brief overview of your educational and employment
14 background?

15 A. I graduated from University of South Florida in 1986 with a BS degree in Finance. I
16 have been employed with FPUC since 1987. During my employment at FPUC, I
17 have performed various roles and functions in accounting, management and most
18 recently, regulatory accounting (PGA, conservation, surveillance reports, regulatory
19 reporting).

20 Q. Are you familiar with the Purchased Gas Adjustment (PGA) clause of the Company
21 and the associated projected and actual revenues and costs?

22 A. Yes.

23 Q. What is the purpose of your testimony in this docket?

24 A. My testimony will establish the PGA "true-up" collection amount, based on actual
25 2013 through June 2014 data and projected July through December 2014 data. My
26 testimony will describe the Company's forecast of pipeline charges and commodity

REDACTED

1 costs of natural gas for 2015. Finally, I will summarize the computations that are
2 contained in composite exhibit MDN-2 supporting the January through December
3 2015 projected PGA recovery (cap) factor for the FPUC consolidated gas division.

4 Q. Did you complete the schedules filed by your Company?

5 A. Yes.

6 Q. Which of the Staff's set of schedules has your company completed and filed?

7 A. The Company has prepared and previously filed True-Up schedules A-1, A-2, A-3,
8 A-4, A-5, A-6 and A-7, in addition to filing composite exhibit MDN-2 that contains
9 Schedules E-1, E-1/R, E-2, E-3, E-4, and E-5 for the FPUC consolidated gas division.
10 These schedules support the calculation of the PGA recovery (cap) factor for January
11 through December 2015.

12 Q. What is the appropriate final PGA true-up amount for the period January through
13 December 2013?

14 A. As shown on Schedule E-4, the final PGA true-up amount for the period January
15 through December 2013 is an over-recovery of \$95,276, inclusive of interest.

16 Q. What is the projected PGA true-up amount for the period January through December
17 2014?

18 A. As also shown on Schedule E-4, the projected PGA true-up amount is an over-
19 recovery of \$728,413, inclusive of interest, for the period January through December
20 2014.

21 Q. What is the projection period for this filing?

22 A. The projection period is January through December 2015.

23 Q. What is the total projected PGA true-up amount to be collected from or refunded to
24 customers for the period January through December 2015?

25 A. As shown on Schedule E-4, the total net over-recovery to be refunded for the period
26 January through December 2015 is \$823,689.

REDACTED

1 Q. Please describe how the forecasts of pipeline charges and commodity costs of gas
2 were developed for the projection period.

3 A. The purchases for the gas cost projection model are based on projected sales to
4 traditional non-transportation service customers. Florida Gas Transmission
5 Company's (FGT) FTS-1, FTS-2, NNTS-1 and ITS-1 effective charges (including
6 surcharges) and fuel rates, at the time the projections were made, were used for the
7 entire projection period. As is further explained herein, the Company has also
8 included costs related to further expansions in Nassau, Okeechobee, and Palm Beach
9 Counties. The expected costs of natural gas purchased by the Company during the
10 projection period are developed using actual prices paid during relevant historical
11 periods and the New York Mercantile Exchange (NYMEX) natural gas futures
12 pricing through the end of the projection period. The forecasts of the commodity
13 costs are then adjusted to reflect the unexpected potential market increases in the
14 projection period.

15 Q. Please describe how the forecasts of the weighted average cost of gas are developed
16 for the projection period.

17 A. The Company has forecasted the 2015-weighted average cost of gas using the
18 projected monthly pipeline demand costs, less the projected cost of capacity
19 temporarily relinquished to third parties, the projected pipeline usage and no-notice
20 costs and the projected supplier commodity costs. The sum of these costs are then
21 divided by the projected therm sales to the traditional non-transportation customers
22 resulting in the projected weighted average cost of gas and ultimately the PGA
23 recovery (cap) factor, as shown on Schedule E-1. Capacity shortfall, if any, would be
24 satisfied by gas and capacity repackaged and delivered by another FGT capacity
25 holder. If other services become available and it is economic to dispatch supplies
26 under those services, the Company will utilize those services as part of its portfolio.

REDACTED

1 Q. Please describe the additional planned expansion opportunities in Nassau County.

2 A. The existing PPC/TECO jointly owned transmission pipeline runs north from Duval
3 County on SR 17, intersecting SR 200 and then east onto Amelia Island. [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED] which would

8 enable the Company to capture existing commercial businesses in the area and a

9 planned large multi-use development. This pipeline will position FPUC to grow its

10 distribution system as the area grows. Many of these customers are currently using

11 propane and switching to natural gas would result in significant cost savings. [REDACTED]

12 [REDACTED]

13 [REDACTED] and has an agreement with TECO/PGS for upstream interstate pipeline

14 capacity. [REDACTED]

15 [REDACTED]

16 Q. Are there other areas of expansion that will affect the Company's PGA?

17 A. The Company is currently constructing a distribution expansion into the City of

18 Okeechobee and plans to begin serving customers in August 2014. Gas supply costs

19 for Okeechobee customers are included in the 2015 projections. Customer growth has

20 also been accounted for in the Company's projections. [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED] but, given the FPUC system configuration, is not

25 sufficient to meet demand without negatively impacting other customers. The FPUC

26 interconnection with PPC also enabled FPUC to avoid a major upgrade at its Riviera

1 Beach gate station. [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED] and give
8 FPUC the opportunity to serve future customers. [REDACTED]
9 [REDACTED]
10 [REDACTED]

11 Q. Are the pipeline capacity and supply costs associated with expansions appropriate for
12 recovery in the PGA docket?

13 A. Yes. Historically, the Commission has allowed recovery, through the clause, of
14 upstream transmission pipeline capacity, transportation and related supply costs
15 associated with service expansions to new areas. The Commission reviewed and
16 approved the Company's agreements with both PPC and TECO/PGS to bring natural
17 gas service to Nassau County.

18 Q. Have the appropriate related costs been included in the Projections for 2015?

19 A. Yes, as more specifically reflected in Schedule E-1 and E-3 of Exhibit MDN-2, the
20 Company has included the costs of existing interstate and intrastate capacity
21 agreements, as well as the costs for gas supply to serve the new customers in Nassau
22 and Palm Beach Counties as described above.

23 Q. What is the appropriate PGA recovery (cap) factor for the period January through
24 December 2015?

25 A. As shown on Schedule E-1, the PGA recovery (cap) factor is 98.747¢ per therm for
26 the period January through December 2015.

REDACTED

1 Q. What should be the effective date of the PGA recovery (cap) factor for billing
2 purposes?

3 A. The PGA recovery (cap) factor should be effective for all meter readings during the
4 period of January 1, 2015 through December 31, 2015.

5 Q. Does this conclude your testimony?

6 A. Yes.

COMPANY:
FLORIDA PUBLIC UTILITIES COMPANY

**PURCHASED GAS ADJUSTMENT
COST RECOVERY CLAUSE CALCULATION
ESTIMATED FOR THE PROJECTED PERIOD JANUARY 2015 THROUGH DECEMBER 2015**

SCHEDULE E-1

	----- PROJECTED -----												TOTAL	
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC		
COST OF GAS PURCHASED														
1	COMMODITY (Pipeline)	\$79,107	\$78,815	\$58,103	\$72,375	\$81,203	\$71,590	\$64,978	\$67,119	\$67,560	\$58,838	\$61,627	\$52,804	\$814,119
2	NO NOTICE SERVICE	\$7,235	\$5,174	\$4,763	\$3,186	\$1,351	\$1,307	\$1,339	\$1,339	\$1,284	\$2,532	\$4,120	\$5,728	\$39,358
3	SWING SERVICE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	COMMODITY (Other)	\$3,509,618	\$3,483,090	\$2,759,618	\$3,267,447	\$2,073,880	\$1,780,472	\$1,524,569	\$1,601,726	\$1,616,708	\$1,775,724	\$2,859,206	\$2,583,951	\$28,836,009
5	DEMAND	\$1,228,460	\$1,137,201	\$1,228,460	\$1,145,728	\$876,863	\$834,552	\$868,860	\$868,860	\$865,530	\$931,114	\$1,198,041	\$1,214,055	\$12,397,724
6	OTHER	\$10	\$11	\$9	\$9	\$8	\$7	\$7	\$7	\$8	\$9	\$10	\$11	\$106
LESS END-USE CONTRACT:														
7	COMMODITY (Pipeline)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	COMMODITY (Other)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Second Prior Month Purchase Adj. (OPTIONAL)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	TOTAL COST (+1+2+3+4+5+6+10)-(7+8+9)	\$4,824,430	\$4,704,291	\$4,050,953	\$4,488,745	\$3,033,305	\$2,687,928	\$2,459,753	\$2,539,051	\$2,551,090	\$2,768,217	\$4,123,004	\$3,856,549	\$42,087,316
12	NET UNBILLED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	COMPANY USE	\$1,100	\$1,600	\$1,200	\$1,000	\$700	\$700	\$600	\$800	\$800	\$800	\$600	\$400	\$10,300
14	TOTAL THERM SALES	\$4,823,330	\$4,702,691	\$4,049,753	\$4,487,745	\$3,032,605	\$2,687,228	\$2,459,153	\$2,538,251	\$2,550,290	\$2,767,417	\$4,122,404	\$3,856,149	\$42,077,016
THERMS PURCHASED														
15	COMMODITY (Pipeline)	4,801,760	4,598,560	4,055,860	4,498,410	3,043,630	2,697,110	2,467,470	2,543,480	2,553,980	2,767,780	4,116,740	3,867,690	42,012,470
16	NO NOTICE SERVICE	-	-	-	-	-	-	-	-	-	-	-	-	-
17	SWING SERVICE	-	-	-	-	-	-	-	-	-	-	-	-	-
18	COMMODITY (Other)	4,801,760	4,598,560	4,055,860	4,498,410	3,043,630	2,697,110	2,467,470	2,543,480	2,553,980	2,767,780	4,116,740	3,867,690	42,012,470
19	DEMAND	16,215,480	14,646,240	16,215,480	14,716,200	10,814,660	10,015,800	10,659,660	10,659,660	10,615,800	11,520,530	15,692,400	15,936,480	157,708,390
20	OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-
LESS END-USE CONTRACT:														
21	COMMODITY (Pipeline)	-	-	-	-	-	-	-	-	-	-	-	-	-
22	DEMAND	-	-	-	-	-	-	-	-	-	-	-	-	-
23	COMMODITY (Other)	-	-	-	-	-	-	-	-	-	-	-	-	-
24	TOTAL PURCHASES (+17+18+20)-(21+23)	4,801,760	4,598,560	4,055,860	4,498,410	3,043,630	2,697,110	2,467,470	2,543,480	2,553,980	2,767,780	4,116,740	3,867,690	42,012,470
25	NET UNBILLED	-	-	-	-	-	-	-	-	-	-	-	-	-
26	COMPANY USE	1,564	2,091	1,774	1,320	1,029	1,029	1,048	1,273	1,291	1,192	795	672	15,078
27	TOTAL THERM SALES (For Estimated, 24 - 26)	4,800,196	4,596,469	4,054,086	4,497,090	3,042,601	2,696,081	2,466,422	2,542,207	2,552,689	2,766,588	4,115,945	3,867,018	41,997,392
CENTS PER THERM														
28	COMMODITY (Pipeline) (1/15)	1.647	1.714	1.433	1.609	2.668	2.654	2.633	2.639	2.645	2.126	1.497	1.365	1.938
29	NO NOTICE SERVICE (2/16)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
30	SWING SERVICE (3/17)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31	COMMODITY (Other) (4/18)	73.090	75.743	68.040	72.636	68.138	66.014	61.787	62.974	63.302	64.157	69.453	66.809	68.637
32	DEMAND (5/19)	7.576	7.764	7.576	7.785	8.108	8.332	8.151	8.151	8.153	8.082	7.635	7.618	7.861
33	OTHER (6/20)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
LESS END-USE CONTRACT:														
34	COMMODITY Pipeline (7/21)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
35	DEMAND (8/22)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
36	COMMODITY Other (9/23)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
37	TOTAL COST OF PURCHASES (11/24)	100.472	102.299	99.879	99.785	99.661	99.660	99.687	99.826	99.887	100.016	100.152	99.712	100.178
38	NET UNBILLED (12/25)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
39	COMPANY USE (13/26)	70.332	76.518	67.644	75.758	68.027	68.027	57.252	62.844	61.967	67.114	75.472	59.524	68.311
40	TOTAL COST OF THERM SOLD (11/27)	100.505	102.346	99.923	99.814	99.694	99.698	99.730	99.876	99.937	100.059	100.172	99.729	100.214
41	TRUE-UP (REFUND)/RECOVER (E-4)	(1.961)	(1.961)	(1.961)	(1.961)	(1.961)	(1.961)	(1.961)	(1.961)	(1.961)	(1.961)	(1.961)	(1.961)	(1.961)
42	TOTAL COST OF GAS (40+41)	98.544	100.385	97.962	97.853	97.733	97.737	97.769	97.915	97.976	98.098	98.211	97.768	98.253
43	REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503
44	PGA FACTOR ADJUSTED FOR TAXES (42+43)	99.03904	100.88919	98.45398	98.34515	98.22458	98.22772	98.25990	98.40688	98.46869	98.59082	98.70401	98.25956	98.74684
45	PGA FACTOR (ROUNDED TO NEAREST .001)	99.039	100.889	98.454	98.345	98.225	98.228	98.260	98.407	98.469	98.591	98.704	98.260	98.747

COMPANY:		PURCHASED GAS ADJUSTMENT COST RECOVERY CLAUSE CALCULATION ACTUAL JANUARY 2014 THROUGH JUNE 2014 ESTIMATED JULY 2014 THROUGH DECEMBER 2014												SCHEDULE E-1/R
FLORIDA PUBLIC UTILITIES COMPANY		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	JUN	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	TOTAL
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
COST OF GAS PURCHASED														
1	COMMODITY (Pipeline)	\$67,390	\$67,390	\$57,031	\$78,411	\$36,371	\$44,933	\$55,864	\$56,502	\$56,186	\$51,155	\$57,642	\$52,227	\$681,102
2	NO NOTICE SERVICE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	SWING SERVICE	\$88,549	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$88,549
4	COMMODITY (Other)	\$1,511,690	\$2,608,246	\$2,219,218	\$1,316,274	\$1,462,485	\$787,166	\$1,325,448	\$1,437,507	\$1,355,603	\$1,611,780	\$2,679,819	\$2,337,334	\$20,652,570
5	DEMAND	\$671,385	\$625,213	\$657,715	\$589,872	\$247,680	\$290,330	\$717,148	\$701,143	\$717,765	\$774,671	\$1,066,436	\$1,093,447	\$8,152,805
6	OTHER	\$62	\$67	\$382	\$213	\$96	\$105	\$7	\$7	\$8	\$9	\$10	\$11	\$977
LESS END-USE CONTRACT:														
7	COMMODITY (Pipeline)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	COMMODITY (Other)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Second Prior Month Purchase Adj.	(OPTIONAL)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	TOTAL COST	(+1+2+3+4+5+6+10)-(7+8+9)	\$2,339,077	\$3,300,916	\$2,934,346	\$1,984,770	\$1,746,632	\$1,122,534	\$2,098,467	\$2,195,159	\$2,129,562	\$2,437,615	\$3,803,907	\$29,576,004
12	NET UNBILLED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	COMPANY USE	\$446	\$1,541	\$1,013	\$682	\$706	\$835	\$300	\$400	\$400	\$400	\$400	\$400	\$7,523
14	TOTAL THERM SALES	\$2,572,195	\$2,442,671	\$2,625,460	\$2,568,459	\$2,047,792	\$1,121,699	\$2,098,167	\$2,194,759	\$2,129,162	\$2,437,215	\$3,803,507	\$3,482,619	\$29,523,705
THERMS PURCHASED														
15	COMMODITY (Pipeline)	4,973,101	4,973,101	2,826,853	4,926,112	2,876,679	-1,589,591	2,300,294	2,322,918	2,301,517	2,496,494	4,020,011	3,893,502	36,320,991
16	NO NOTICE SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
17	SWING SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
18	COMMODITY (Other)	4,713,890	3,552,360	4,810,440	1,906,280	2,265,630	2,025,420	2,300,294	2,322,918	2,301,517	2,496,494	4,020,011	3,893,502	36,608,756
19	DEMAND	8,425,344	8,653,341	10,041,985	6,374,236	847,110	1,575,010	8,220,890	7,910,890	8,255,700	9,096,330	13,725,900	14,183,430	97,310,166
20	OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT:														
21	COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
22	DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
23	COMMODITY (Other)	0	0	0	0	0	0	0	0	0	0	0	0	0
24	TOTAL PURCHASES	(+17+18+20)-(21+23)	4,713,890	3,552,360	4,810,440	1,906,280	2,265,630	2,025,420	2,300,294	2,322,918	2,301,517	2,496,494	4,020,011	36,608,756
25	NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
26	COMPANY USE	748	2,582	1,454	913	887	1,049	579	591	603	615	627	640	11,288
27	TOTAL THERM SALES	(For Estimated, 24 - 26)	4,565,478	4,374,115	3,856,364	3,516,520	2,893,798	2,024,371	2,299,715	2,322,327	2,300,914	2,495,879	4,019,384	38,561,727
CENTS PER THERM														
28	COMMODITY (Pipeline)	(1/15)	1.355	1.355	2.017	1.592	1.264	(2.827)	2.429	2.432	2.441	2.049	1.434	1.875
29	NO NOTICE SERVICE	(2/16)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
30	SWING SERVICE	(3/17)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31	COMMODITY (Other)	(4/18)	32.069	73.423	46.133	69.049	64.551	38.864	57.621	61.884	58.900	64.562	66.662	56.414
32	DEMAND	(5/19)	7.969	7.225	6.550	9.254	29.238	18.434	8.723	8.694	8.516	7.770	7.709	8.378
33	OTHER	(6/20)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
LESS END-USE CONTRACT:														
34	COMMODITY Pipeline	(7/21)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
35	DEMAND	(8/22)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
36	COMMODITY Other	(9/23)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
37	TOTAL COST OF PURCHASES	(11/24)	49.621	92.922	61.000	104.117	77.093	55.422	91.226	94.500	92.529	97.642	94.624	80.789
38	NET UNBILLED	(12/25)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
39	COMPANY USE	(13/26)	59.626	59.682	69.670	74.699	79.594	79.600	51.813	67.682	66.335	65.041	63.796	66.646
40	TOTAL COST OF THERM SOLD	(11/27)	51.234	75.465	76.091	56.441	60.358	55.451	91.249	94.524	92.553	97.666	94.639	76.698
41	TRUE-UP	(E-4)	0.168	0.168	0.168	0.168	0.168	0.168	0.168	0.168	0.168	0.168	0.168	0.168
42	TOTAL COST OF GAS	(40+41)	51.402	75.633	76.259	56.609	60.526	55.619	91.417	94.692	92.721	97.834	94.807	76.866
43	REVENUE TAX FACTOR		1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503
44	PGA FACTOR ADJUSTED FOR TAXES	(42+43)	51.66029	76.01283	76.64220	56.89377	60.82991	55.89849	91.87637	95.16794	93.18679	98.32521	95.28346	77.25207
45	PGA FACTOR	ROUNDED TO NEAREST .001	51.660	76.013	76.642	56.894	60.830	55.898	91.876	95.168	93.187	98.325	95.283	77.252

COMPANY:		PURCHASED GAS ADJUSTMENT CALCULATION OF TRUE-UP AMOUNT											SCHEDULE E-2	
FLORIDA PUBLIC UTILITIES COMPANY		ACTUAL JANUARY 2014 THROUGH JUNE 2014 ESTIMATED JULY 2014 THROUGH DECEMBER 2014												
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	TOTAL	
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
TRUE-UP CALCULATION														
1	PURCHASED GAS COST	\$1,511,690	\$2,608,246	\$2,219,218	\$1,316,274	\$1,462,485	\$787,166	\$1,325,448	\$1,437,507	\$1,355,603	\$1,611,780	\$2,679,819	\$2,337,334	\$20,652,570
2	TRANSPORTATION COST	\$827,386	\$692,670	\$715,128	\$668,496	\$284,147	\$335,368	\$773,019	\$757,652	\$773,959	\$825,835	\$1,124,088	\$1,145,685	\$8,923,433
3	TOTAL	\$2,339,077	\$3,300,916	\$2,934,346	\$1,984,770	\$1,746,632	\$1,122,534	\$2,098,467	\$2,195,159	\$2,129,562	\$2,437,615	\$3,803,907	\$3,483,019	\$29,576,004
4	FUEL REVENUES (NET OF REVENUE TAX)	\$2,572,195	\$2,442,671	\$2,625,460	\$2,568,459	\$2,047,792	\$1,940,216	\$2,102,331	\$2,199,061	\$2,133,428	\$2,441,808	\$3,810,660	\$3,489,559	\$30,373,640
5	TRUE-UP - (COLLECTED) OR REFUNDED	(\$5,781)	(\$5,784)	(\$5,784)	(\$5,784)	(\$5,784)	(\$5,784)	(\$5,784)	(\$5,784)	(\$5,784)	(\$5,784)	(\$5,784)	(\$5,784)	(\$69,405)
6	FUEL REVENUE APPLICABLE TO PERIOD <small>Add Lines 5+6</small>	\$2,566,414	\$2,436,887	\$2,619,676	\$2,562,675	\$2,042,008	\$1,934,432	\$2,096,547	\$2,193,277	\$2,127,644	\$2,436,024	\$3,804,876	\$3,483,775	\$30,304,235
7	TRUE-UP - OVER(UNDER) - THIS PERIOD <small>Line 6 - Line 3</small>	\$227,337	(\$864,029)	(\$314,670)	\$577,905	\$295,376	\$811,898	(\$1,920)	(\$1,882)	(\$1,918)	(\$1,591)	\$969	\$756	\$728,231
8	INTEREST PROVISION -THIS PERIOD <small>Line 21</small>	\$4	(\$7)	(\$38)	(\$31)	(\$7)	\$19	\$40	\$40	\$40	\$40	\$41	\$41	\$182
9	BEGINNING OF PERIOD TRUE-UP AND INTEREST	\$25,863	\$258,985	(\$599,267)	(\$908,191)	(\$324,533)	(\$23,380)	\$794,321	\$798,225	\$802,167	\$806,073	\$810,306	\$817,100	\$25,863
10	TRUE-UP COLLECTED OR (REFUNDED) <small>Reverse of Line 6</small>	\$5,781	\$5,784	\$5,784	\$5,784	\$5,784	\$5,784	\$5,784	\$5,784	\$5,784	\$5,784	\$5,784	\$5,784	\$69,405
10a	FLEX RATE REFUND (if applicable)													
11	TOTAL ESTIMATED/ACTUAL TRUE-UP <small>Add Lines 7-8 + 9 + 10 + 10a</small>	\$258,985	(\$599,267)	(\$908,191)	(\$324,533)	(\$23,380)	\$794,321	\$798,225	\$802,167	\$806,073	\$810,306	\$817,100	\$823,681	
INTEREST PROVISION														
12	BEGINNING TRUE-UP <small>Line 9</small>	\$25,863	\$258,985	(\$599,267)	(\$908,191)	(\$324,533)	(\$23,380)	\$794,321	\$798,225	\$802,167	\$806,073	\$810,306	\$817,100	\$3,257,670
13	ENDING TRUE-UP BEFORE INTEREST <small>Add Lines 12 + 7 + 10</small>	\$258,981	(\$599,260)	(\$908,153)	(\$324,502)	(\$23,373)	\$794,302	\$798,185	\$802,127	\$806,033	\$810,266	\$817,059	\$823,640	\$4,055,306
14	TOTAL (12+13) <small>Add Lines 12 + 13</small>	\$284,844	(\$340,275)	(\$1,507,420)	(\$1,232,693)	(\$347,906)	\$770,922	\$1,592,506	\$1,600,352	\$1,608,200	\$1,616,339	\$1,627,365	\$1,640,740	\$7,312,977
15	AVERAGE <small>50% of Line 14</small>	\$142,422	(\$170,137)	(\$753,710)	(\$616,346)	(\$173,953)	\$385,461	\$796,253	\$800,176	\$804,100	\$808,170	\$813,683	\$820,370	\$3,656,488
16	INTEREST RATE - FIRST DAY OF MONTH	0.03%	0.05%	0.05%	0.06%	0.05%	0.05%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	
17	INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	0.05%	0.05%	0.06%	0.05%	0.05%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	
18	TOTAL <small>Add Lines 16 + 17</small>	0.08%	0.10%	0.11%	0.11%	0.10%	0.11%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	
19	AVERAGE <small>50% of Line 18</small>	0.040%	0.050%	0.055%	0.055%	0.050%	0.055%	0.060%	0.060%	0.060%	0.060%	0.060%	0.060%	
20	MONTHLY AVERAGE <small>Line 19 / 12 mos.</small>	0.003%	0.004%	0.005%	0.005%	0.004%	0.005%	0.005%	0.005%	0.005%	0.005%	0.005%	0.005%	
21	INTEREST PROVISION <small>Line 15 x Line 20</small>	\$4	(\$7)	(\$38)	(\$31)	(\$7)	\$19	\$40	\$40	\$40	\$40	\$41	\$41	\$182

COMPANY:		PURCHASED GAS ADJUSTMENT TRANSPORTATION PURCHASES SYSTEM SUPPLY AND END USE									SCHEDULE E-3		
FLORIDA PUBLIC UTILITIES COMPANY		ESTIMATED FOR THE PROJECTED PERIOD JANUARY 2015 THROUGH DECEMBER 2015											
MONTH	PURCHASED FROM	PURCHASED FOR	SCH TYPE	UNITS SYSTEM SUPPLY	UNITS END USE	UNITS TOTAL PURCHASED	COMMODITY COST		DEMAND COST	OTHER CHARGES ACA/GRI/FUEL	TOTAL CENTS PER THERM		
							THIRD PARTY	PIPELINE					
JANUARY	VARIOUS	SYS SUPPLY	N/A	4,801,760	0	4,801,760	\$3,509,618	\$79,117	\$1,235,695	INCLUDED IN COST	100.472		
FEBRUARY	VARIOUS	SYS SUPPLY	N/A	4,598,560	0	4,598,560	\$3,483,090	\$78,826	\$1,142,375	INCLUDED IN COST	102.299		
MARCH	VARIOUS	SYS SUPPLY	N/A	4,055,860	0	4,055,860	\$2,759,618	\$58,112	\$1,233,223	INCLUDED IN COST	99.879		
APRIL	VARIOUS	SYS SUPPLY	N/A	4,498,410	0	4,498,410	\$3,267,447	\$72,384	\$1,148,914	INCLUDED IN COST	99.785		
MAY	VARIOUS	SYS SUPPLY	N/A	3,043,630	0	3,043,630	\$2,073,880	\$81,211	\$878,214	INCLUDED IN COST	99.661		
JUNE	VARIOUS	SYS SUPPLY	N/A	2,697,110	0	2,697,110	\$1,780,472	\$71,597	\$835,859	INCLUDED IN COST	99.660		
JULY	VARIOUS	SYS SUPPLY	N/A	2,467,470	0	2,467,470	\$1,524,569	\$64,985	\$870,199	INCLUDED IN COST	99.687		
AUGUST	VARIOUS	SYS SUPPLY	N/A	2,543,480	0	2,543,480	\$1,601,726	\$67,126	\$870,199	INCLUDED IN COST	99.826		
SEPTEMBER	VARIOUS	SYS SUPPLY	N/A	2,553,980	0	2,553,980	\$1,616,708	\$67,568	\$866,814	INCLUDED IN COST	99.887		
OCTOBER	VARIOUS	SYS SUPPLY	N/A	2,767,780	0	2,767,780	\$1,775,724	\$58,847	\$933,646	INCLUDED IN COST	100.016		
NOVEMBER	VARIOUS	SYS SUPPLY	N/A	4,116,740	0	4,116,740	\$2,859,206	\$61,637	\$1,202,161	INCLUDED IN COST	100.152		
DECEMBER	VARIOUS	SYS SUPPLY	N/A	3,867,690	0	3,867,690	\$2,583,951	\$52,815	\$1,219,783	INCLUDED IN COST	99.712		
				TOTAL			42,012,470	0	42,012,470	\$28,836,009	\$814,225	\$12,437,082	100.178

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY		PURCHASED GAS ADJUSTMENT CALCULATION OF TRUE-UP AMOUNT ESTIMATED FOR THE PROJECTED PERIOD JANUARY 2015 THROUGH DECEMBER 2015				SCHEDULE E-4
		PRIOR PERIOD: JANUARY 2013 THROUGH DECEMBER 2013			CURRENT PERIOD: JANUARY 2014 THROUGH DECEMBER 2014	(5) (3)+(4) COMBINED TOTAL TRUE-UP
		(1) SEVEN MONTHS ACTUAL PLUS FIVE MONTHS PROJECTED	(2) ACTUAL	(3) (2) - (1) DIFFERENCE	(4) SIX MONTHS ACTUAL PLUS SIX MONTHS PROJECTED	
1	TOTAL THERM SALES (\$)	\$31,506,068	\$24,320,265	(\$7,185,803)	\$30,304,235	\$23,118,432
2	TRUE-UP PROVISION FOR THE PERIOD OVER/(UNDER) COLLECTION (\$)	\$2,731,242	\$2,826,469	\$95,227	\$728,231	\$823,458
3	INTEREST PROVISION FOR THE PERIOD (\$)	(\$459)	(\$410)	\$49	\$182	\$231
4	END OF PERIOD TOTAL NET TRUE-UP (\$)	\$2,730,783	\$2,826,059	\$95,276	\$728,413	\$823,689
TOTAL TRUE-UP DOLLARS - OVER/(UNDER) RECOVERY						\$823,689
PROJECTED THERM SALES FOR JANUARY 2015 - DECEMBER 2015						41,997,392
CENTS PER THERM NECESSARY TO REFUND OVERRECOVERY / (COLLECT UNDERRECOVERY)						<u>1.961</u>

COMPANY:		PURCHASED GAS ADJUSTMENT THERM SALES AND CUSTOMER DATA												SCHEDULE E-5
FLORIDA PUBLIC UTILITIES COMPANY		ESTIMATED FOR THE PROJECTED PERIOD JANUARY 2015 THROUGH DECEMBER 2015												
		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	TOTAL
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
THERM SALES (Thm) (FIRM)														
GENERAL SERVICE (111), (41)		985,091	921,158	904,008	809,146	712,900	635,298	590,742	570,826	617,692	669,130	839,890	906,625	9,162,505
RESIDENTIAL (31)		1,720,173	1,541,519	1,404,768	1,220,199	944,340	789,479	681,004	633,315	701,088	760,515	1,048,677	1,315,585	12,760,661
LARGE VOLUME (51)		1,756,818	1,648,346	1,582,292	1,469,582	1,305,061	1,172,104	990,344	1,050,501	1,068,257	1,161,752	1,218,619	1,416,971	15,840,647
OTHER		-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL FIRM		4,462,081	4,111,022	3,891,068	3,498,927	2,962,301	2,596,881	2,262,090	2,254,642	2,387,036	2,591,396	3,107,186	3,639,181	37,763,813
THERM SALES (Thm) (INTERRUPTIBLE)														
INTERRUPTIBLE (61)		-	-	-	-	-	-	-	-	-	-	-	-	-
GS/COMM SMALL TRANS (90)		149,383	149,981	145,783	133,349	122,078	115,933	87,543	88,604	101,464	115,573	151,637	164,453	1,525,780
FIRM TRANSPORT (91)(94)		2,345,514	2,194,084	2,245,331	2,145,926	2,018,885	1,911,264	1,942,431	1,932,656	1,903,306	2,034,583	2,168,171	2,410,811	25,252,962
INTERR TRANSPORT (92)		556,533	409,385	564,533	492,133	490,665	454,767	459,119	480,628	484,472	524,647	553,597	529,611	6,000,090
LARGE VOLUME INT (93)		-	-	-	-	-	-	-	-	-	-	-	-	-
LESS: TRANSPORTATION		(3,051,430)	(2,753,450)	(2,955,647)	(2,771,408)	(2,631,629)	(2,481,964)	(2,489,093)	(2,501,888)	(2,489,241)	(2,674,803)	(2,873,405)	(3,104,874)	(32,778,831)
TOTAL INTERRUPTIBLE		-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL THERM SALES		4,462,081	4,111,022	3,891,068	3,498,927	2,962,301	2,596,881	2,262,090	2,254,642	2,387,036	2,591,396	3,107,186	3,639,181	37,763,813
NUMBER OF CUSTOMERS (FIRM)														
GENERAL SERVICE (111), (41)		3,347	3,367	3,313	3,385	3,364	3,352	3,359	3,367	3,349	3,341	3,340	3,346	40,230
RESIDENTIAL (31)		50,380	50,541	50,818	50,867	50,842	50,727	50,430	50,350	50,274	50,236	50,396	50,648	606,509
LARGE VOLUME (51)		1,005	1,008	1,011	1,004	993	975	949	940	927	918	895	895	11,520
OTHER		-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL FIRM		54,732	54,916	55,142	55,256	55,199	55,054	54,738	54,657	54,550	54,495	54,631	54,889	658,259
NUMBER OF CUSTOMERS (INT.)														
INTERRUPTIBLE (61)		-	-	-	-	-	-	-	-	-	-	-	-	-
GS/COMM SMALL TRANS (90)		392	388	402	410	428	452	442	443	450	460	458	440	5,165
FIRM TRANSPORT (91)(94)		777	784	789	796	806	813	858	865	869	912	910	928	10,107
INTERR TRANSPORT (92)		15	15	15	15	15	15	15	15	15	15	15	15	180
LARGE VOLUME INT (93)		-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL INTERRUPTIBLE		1,184	1,187	1,206	1,221	1,249	1,280	1,315	1,323	1,334	1,387	1,383	1,383	15,452
TOTAL CUSTOMERS		55,916	56,103	56,348	56,477	56,448	56,334	56,053	55,980	55,884	55,882	56,014	56,272	673,711
THERM USE PER CUSTOMER														
GENERAL SERVICE (111), (41)		294	274	273	239	212	190	176	170	184	200	251	271	2,734
RESIDENTIAL (31)		34	31	28	24	19	16	14	13	14	15	21	26	255
LARGE VOLUME (51)		1,748	1,635	1,565	1,464	1,314	1,202	1,044	1,118	1,152	1,266	1,362	1,583	16,453
OTHER		-	-	-	-	-	-	-	-	-	-	-	-	-
INTERRUPTIBLE (61)		-	-	-	-	-	-	-	-	-	-	-	-	-
GS/COMM SMALL TRANS (90)		381	387	363	325	285	256	198	200	225	251	331	374	3,576
FIRM TRANSPORT (91)(94)		3,019	2,799	2,846	2,696	2,505	2,351	2,264	2,234	2,190	2,231	2,383	2,598	30,116
INTERR TRANSPORT (92)		37,102	27,292	37,636	32,809	32,711	30,318	30,608	32,042	32,298	34,976	36,906	35,307	400,005
LARGE VOLUME INT (93)		-	-	-	-	-	-	-	-	-	-	-	-	-