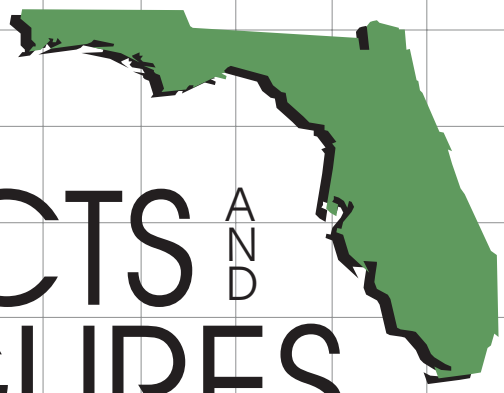
JANUARY 2004



# FACTS AND FIGURES OF THE FLORIDA UTILITY INDUSTRY

FLORIDA PUBLIC SERVICE COMMISSION

This publication is intended to be a reference manual for persons needing quick information about the Electric, Natural Gas, Telephone, and Water and Wastewater industries in Florida. The facts have been gathered from both in-house and outside publications and web sites. Every effort has been made to accurately denote the source of the information used. Though most of the data refers specifically to Florida, some data from other states and national averages are included for comparison purposes. The information is compiled annually and published by the Florida Public Service Commission (PSC).

Should you have questions or suggestions about this publication, please contact:

Office of Federal & Legislative Liaison
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850.
(850) 413-6800

# Table of Contents

## ELECTRIC



## NATURAL GAS



*Continued on next page*

# Table of Contents

*Continued*

## TELECOMMUNICATIONS



## WATER AND WASTEWATER

## Regulatory Authority

Pursuant to Chapter 366, Florida Statutes, the PSC has regulatory authority over:

- 5 investor-owned electric companies
  (all aspects of operations, including safety)
- 33 municipally owned electric utilities
  (limited to safety, rate structure, territorial boundaries, bulk power supply, operations and planning)
- 18 rural electric cooperatives
  (limited to safety, rate structure, territorial boundaries, bulk power supply, operations and planning)

## Generating Capacity
(Utility and Non-Utility)

- 44,553 Megawatts (Summer)
- 47,276 Megawatts (Winter - higher due to thermo dynamics/cooling water)

## Transmission Capability for Peninsular Florida

- Import - 3,600 Megawatts (Summer and Winter)
- Export - 2,000 Megawatts (Summer)
  2,700 Megawatts (Winter - higher due to thermal ratings of lines and seasonal load patterns)

## Utility Type of Ownership Defined

**Investor-Owned** - An electric utility organized as a tax-paying business usually financed by the sale of securities in the free market, and whose properties are managed by representatives regularly elected by their shareholders.

**Municipally Owned** - An electric utility system owned and/or operated by a municipality engaged in serving residential, commercial, and/or industrial customers, usually within the boundaries of the municipality.

**Cooperatively Owned** - A joint venture organized for the purpose of supplying electric energy to a specified area. Such ventures are generally exempt from the federal income tax laws. Most cooperatives have been financed by the Rural Electrification Association.

## Investor-Owned Electric Systems

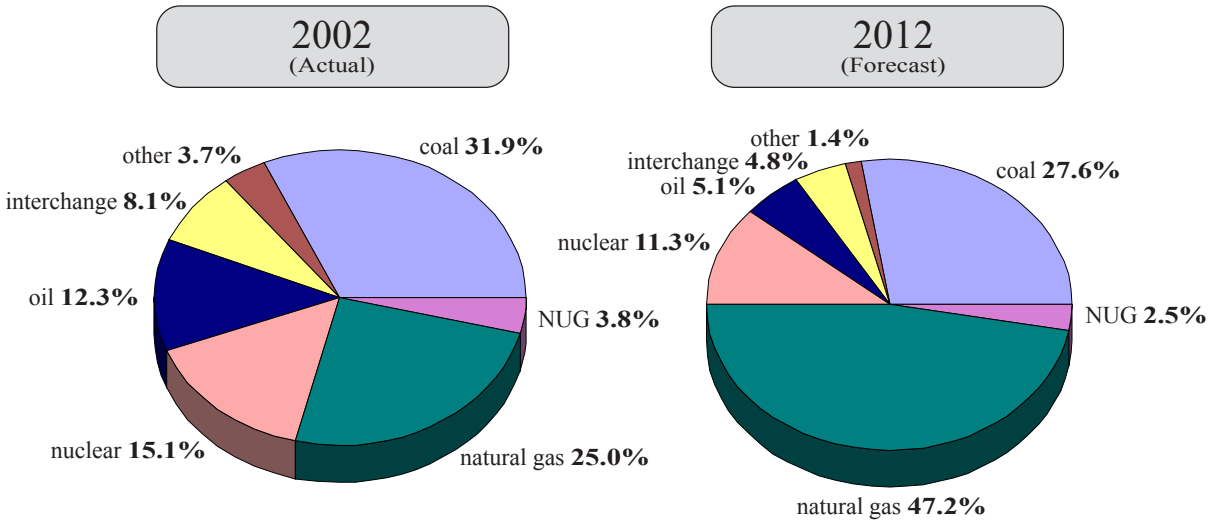
Florida Power & Light Company
Gulf Power Company
Progress Energy Florida (formerly Florida Power Corp.)
Tampa Electric Company
Florida Public Utilities (Non-Generating)

## Generating Capability by Primary Energy Source
1992, 1996, and 2001
(Megawatts)

| ENERGY SOURCE | 1992 | 1996 | 2001 | ANNUAL GROWTH RATE 1992-2001 (PERCENT) | PERCENT SHARE 1992 | PERCENT SHARE 1996 | PERCENT SHARE 2001 |
|---|---|---|---|---|---|---|---|
| Coal | W* | W | 11,589 | W | W | W | 27.1 |
| Petroleum | 5,648 | 5,841 | 5,718 | 0.1 | 15.9 | 14.3 | 13.4 |
| Natural Gas | 2,124 | 4,578 | 4,547 | 8.8 | 6.0 | 11.3 | 10.6 |
| Dual Fired | 12,296 | 13,424 | 15,901 | 2.9 | 34.7 | 32.9 | 37.1 |
| Nuclear | 3,830 | 3,876 | 3,898 | 0.2 | 10.8 | 9.5 | 9.1 |
| Hydroelectric | 47 | 47 | 47 | 0.0 | 0.1 | 0.1 | 0.1 |
| Other Renewables | W | W | 962 | W | W | W | 2.2 |
| Other | W | W | 144 | W | W | W | 0.3 |
| Total Industry | 35,414 | 40,775 | 42,805 | 2.1 | 100.0 | 100.0 | 100.0 |

** The letter "W" indicates data is being withheld to maintain the confidentiality of EIA Study Respondents and to avoid disclosure of individual company data.*

## Energy Generation by Fuel Type in Florida




Sources:
*Energy Information Administration*
Available online at http://www.eia.doe.gov/cneaf/electricity/st_profiles.

PSC's *A Review of 2003 Ten-Year Site Plans*
Available online at http://www.floridapsc.com/general/publications/tysp2003.pdf.

## Average Number of Customers

*By Class of Service By Investor-Owned Utility*

2003

| UTILITY | RESIDENTIAL | COMMERCIAL | INDUSTRIAL | TOTAL |
|---|---|---|---|---|
| Florida Power & Light | 3,632,433 | 444,700 | 15,663 | 4,092,796 |
| Progress Energy Florida | 1,323,365 | 152,768 | 2,520 | 1,478,653 |
| Tampa Electric Company | 530,815 | 66,184 | 933 | 597,932 |
| Gulf Power Company | 338,235 | 49,708 | 310 | 388,253 |
| Florida Public Utilities* | 22,243 | 3,997 | 2 | 26,242 |
| **TOTAL** | **5,847,091** | **717,357** | **19,428** | **6,583,876** |

*Reflects 2002 data. 2003 data was obtained from the other utilities' Ten Year Site Plans. Florida Public Utilities is a non-generating utility which is not required to file a Ten Year Site Plan, therefore, 2003 data was not yet available.

Sources:
PSC's *A Review of 2003 Ten-Year Site Plans*
Available online at http://www.floridapsc.com/general/publications/tysp2003.pdf.

PSC's *Comparative Rate Statistics, December 31, 2002, Section A, Regulated Electric Utilities*
Available online at http://www.floridapsc.com/general/publications/comprate/2002_electric.pdf.

# Typical Electric Bill Comparisons

## Residential Service Provided by Investor-Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2002

| UTILITY | MINIMUM BILL OR CUSTOMER CHARGE | 1,000 KILOWATT HOURS |
|---|---|---|
| Florida Power & Light | $5.25 | $75.45 |
| Progress Energy Florida | $8.03 | $78.24 |
| Tampa Electric Company | $8.50 | $91.59 |
| Gulf Power Company | $10.00 | $73.27 |
| Florida Public Utilities | | |
| Marianna Division | $8.30 | $61.86 |
| Fernandina Beach | $7.00 | $59.61 |

## Commercial/Industrial Service Provided by Investor-Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2002

| UTILITY | MINIMUM BILL OR CUSTOMER CHARGE | 400,000 KILOWATT HOURS |
|---|---|---|
| Florida Power & Light | N/A | $23,728.00 |
| Progress Energy Florida | N/A | $22,481.00 |
| Tampa Electric Company | N/A | $28,145.00 |
| Gulf Power Company | N/A | $20,765.00 |
| Florida Public Utilities | | |
| Marianna Division | N/A | $17,696.00 |
| Fernandina Beach | N/A | $18,556.00 |

*Excludes local taxes, franchise fees, and gross receipts taxes that are billed as a separate line item. Includes 1.5% embedded gross receipts taxes for Florida Power & Light Company and the Fernandina Beach Division of Florida Public Utilities Company. The remaining companies have removed all gross receipts taxes from their rates, and bill the entire 2.5% as a separate line item. Includes cost recovery clause factors effective December 2002.

Source: PSC's *Comparative Rate Statistics, December 31, 2002, Section A, Regulated Electric Utilities*
Available online at http://www.floridapsc.com/general/publications/comprate/2002_electric.pdf.

# Utility Rate Comparison by State - 2001

(Cents per Kilowatt-Hour)

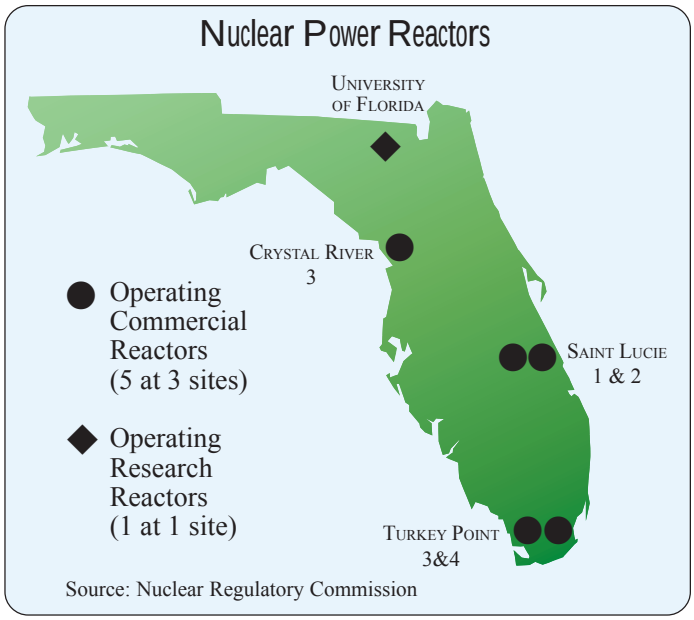
| STATE | RESIDENTIAL | | | COMMERCIAL | | | INDUSTRIAL | | |
|---|---|---|---|---|---|---|---|---|---|
| | MUNI | IOU | CO-OP | MUNI | IOU | CO-OP | MUNI | IOU | CO-OP |
| AL | 6.2 | 7.2 | 7.5 | 6.3 | 6.5 | 7.6 | 4.6 | 3.7 | 4.4 |
| AK | 11.2 | 13.6 | 12.1 | 8.9 | 17.2 | 10.4 | 9.3 | 7.3 | 7.4 |
| AZ | 7.4 | 8.9 | 9.5 | 6.3 | 8.0 | 8.0 | 4.1 | 5.9 | 5.6 |
| AR | 6.4 | 7.8 | 7.6 | 6.3 | 6.4 | 6.8 | 4.6 | 4.7 | 3.4 |
| CA | 9.9 | 15.8 | 9.5 | 9.5 | 15.8 | 9.8 | 8.1 | 12.4 | 6.4 |
| CO | 7.0 | 7.5 | 7.8 | 6.1 | 5.4 | 6.7 | 4.9 | 4.1 | 4.8 |
| CT | 9.1 | 11.0 | N/A | 8.2 | 9.3 | N/A | 7.1 | 7.7 | N/A |
| DE | 9.6 | 8.4 | 8.7 | 8.6 | 6.8 | 7.7 | 6.1 | 4.5 | 6.0 |
| **FL** | **8.1** | **8.7** | **8.3** | **6.8** | **7.1** | **7.4** | **5.0** | **5.4** | **6.0** |
| GA | 7.5 | 7.4 | 8.1 | 7.0 | 6.3 | 7.7 | 4.4 | 4.3 | 3.9 |
| HI | N/A | 16.3 | N/A | N/A | 14.8 | N/A | N/A | 11.7 | N/A |
| ID | 4.7 | 6.0 | 6.6 | 4.8 | 5.1 | 5.4 | 3.5 | 3.7 | 3.7 |
| IL | 6.9 | 8.7 | 9.9 | 6.4 | 7.5 | 8.2 | 5.2 | 4.8 | 5.3 |
| IN | 6.2 | 6.9 | 7.2 | 5.6 | 5.2 | 6.2 | 4.5 | 4.1 | 4.5 |
| IA | 6.5 | 8.8 | 8.4 | 5.8 | 6.9 | 6.6 | 4.6 | 4.2 | 3.7 |
| KS | 7.9 | 7.3 | 9.7 | 6.6 | 5.8 | 9.1 | 4.4 | 4.4 | 5.8 |
| KY | 5.7 | 4.9 | 6.5 | 5.7 | 4.8 | 6.5 | 4.0 | 3.0 | 3.2 |
| LA | 6.8 | 8.3 | 6.9 | 6.4 | 7.8 | 6.7 | 6.5 | 5.6 | 5.5 |
| ME | 6.8 | 16.2 | 16.8 | 5.9 | 12.7 | 12.8 | 6.2 | 7.6 | 6.7 |
| MD | 5.9 | 7.6 | 8.1 | 6.5 | 6.3 | 6.7 | 4.2 | 4.3 | 5.9 |
| MA | 10.2 | 12.9 | N/A | 10.2 | 11.6 | N/A | 9.2 | 10.1 | N/A |
| MI | 7.2 | 8.3 | 9.4 | 6.5 | 7.6 | 8.3 | 5.5 | 5.0 | 5.8 |
| MN | 6.9 | 7.9 | 7.4 | 6.4 | 5.9 | 6.3 | 5.0 | 4.2 | 4.3 |
| MS | 6.5 | 7.9 | 7.1 | 6.5 | 6.9 | 7.3 | 4.9 | 4.7 | 4.9 |
| MO | 6.4 | 7.1 | 6.9 | 5.5 | 5.9 | 6.1 | 4.9 | 4.7 | 3.1 |
| MT | 5.4 | 6.8 | 7.3 | 4.9 | 6.0 | 6.4 | 8.3 | 3.9 | 5.2 |
| NE | 6.5 | N/A | 7.0 | 5.4 | N/A | 6.9 | 3.6 | N/A | 7.1 |
| NV | 5.8 | 9.2 | 7.0 | 5.8 | 8.7 | 6.4 | 2.4 | 7.1 | 3.6 |
| NH | 10.3 | 12.3 | 14.6 | 10.2 | 10.4 | 13.3 | 8.0 | 9.1 | 9.0 |
| NJ | 9.7 | 10.2 | 10.9 | 9.7 | 9.2 | 11.8 | 8.1 | 8.3 | 9.2 |
| NM | 8.7 | 8.7 | 9.1 | 8.5 | 7.4 | 7.3 | 4.7 | 5.9 | 4.7 |
| NY | 12.1 | 14.6 | 8.8 | 10.9 | 13.2 | 8.6 | 2.3 | 6.0 | 5.9 |
| NC | 9.1 | 7.9 | 8.8 | 7.7 | 6.0 | 7.2 | 5.6 | 4.6 | 4.3 |
| ND | 4.7 | 6.5 | 6.6 | 4.7 | 5.9 | 6.2 | 4.5 | 4.4 | 3.8 |
| OH | 7.7 | 8.4 | 7.5 | 7.9 | 6.1 | 7.1 | 5.6 | 5.6 | 4.1 |
| OK | 7.4 | 6.6 | 7.9 | 7.2 | 5.4 | 7.9 | 4.4 | 4.1 | 5.1 |
| OR | 5.2 | 6.5 | 6.4 | 5.0 | 5.6 | 5.2 | 3.3 | 4.6 | 4.4 |
| PA | 8.0 | 9.3 | 10.6 | 7.8 | 8.3 | 9.6 | 6.2 | 5.9 | 7.6 |
| RI | 12.1 | 12.1 | N/A | 11.9 | 10.5 | N/A | 10.4 | 9.7 | N/A |
| SC | 7.4 | 7.7 | 7.9 | 6.8 | 6.3 | 7.4 | 3.6 | 3.9 | 4.2 |
| SD | 5.2 | 7.9 | 7.6 | 5.4 | 6.7 | 6.5 | 4.3 | 4.6 | 4.1 |
| TN | 6.3 | 4.8 | 6.5 | 6.2 | 5.0 | 6.8 | 4.6 | 3.4 | 4.6 |
| TX | 7.6 | 9.2 | 8.3 | 7.2 | 7.8 | 7.7 | 5.2 | 5.3 | 5.7 |
| UT | 7.2 | 6.6 | 6.4 | 6.6 | 5.2 | 7.2 | 5.3 | 3.4 | 5.4 |
| VT | 10.1 | 13.0 | 13.9 | 10.5 | 11.3 | 14.0 | 9.5 | 7.7 | 10.1 |
| VA | 6.1 | 6.1 | 9.7 | 5.6 | 5.1 | 9.6 | 4.3 | 3.7 | 5.4 |
| WA | 5.7 | 5.7 | 5.5 | 5.0 | 5.9 | 4.7 | 3.7 | 7.6 | 3.8 |
| DC | N/A | 7.8 | N/A | N/A | 7.5 | N/A | N/A | 4.8 | N/A |
| WV | 6.7 | 6.2 | 8.3 | 6.2 | 5.4 | 9.2 | 5.3 | 3.7 | 8.2 |
| WI | 6.2 | 8.0 | 8.1 | 5.5 | 6.4 | 6.5 | 4.3 | 4.4 | 4.1 |
| WY | 6.6 | 6.9 | 6.6 | 5.1 | 5.5 | 5.3 | 5.3 | 3.4 | 3.6 |

Source: *American Public Power Administration*

Available online at http://www.appanet.org/about/statistics/utilityratesbystate2001.pdf.

## Nuclear Waste Policy

- Florida's electric utilities currently store radioactive waste called "spent nuclear fuel" at utility plant sites in spent fuel pools.
- Spent fuel pools at Florida reactor sites will reach storage capacity during the next 9 years, the first in 2005.
- Florida ratepayers have paid over $633 million ($933 with interest) into the federal Nuclear Waste Fund for the U.S. Department of Energy (DOE) to remove spent nuclear fuel.




- DOE failed to begin removing spent nuclear fuel from utility plant sites by January 31, 1998, as required by federal law.
- In 2002, President Bush designated Yucca Mountain, Nevada, as a suitable site for development of a geologic repository for spent nuclear fuel and high-level radioactive waste.
- DOE must receive a license from the NRC before it can begin construction of a repository at Yucca Mountain.
- If the NRC subsequently grants DOE a separate license to possess waste, receipt of waste could begin in 2010.
- The PSC works to achieve the removal of spent nuclear fuel from plant sites in Florida for permanent disposal in a geologic repository in accordance with the federal Nuclear Waste Policy Act.

### Nuclear Regulatory Commission (NRC) License Expiration Date

| NUCLEAR REACTOR | LOCATION | UTILITY | NRC LICENSE EXPIRATION DATE |
|---|---|---|---|
| Crystal River | 7 miles Northwest of Crystal River | Progress Energy Florida | 2016* |
| St. Lucie 1<br>St Lucie 2 | Hutchinson Island, 12 miles Southeast of Ft. Pierce | Florida Power & Light | 2036<br>2043 |
| Turkey Point 3<br>Turkey Point 4 | 25 miles South of Miami | Florida Power & Light | 2032<br>2033 |

* Progress Energy Florida notified the NRC on 2/24/03 of its intent to submit an application for license renewal of Crystal River 3 during the first quarter of 2009.

# Nuclear Waste Fund Ratepayer Payments by State Through 3-31-03

(Millions of Dollars)

| STATE | PAYMENTS (1 mill/kwh, One Time + Int) | RETURN ON INVESTMENTS | TOTAL (Pay + Return) | DEBT* | FUND ASSETS** (Total + Debt) |
|---|---|---|---|---|---|
| AL | 409.2 | 233.2 | 642.4 | 0.0 | 642.4 |
| AR | 229.2 | 130.6 | 359.8 | 148.0 | 507.8 |
| AZ | 175.1 | 99.8 | 274.9 | 0.0 | 274.9 |
| CA | 727.7 | 414.7 | 1142.4 | 0.0 | 1142.4 |
| CO | 0.2 | 0.1 | 0.3 | 0.0 | 0.3 |
| CT | 208.6 | 118.9 | 327.5 | 303.1 | 630.6 |
| DE | 32.0 | 18.2 | 50.2 | 0.0 | 50.2 |
| **FL** | **632.7** | **360.6** | **993.3** | **0.0** | **993.3** |
| GA | 454.4 | 259.0 | 713.4 | 0.0 | 713.4 |
| IA | 179.1 | 102.1 | 281.2 | 38.3 | 319.5 |
| IL | 1211.3 | 690.3 | 1901.6 | 822.4 | 2724.0 |
| IN | 161.5 | 92.0 | 253.5 | 194.8 | 448.3 |
| KS | 90.9 | 51.8 | 142.7 | 0.0 | 142.7 |
| KY | 103.5 | 59.0 | 162.5 | 0.0 | 162.5 |
| LA | 209.0 | 119.1 | 328.1 | 0.0 | 328.1 |
| MA | 248.8 | 141.8 | 390.6 | 138.1 | 528.7 |
| MD | 283.7 | 161.7 | 445.4 | 0.0 | 445.4 |
| ME | 45.5 | 25.9 | 71.4 | 99.0 | 170.4 |
| MI | 197.0 | 112.3 | 309.3 | 167.8 | 477.1 |
| MN | 246.2 | 140.3 | 386.5 | 0.0 | 386.5 |
| MO | 173.8 | 99.0 | 272.8 | 5.1 | 277.9 |
| MS | 118.6 | 67.6 | 186.2 | 0.0 | 186.2 |
| NC | 1083.6 | 617.5 | 1701.1 | 0.0 | 1701.1 |
| ND | 13.0 | 7.4 | 20.4 | 0.0 | 20.4 |
| NE | 143.7 | 81.9 | 225.6 | 0.0 | 225.6 |
| NH | 51.3 | 29.2 | 80.5 | 20.3 | 100.8 |
| NJ | 493.1 | 281.0 | 774.1 | 166.7 | 940.8 |
| NM | 51.0 | 29.1 | 80.1 | 0.0 | 80.1 |
| NY | 549.6 | 313.2 | 862.8 | 428.3 | 1291.1 |
| OH | 309.5 | 176.4 | 485.9 | 27.7 | 513.6 |
| OR | 75.1 | 42.8 | 117.9 | 0.0 | 117.9 |
| PA | 912.2 | 519.9 | 1432.1 | 56.3 | 1488.4 |
| RI | 3.9 | 2.2 | 6.1 | 5.2 | 11.3 |
| SC | 485.0 | 276.4 | 761.4 | 0.0 | 761.4 |
| SD | 3.6 | 2.1 | 5.7 | 0.0 | 5.7 |
| TN | 337.8 | 192.5 | 530.3 | 0.0 | 530.3 |
| TX | 470.0 | 267.8 | 737.8 | 0.0 | 737.8 |
| VA | 513.3 | 292.5 | 805.8 | 0.0 | 805.8 |
| VT | 72.5 | 41.3 | 113.8 | 119.9 | 233.7 |
| WA | 110.7 | 63.1 | 173.8 | 0.0 | 173.8 |
| WI | 329.6 | 187.8 | 517.4 | 0.0 | 517.4 |
| Subtotal | 12146.5 | 6922.1 | 19068.6 | 2741.0 | 21809.6 |
| Federal | 19.8 | 11.3 | 31.1 | 0.0 | 31.1 |
| Industry | 16.8 | 9.6 | 26.4 | 0.0 | 26.4 |
| **TOTAL** | **12183.1** | **6943.0** | **19126.1** | **2741.0** | **21867.1** |

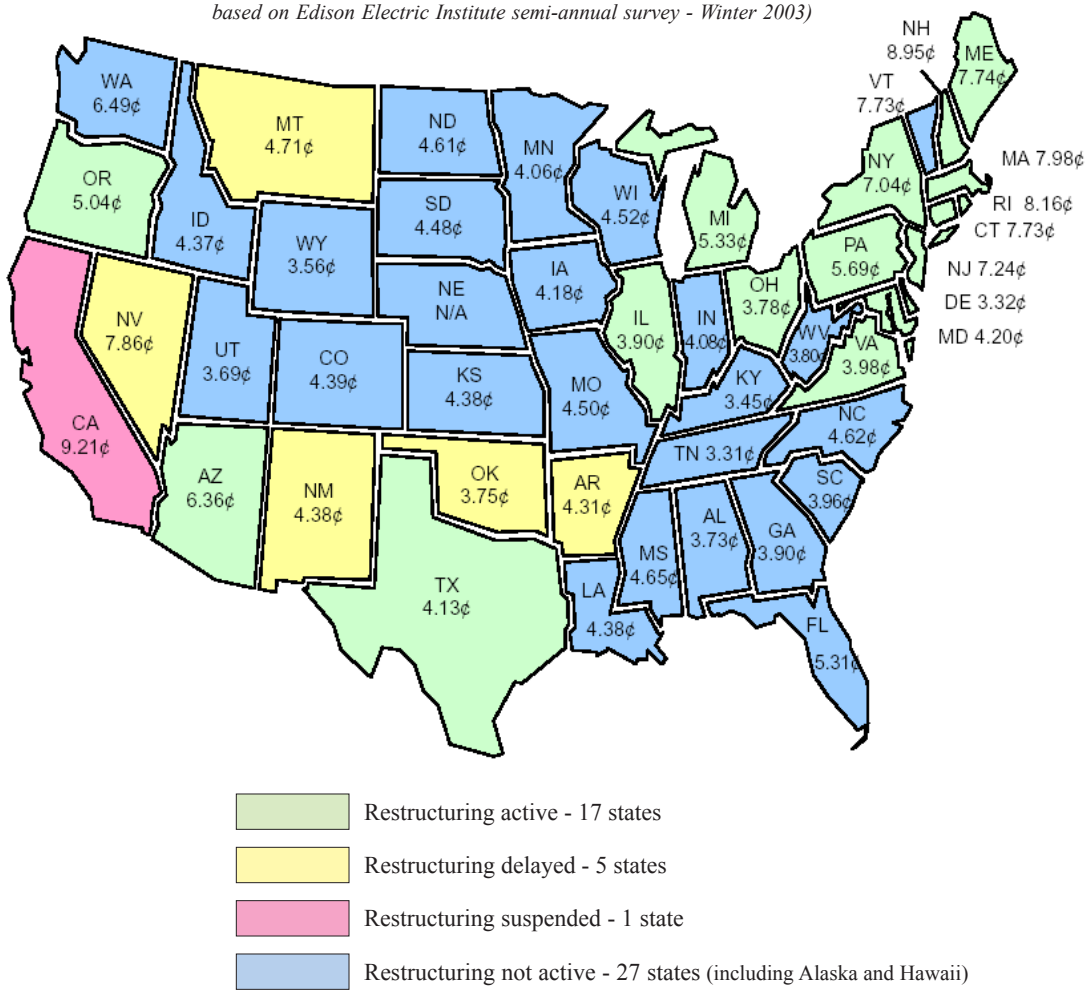
* Funds owed for fuel burned before 1983, but not yet paid by utilities (as allowed by DOE contract).
** Funds before withdrawals for expenditures by DOE.

Source: Michigan Public Service Commission staff
Available online at http://www.cis.state.mi.us/mpsc/lic-enf/nuclear.

# Status of State
# Electric Industry Restructuring Activity

AS OF SEPTEMBER 24, 2003

*(With State Average Industrial Electric Rates for Investor Owned Utilities - based on Edison Electric Institute semi-annual survey - Winter 2003)*

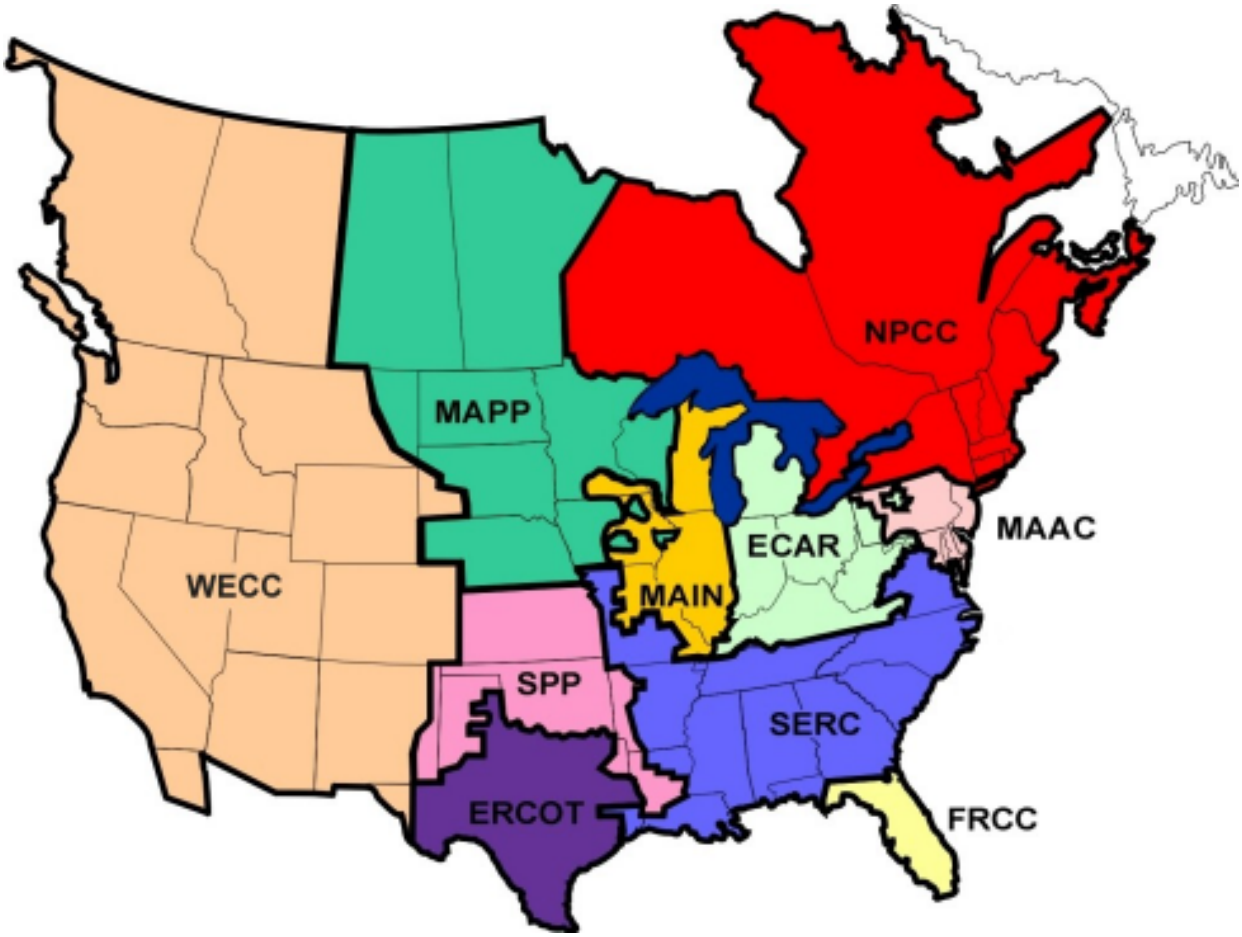



Restructuring means moving away from a state-regulated monopoly franchise system. In short, the industry would move from a monopoly structure in which a single electric utility supplies all the consumers in a given area to one allowing competition between electric generation suppliers.

Source: WPS Energy Services, Inc.
Available online at http://www.wpsenergy.com/data/misc/edereg.pdf.

# Reliability Councils

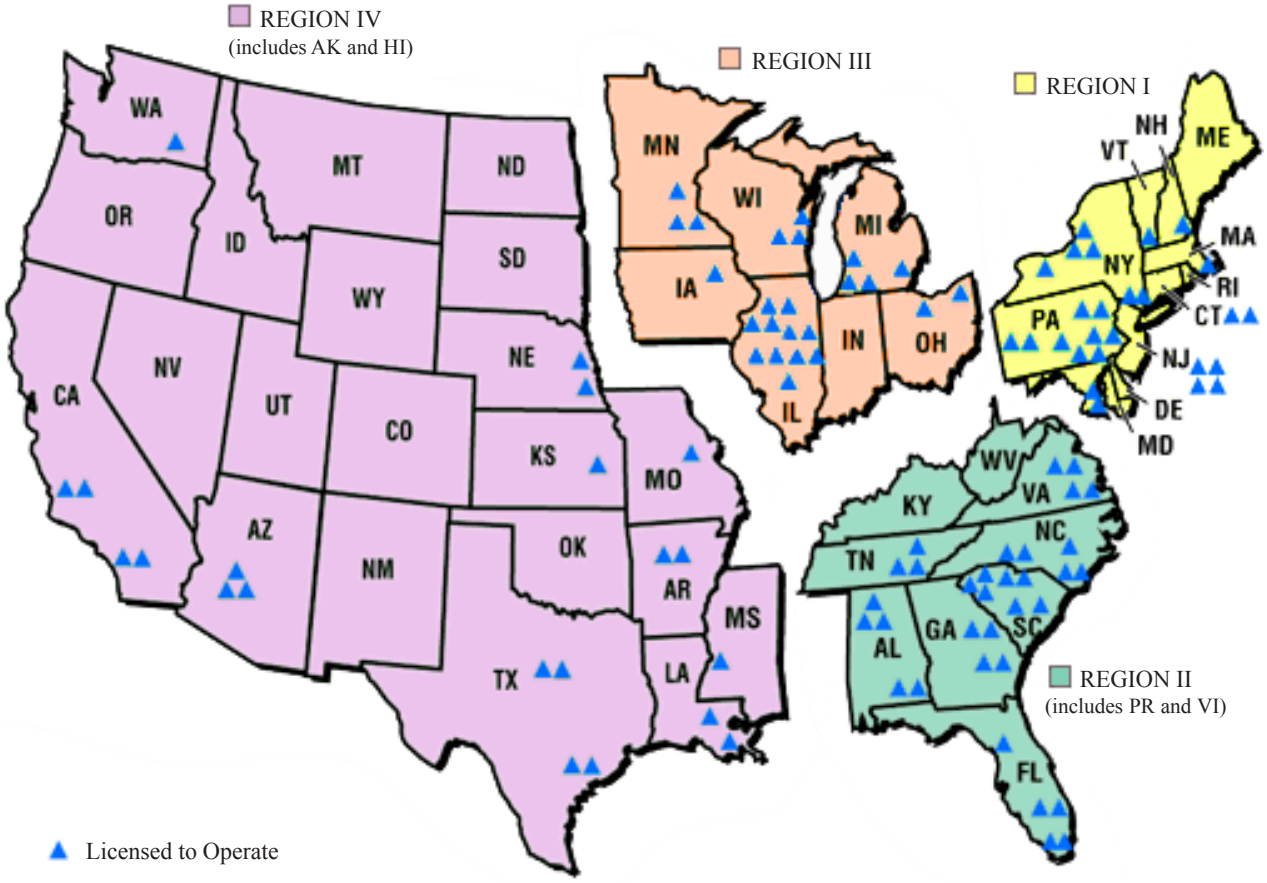
**North American Electric Reliability Council** (NERC) is a not-for-profit corporation whose members are ten Regional Reliability Councils.




| | |
|---|---|
| **ECAR** | East Central Area Reliability |
| **ERCOT** | Electric Reliability Council of Texas |
| **FRCC** | Florida Reliability Coordinating Council |
| **MAAC** | Mid-Atlantic Area Council |
| **MAIN** | Mid-America Interconnected Network |
| **MAPP** | Mid-Continent Area Power Pool |
| **NPCC** | Northeast Power Coordinating Council |
| **SPP** | Southwest Power Pool |
| **SERC** | Southeastern Electric Reliability Council |
| **WECC** | Western Electricity Coordinating Council |

Source: North American Electric Reliability Council
Available online at http://www.nerc.com/regional/.

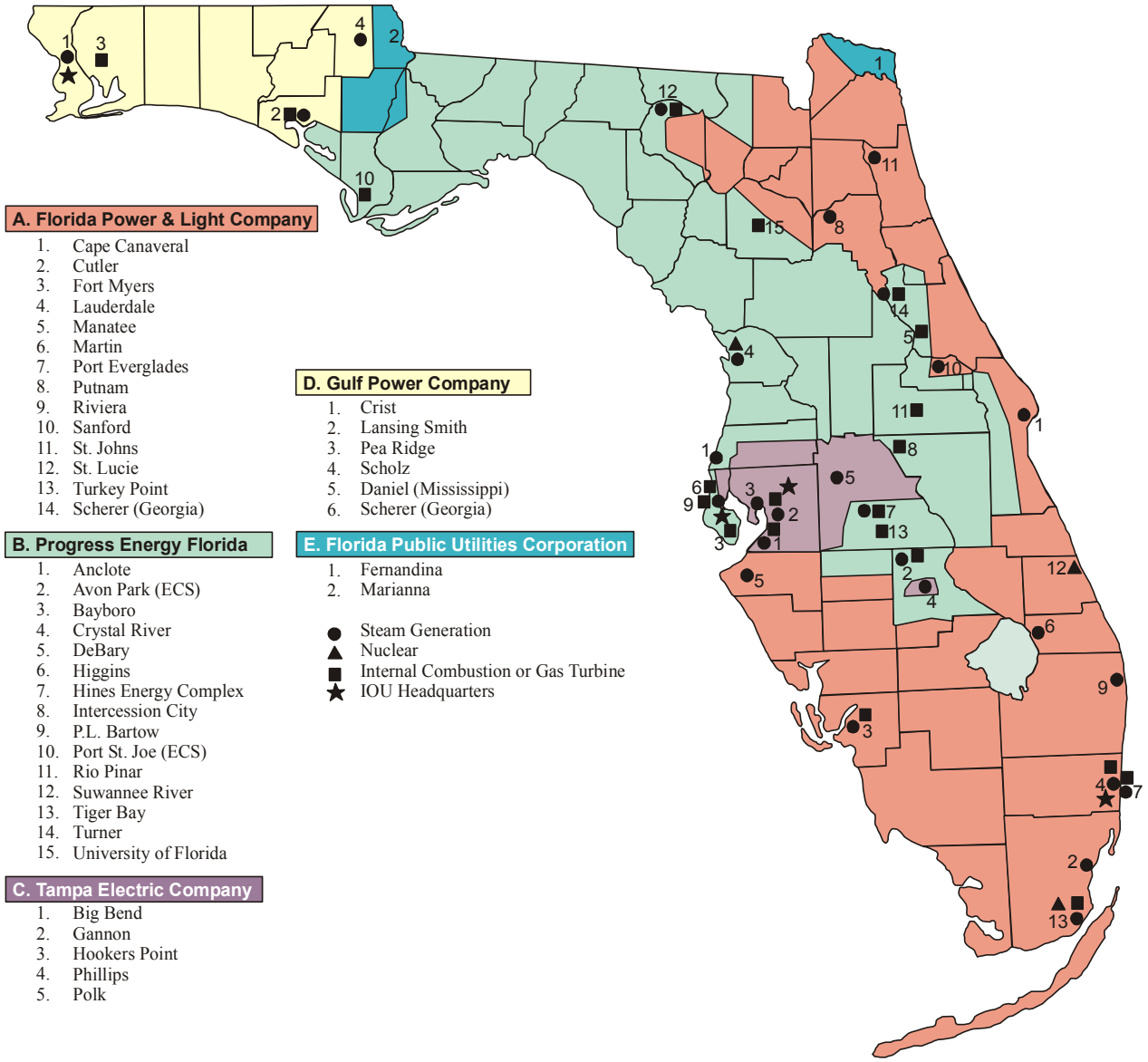
# Locations of
# Operating Nuclear Power Reactors




Note: There are no commercial reactors in Alaska or Hawaii.

Source: Nuclear Regulatory Commission
Available online at http://www.nrc.gov/info-finder/reactor/#USMap.

# Utility Company Service Areas
# Investor-Owned Electric Utilities



**A. Florida Power & Light Company**

1. Cape Canaveral
2. Cutler
3. Fort Myers
4. Lauderdale
5. Manatee
6. Martin
7. Port Everglades
8. Putnam
9. Riviera
10. Sanford
11. St. Johns
12. St. Lucie
13. Turkey Point
14. Scherer (Georgia)

**B. Progress Energy Florida**

1. Anclote
2. Avon Park (ECS)
3. Bayboro
4. Crystal River
5. DeBary
6. Higgins
7. Hines Energy Complex
8. Intercession City
9. P.L. Bartow
10. Port St. Joe (ECS)
11. Rio Pinar
12. Suwannee River
13. Tiger Bay
14. Turner
15. University of Florida

**C. Tampa Electric Company**

1. Big Bend
2. Gannon
3. Hookers Point
4. Phillips
5. Polk

**D. Gulf Power Company**

1. Crist
2. Lansing Smith
3. Pea Ridge
4. Scholz
5. Daniel (Mississippi)
6. Scherer (Georgia)

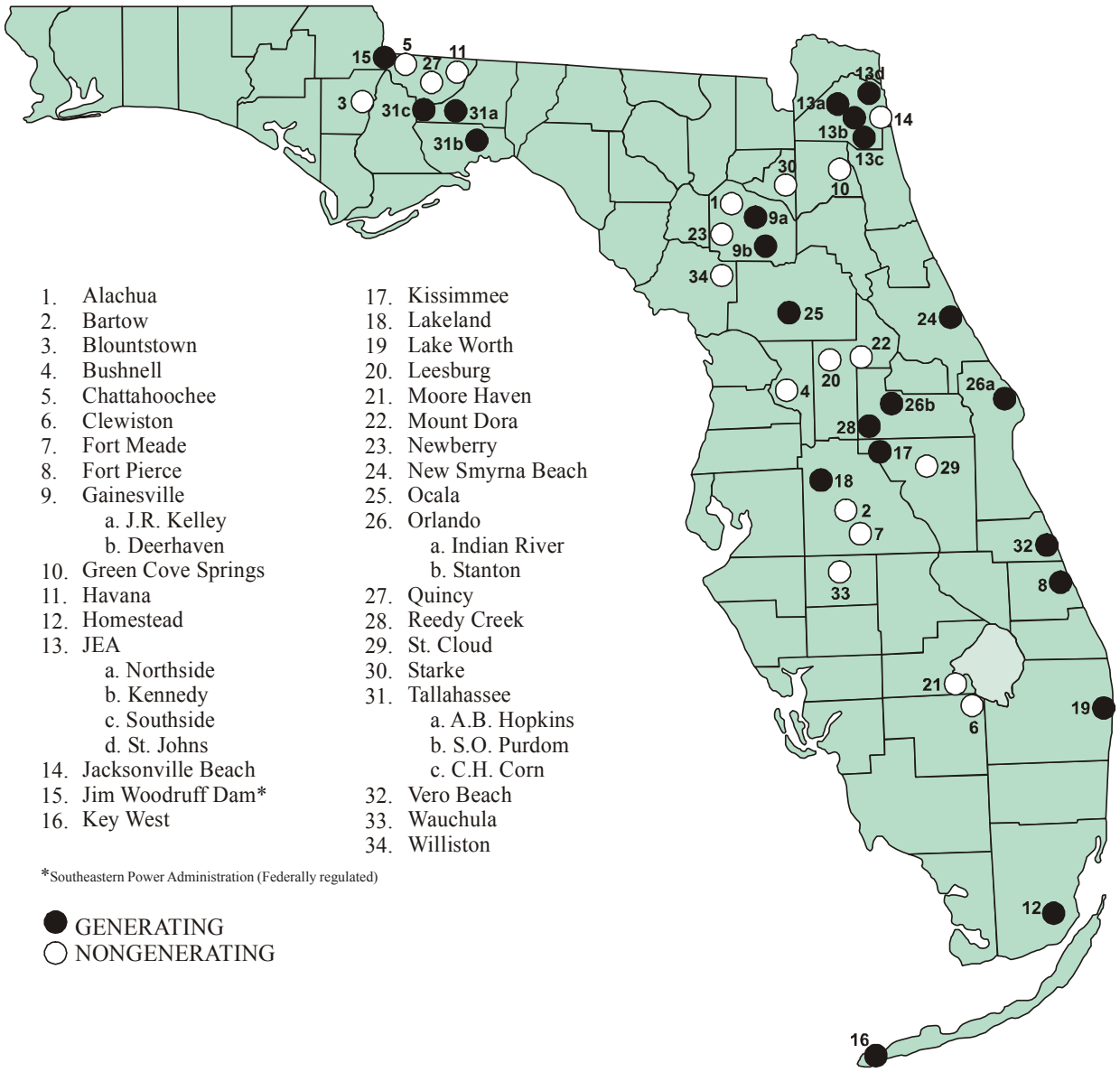
**E. Florida Public Utilities Corporation**

1. Fernandina
2. Marianna

● Steam Generation
▲ Nuclear
■ Internal Combustion or Gas Turbine
★ IOU Headquarters

Source: Florida Public Service Commission

# Utility Company Service Areas
# Municipal Electric Utilities



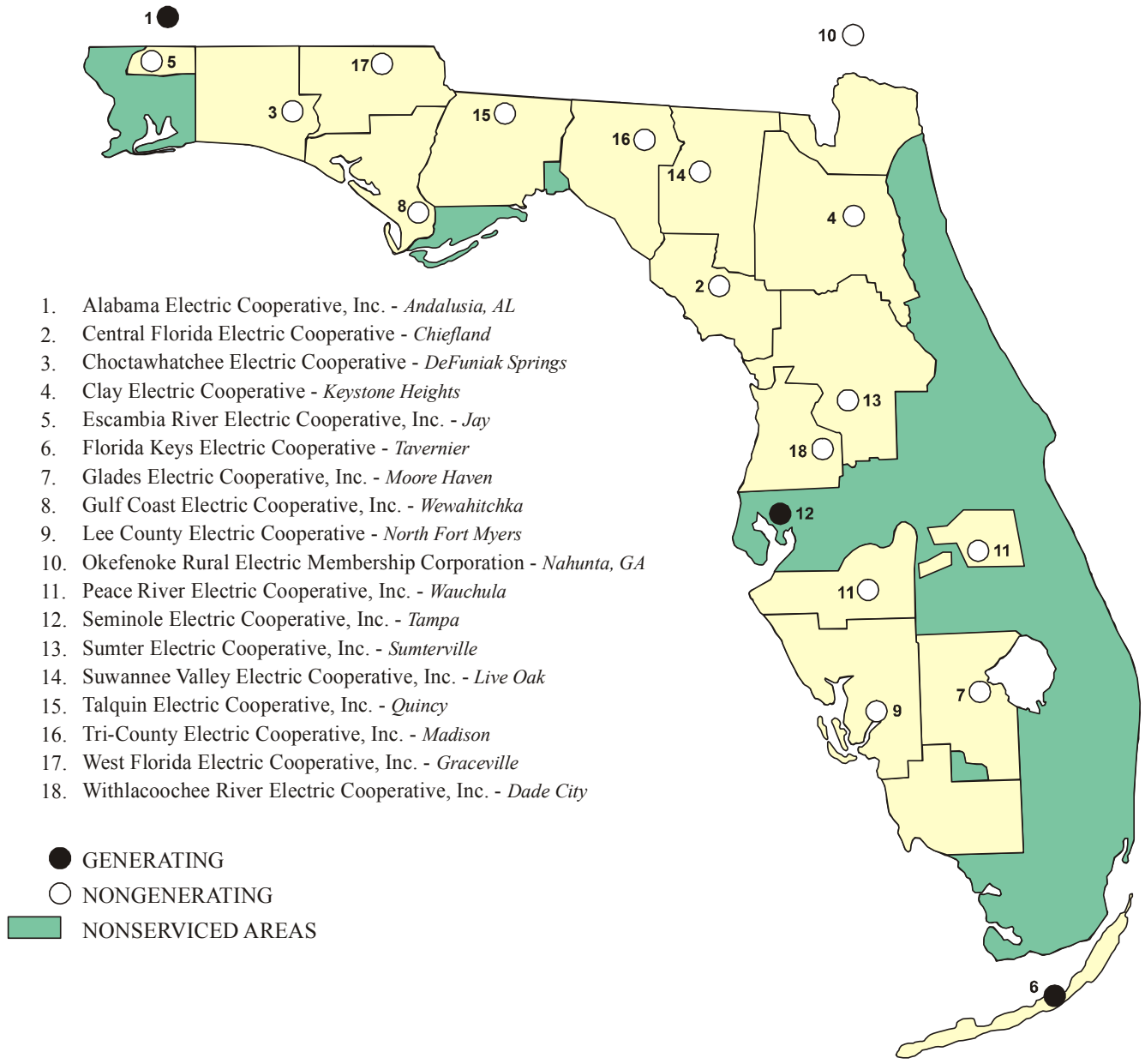

1. Alachua
2. Bartow
3. Blountstown
4. Bushnell
5. Chattahoochee
6. Clewiston
7. Fort Meade
8. Fort Pierce
9. Gainesville
   a. J.R. Kelley
   b. Deerhaven
10. Green Cove Springs
11. Havana
12. Homestead
13. JEA
    a. Northside
    b. Kennedy
    c. Southside
    d. St. Johns
14. Jacksonville Beach
15. Jim Woodruff Dam*
16. Key West
17. Kissimmee
18. Lakeland
19. Lake Worth
20. Leesburg
21. Moore Haven
22. Mount Dora
23. Newberry
24. New Smyrna Beach
25. Ocala
26. Orlando
    a. Indian River
    b. Stanton
27. Quincy
28. Reedy Creek
29. St. Cloud
30. Starke
31. Tallahassee
    a. A.B. Hopkins
    b. S.O. Purdom
    c. C.H. Corn
32. Vero Beach
33. Wauchula
34. Williston

*Southeastern Power Administration (Federally regulated)

● GENERATING
○ NONGENERATING

Source: Florida Public Service Commission

# Utility Company Service Areas
# Rural Electric Cooperatives




1. Alabama Electric Cooperative, Inc. - *Andalusia, AL*
2. Central Florida Electric Cooperative - *Chiefland*
3. Choctawhatchee Electric Cooperative - *DeFuniak Springs*
4. Clay Electric Cooperative - *Keystone Heights*
5. Escambia River Electric Cooperative, Inc. - *Jay*
6. Florida Keys Electric Cooperative - *Tavernier*
7. Glades Electric Cooperative, Inc. - *Moore Haven*
8. Gulf Coast Electric Cooperative, Inc. - *Wewahitchka*
9. Lee County Electric Cooperative - *North Fort Myers*
10. Okefenoke Rural Electric Membership Corporation - *Nahunta, GA*
11. Peace River Electric Cooperative, Inc. - *Wauchula*
12. Seminole Electric Cooperative, Inc. - *Tampa*
13. Sumter Electric Cooperative, Inc. - *Sumterville*
14. Suwannee Valley Electric Cooperative, Inc. - *Live Oak*
15. Talquin Electric Cooperative, Inc. - *Quincy*
16. Tri-County Electric Cooperative, Inc. - *Madison*
17. West Florida Electric Cooperative, Inc. - *Graceville*
18. Withlacoochee River Electric Cooperative, Inc. - *Dade City*

● GENERATING
○ NONGENERATING
NONSERVICED AREAS

Source: Florida Public Service Commission

## Municipally & Cooperatively Owned Electric Systems

**MUNICIPAL SYSTEMS** (Generating)
Fort Pierce Utilities Authority
Gainesville Regional Utilities
Homestead, City of
JEA (formerly known as Jacksonville Electric Authority)
Key West Utility Board, City of
Kissimmee Utility Authority
Lake Worth Utilities Authority
Lakeland, City of
New Smyrna Beach, Utilities Commission of
Ocala Electric Utility
Orlando Utilities Commission
Reedy Creek Utilities
St. Cloud, City of
Tallahassee, City of
Vero Beach, City of

**MUNICIPAL SYSTEMS** (Non-Generating)
Alachua, City of
Bartow, City of
Blountstown, City of
Bushnell, City of
Chattahoochee, City of
Clewiston, City of
Fort Meade, City of
Green Cove Springs, City of
Havana, Town of
Jacksonville Beach, City of
Leesburg, City of
Moore Haven, City of
Mount Dora, City of
Newberry, City of
Quincy, City of
Starke, City of
Wauchula, City of
Williston, City of

**RURAL ELECTRIC COOPERATIVES** (Generating)
Florida Keys Electric Cooperative, Inc.
Seminole Electric Cooperative, Inc.
Alabama Electric Cooperative, Inc.

**RURAL ELECTRIC COOPERATIVES** (Non-Generating)
Central Florida Electric Cooperative, Inc.
Choctawhatchee Electric Cooperative, Inc.
Clay Electric Cooperative, Inc.
Escambia River Electric Cooperative, Inc.
Glades Electric Cooperative, Inc.
Gulf Coast Electric Cooperative, Inc.
Lee County Electric Cooperative, Inc.
Okefenoke Rural Electric Membership Corp.
Peace River Electric Cooperative, Inc.
Sumter Electric Cooperative, Inc.
Suwannee Valley Electric Cooperative, Inc.
Talquin Electric Cooperative, Inc.
Tri-County Electric Cooperative, Inc.
West Florida Electric Cooperative, Inc.
Withlacoochee River Electric Cooperative, Inc.

Source: PSC's *Statistics of the Florida Electric Industry, 2002*
Available online at http://www.psc.state.fl.us/industry/electric_gas/Statistics.cfm.

# Typical Electric Bill Comparisons

## Residential Service Provided by Municipally Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2002

| UTILITY | MINIMUM BILL OR CUSTOMER CHARGE | 1,000 KILOWATT HOURS |
|---|---|---|
| Alachua | $8.00 | $97.80 |
| Bartow | $5.25 | $86.58 |
| Blountstown | $3.50 | $65.58 |
| Bushnell | $8.03 | $87.71 |
| Chattahoochee | $8.50 | $79.55 |
| Clewiston | $10.00 | $85.20 |
| Fort Meade | $7.00 | $107.11 |
| Fort Pierce | $5.35 | $86.78 |
| Gainesville | $4.66 | $78.90 |
| Green Cove Springs | $6.00 | $94.87 |
| Havana | $6.00 | $88.26 |
| Homestead | $5.50 | $104.56 |
| JEA | $5.50 | $68.15 |
| Jacksonville Beach | $4.50 | $87.43 |
| Key West | $6.00 | $94.90 |
| Kissimmee | $5.40 | $84.39 |
| Lake Worth | $4.50 | $81.31 |
| Lakeland | $6.35 | $82.91 |
| Leesburg | $8.00 | $79.37 |
| Moore Haven | $8.50 | $73.50 |
| Mount Dora | $4.94 | $74.34 |
| New Smyrna Beach | $5.65 | $86.20 |
| Newberry | $7.50 | $88.38 |
| Ocala | $7.00 | $84.07 |
| Orlando | $7.00 | $80.70 |
| Quincy | $2.40 | $86.66 |
| Reedy Creek | $2.85 | $81.36 |
| Starke | $6.45 | $80.55 |
| St. Cloud | $7.35 | $84.74 |
| Tallahassee | $4.94 | $84.96 |
| Vero Beach | $7.00 | $86.75 |
| Wauchula | $8.62 | $102.88 |
| Williston | $8.00 | $104.84 |

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2002 Fuel and Purchased Power Costs are included.

Source: PSC's *Comparative Rate Statistics, December 31, 2002, Section A, Regulated Electric Utilities*
Available online at http://www.floridapsc.com/general/publications/comprate/2002_electric.pdf.

# Commercial/Industrial Service Provided by Municipally Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2002

| UTILITY | MINIMUM BILL OR CUSTOMER CHARGE | 400,000 KILOWATT HOURS |
|---|---|---|
| Alachua | N/A | $33,013.00 |
| Bartow | N/A | $32,793.00 |
| Blountstown | N/A | $27,819.00 |
| Bushnell | N/A | $32,945.00 |
| Chattahoochee | N/A | $32,280.00 |
| Clewiston | N/A | $33,115.00 |
| Fort Meade | N/A | $37,450.00 |
| Fort Pierce | N/A | $28,431.00 |
| Gainesville | N/A | $24,991.00 |
| Green Cove Springs | N/A | $28,273.00 |
| Havana | N/A | $32,910.00 |
| Homestead | N/A | $40,029.00 |
| JEA | N/A | $20,450.00 |
| Jacksonville Beach | N/A | $35,968.00 |
| Key West | N/A | $34,269.00 |
| Kissimmee | N/A | $26,567.00 |
| Lake Worth | N/A | $33,116.00 |
| Lakeland | N/A | $26,378.00 |
| Leesburg | N/A | $24,565.00 |
| Moore Haven | N/A | $25,280.00 |
| Mount Dora | N/A | $20,355.00 |
| New Smyrna Beach | N/A | $31,246.00 |
| Newberry | N/A | $29,487.00 |
| Ocala | N/A | $25,555.00 |
| Orlando | N/A | $24,227.00 |
| Quincy | N/A | $26,028.00 |
| Reedy Creek | N/A | $28,804.00 |
| Starke | N/A | $37,849.00 |
| St. Cloud | N/A | $25,502.00 |
| Tallahassee | N/A | $26,190.00 |
| Vero Beach | N/A | $29,449.00 |
| Wauchula | N/A | $38,899.00 |
| Williston | N/A | $36,450.00 |

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2002 Fuel and Purchased Power Costs are included.

Source: PSC's *Comparative Rate Statistics, December 31, 2002, Section A, Regulated Electric Utilities*
Available online at http://www.floridapsc.com/general/publications/comprate/2002_electric.pdf.

## Residential Service Provided by Cooperatively Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2002

| UTILITY | MINIMUM BILL OR CUSTOMER CHARGE | 1,000 KILOWATT HOURS |
|---|---|---|
| Central Florida | $8.50 | $83.00 |
| Choctawhatchee | $18.00 | $88.39 |
| Clay | $9.00 | $75.70 |
| Escambia River | $9.00 | $84.00 |
| Florida Keys | $7.00 | $90.01 |
| Glades | $10.50 | $86.50 |
| Gulf Coast | $10.00 | $85.00 |
| Lee County | $5.00 | $79.60 |
| Okefenoke | $10.00 | $82.89 |
| Peace River | $10.50 | $95.00 |
| Sumter | $8.25 | $82.95 |
| Suwannee Valley | $8.73 | $85.66 |
| Talquin | $8.00 | $82.00 |
| Tri-County | $10.00 | $91.00 |
| West Florida | $8.00 | $89.75 |
| Withlacoochee River | $9.75 | $77.90 |

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2002 Fuel and Purchased Power Costs are included.

Source: PSC's *Comparative Rate Statistics, December 31, 2002*
Available online at http://www.floridapsc.com/general/publications/comprate/2002_electric.pdf.

## Commercial/Industrial Service Provided by Cooperatively Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2002

| UTILITY | MINIMUM BILL OR CUSTOMER CHARGE | 400,000 KILOWATT HOURS |
|---|---|---|
| Central Florida | N/A | $26,550.00 |
| Choctawhatchee | N/A | $21,971.00 |
| Clay | N/A | $24,185.00 |
| Escambia River | N/A | $30,040.00 |
| Florida Keys | N/A | $28,242.00 |
| Glades | N/A | $20,095.00 |
| Gulf Coast | N/A | $26,212.00 |
| Lee County | N/A | $25,055.00 |
| Okefenoke | N/A | $23,956.00 |
| Peace River | N/A | $25,350.00 |
| Sumter | N/A | $22,190.00 |
| Suwannee Valley | N/A | $22,053.00 |
| Talquin | N/A | $22,680.00 |
| Tri-County | N/A | $24,300.00 |
| West Florida | N/A | $19,675.00 |
| Withlacoochee River | N/A | $21,625.00 |

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2002 Fuel and Purchased Power Costs are included.

Source: PSC's *Comparative Rate Statistics, December 31, 2002*
Available online at http://www.floridapsc.com/general/publications/comprate/2002_electric.pdf.

## Regulatory Authority

Pursuant to Chapter 366, Florida Statutes, the PSC has regulatory authority over:

- 7 investor-owned natural gas utilities
  (all aspects of operations, including safety)
- 27 municipally owned gas utilities
  (limited to safety and territorial boundaries)
- 4 special gas districts
  (limited to safety and territorial boundaries)
- Safety jurisdiction also applies to housing authorities and sales laterals off of interstate pipelines

## Average Monthly Residential Bill

- The average monthly residential bill for natural gas is less than $35.

## Transmission

- Natural gas is transported to Florida customers through two major interstate pipelines - Florida Gas Transmission (FGT) and Gulf Stream Natural Gas System; and two small interstate pipelines - Gulf South Pipeline Company and Southern Natural Gas.
- The largest transportation pipeline system in Florida, FGT, collects natural gas from gas fields in Texas, Louisiana, Mississippi, Alabama and other interstate pipeline companies.
- Florida relies primarily on FGT to supply most direct customers and utilities that require natural gas to fuel the generation of electricity.
- FGT's pipeline capacity is 1.455 billion cubic feet per day. Gulf Stream's pipeline capacity is 1.1 billion cubic feet per day.

Source: PSC's *Natural Gas Utility Regulation in Florida*
Available online at http://www.floridapsc.com/general/publications/brochure_pdf/NaturalGasbrochure.pdf.

## Number of Customers for Invester-Owned Utilities

*By Customer Type*

December 31, 2002

| UTILITY | RESIDENTIAL | COMMERCIAL & INDUSTRIAL | FTS* | OTHER** | TOTAL |
|---|---|---|---|---|---|
| Chesapeake Utilities | 9,755 | 593 | 426 | 0 | 10,774 |
| City Gas Company | 96,261 | 3,794 | 1,629 | 40 | 101,724 |
| Florida Public Utilities Co. | 41,590 | 4,107 | 243 | 5 | 45,945 |
| Indiantown Gas Co. | 631 | 30 | 1 | 0 | 662 |
| Peoples Gas System | 249,718 | 18,911 | 8,787 | 111 | 277,527 |
| St. Joe Natural Gas | 3,076 | 255 | 1 | 3 | 3,335 |
| Sebring Gas System | 482 | 94 | 0 | 0 | 576 |

## Annual Therm Sales for Invester-Owned Utilities

December 31, 2002

| UTILITY | RESIDENTIAL | COMMERCIAL & INDUSTRIAL | FTS* | OTHER** | TOTAL |
|---|---|---|---|---|---|
| Chesapeake Utilities | 2,365,549 | 1,880,751 | 124,432,103 | 0 | 128,678,403 |
| City Gas Company | 18,643,662 | 19,750,491 | 30,852,147 | 38,415,545 | 107,661,845 |
| Florida Public Utilities Co. | 11,135,200 | 28,826,200 | 26,605,313 | 2,933,210 | 69,499,923 |
| Indiantown Gas Co. | 139,838 | 119,073 | 2,499,125 | 2,293,437 | 5,051,473 |
| Peoples Gas System | 60,237,049 | 93,980,110 | 231,247,823 | 916,316,155 | 1,301,781,137 |
| St. Joe Natural Gas | 934,776 | 311,164 | 417,944 | 9,993,004 | 11,656,888 |
| Sebring Gas System | 66,198 | 673,564 | 0 | 0 | 739,762 |

* FTS = Firm Transportation Service

** OTHER includes Off System Sales, Interruptible Sales, Natural Gas Vehicle Sales and Other Sales to Public Authorities.

Source: PSC's *Natural Gas Companies Annual Data Sheets*

# Typical Natural Gas Bill Comparisons

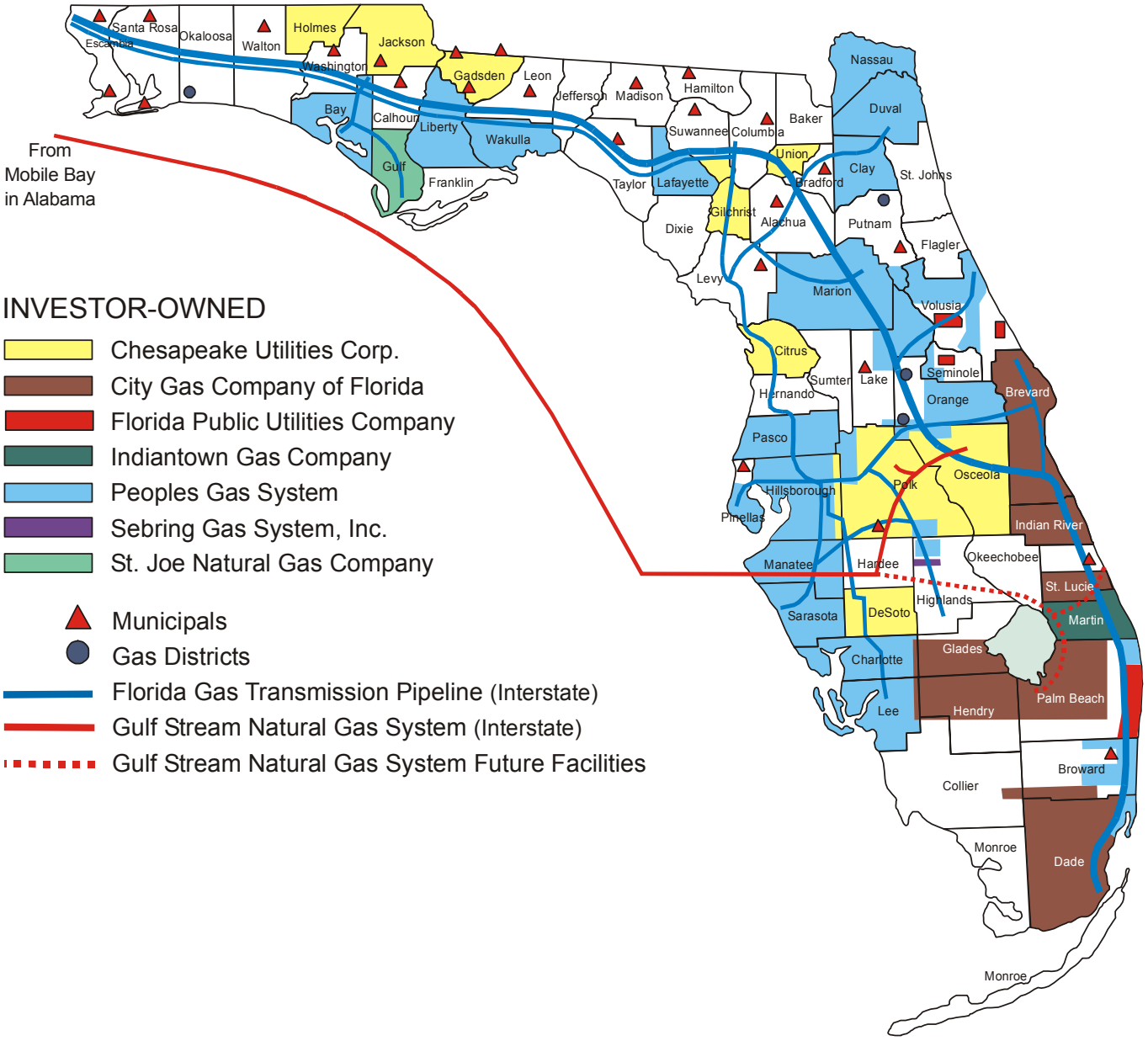
## Residential, Commercial, and Industrial Service Provided by Investor-Owned Utilities

Typical Natural Gas Bill Comparisons
December 31, 2002

| | RESIDENTIAL | | COMMERCIAL | | INDUSTRIAL | |
|---|---|---|---|---|---|---|
| UTILITY | MINIMUM BILL OR CUSTOMER CHARGE | THERMS SOLD (20) | MINIMUM BILL OR CUSTOMER CHARGE | THERMS SOLD (90) | MINIMUM BILL OR CUSTOMER CHARGE | THERMS SOLD (700) |
| Chesapeake Utilities | $10.00 | $30.61 | $17.50 | $93.36 | $40.00 | $607.92 |
| City Gas Company | $7.50 | $28.83 | $20.00 | $93.05 | $20.00 | $588.15 |
| Florida Public Utilities Co. | $8.00 | $24.70 | $15.00 | $79.36 | $45.00 | $503.32 |
| Indiantown Gas Co. | $9.00 | $21.55 | $21.00 | $70.69 | $21.00 | $407.44 |
| Peoples Gas System | $10.00 | $30.04 | $30.00 | $101.03 | $30.00 | $582.48 |
| St. Joe Natural Gas | $7.00 | $26.45 | $17.00 | $96.42 | $17.00 | $634.68 |
| Sebring Gas System | $9.00 | $27.57 | $40.00 | $107.88 | $40.00 | $567.92 |

Source: PSC's *Comparative Rate Statistics, December 31, 2002, Section B, Regulated Gas Utilities*
Available online at http://www.floridapsc.com/general/publications/comprate/2002_gas.pdf.

# Natural Gas Companies in Florida




Source: Florida Public Service Commission

## Regulatory Authority

Pursuant to Chapter 364, Florida Statutes, the PSC has regulatory authority over:

- 10 incumbent local exchange companies (ILECs)
- 397 competitive local exchange companies (CLECs)
- 665 interexchange (long distance) companies (IXCs)
- 477 pay telephone service providers (PATS)
- 43 alternative access vendors (AAVs)
- 31 shared tenant service providers (STS)

- Long distance companies doing business in Florida must register with the PSC.

- All other types of telecommunications companies doing business in Florida must be certificated by the PSC.

## Definitions

- **Alternative Access Vendor** (AAV) A company that provides private line service between an entity and facilities at another location, whether owned by the entity or an unaffiliated entity or access service between an end-user and an interexchange carrier by other than a local exchange telecommunications company. The private line service is dedicated point-to-point or point-to-multipoint service for the transmission of any public telecommuni-cation service.

- **Competitive Local Exchange Telecommunications Company** (CLEC) Any company certificated by the PSC to provide local exchange telecommunications in Florida on or after July 1, 1995.

- **Incumbent Local Exchange Telecommunications Company** (ILEC) Any company certificated by the PSC to provide local exchange telecommunications service in Florida on or before June 30, 1995.

- **Interexchange Company** (IXC) Any company providing telecommunications service between local calling areas as those areas are described in the approved tariffs of individual local exchange companies.

- **Pay Telephone Service Company** (PATS) Any certificated telecommunications company which provides pay telephone service.

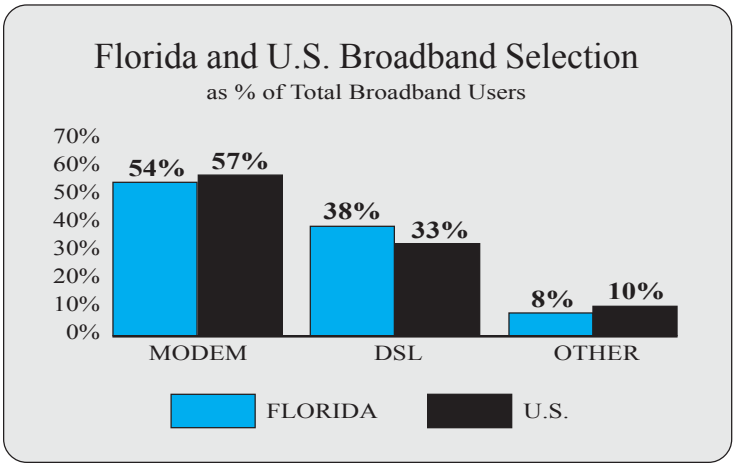
- **Shared Tenant Service** (STS) Any certificated telecommunications company that provides service which duplicates or competes with local service provided by an existing local exchange telecommunications company and is furnished through a common switching or billing arrangement to tenants by an entity other than an existing local exchange telecommunications company.

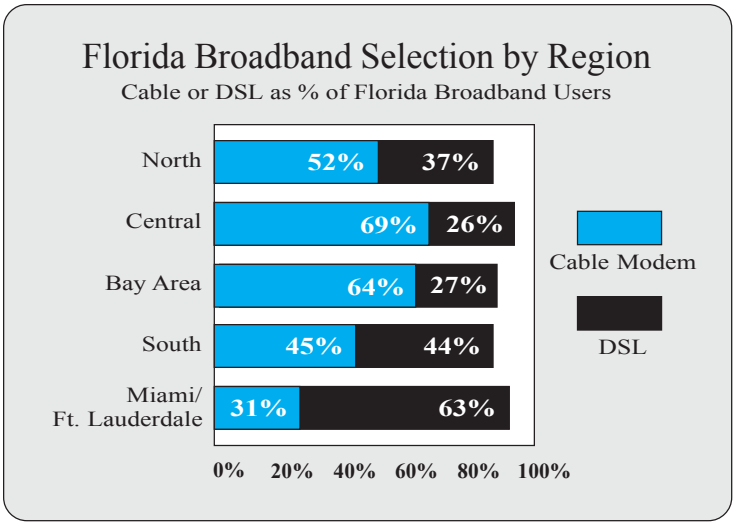
Sources:
PSC's *Types of Telecommunication Companies Regulated by the FPSC*
Available online at http://www.psc.state.fl.us/technical/telintro.cfm.

PSC's *Master Commission Directory*
Available online at http://www.psc.state.fl.us/mcd.

## Broadband

- Broadband is a descriptive term for evolving digital technologies offering consumers a single switched facility offering integrated access to voice, high-speed data services, video-demand services, and interactive information delivery services.
- Florida is currently outpacing the national rate of broadband adoption.
- Among Florida households with Internet service, 39% have converted to broadband, compared with 31% nationwide.
- The most common way broadband service is delivered in Florida is via cable modem, followed by DSL (Digital Subscriber Line).
- Other methods of access in use in smaller numbers include, but are not limited to, satellite and fixed-wireless.




Source: PSC's *Annual Report on Competition in Telecommunications Markets in Florida, as of June 30, 2003*
Available online at http://www.floridapsc.com/general/publications/reports/AnnualTelecomMarkets2003.pdf.

## Access Lines

An access line is a telephone line extending from the telecommunications company's central office to a point of demarcation, usually on the customer's premises.

### Florida Access Lines

As of June 30, 2003

| | RESIDENTIAL LINES | BUSINESS LINES | TOTAL | CHANGE SINCE 2001 |
|---|---|---|---|---|
| **ILECs** | 7,203,749 | 2,688,870 | 9,892,619 | 10.6% Decrease |
| **CLECs** | 726,638 | 1,119,208 | 1,845,846 | 92.3% Increase |
| **TOTAL** | **7,930,387** | **3,808,078** | **11,738,465** | **2.4% Decrease** |

Source: PSC's *Annual Report on Competition in Telecommunications Markets in Florida, as of June 30, 2003*
Available online at http://www.floridapsc.com/general/publications/reports/AnnualTelecomMarkets2003.pdf.

### Access Lines by Florida ILEC

As of June 30, 2003

| COMPANY | RESIDENTIAL | BUSINESS | TOTAL |
|---|---|---|---|
| ALLTEL Florida, Inc. | 74,271 | 40,852 | 115,123 |
| BellSouth Telecommunications, Inc. | 3,972,501 | 1,397,021 | 5,369,522 |
| Frontier Communications of the South, Inc. | 4,160 | 468 | 4,628 |
| GTC, Inc. d/b/a GT Com | 38,252 | 12,365 | 50,617 |
| ITS Telecommunications Systems, Inc. | 2,901 | 926 | 3,827 |
| Northeast Florida Telephone Company d/b/a NEFCOM | 6,876 | 1,969 | 8,845 |
| Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone | 10,873 | 3,701 | 14,574 |
| Smart City Telecommunications LLC d/b/a Smart City Telecom | 4,437 | 12,928 | 17,365 |
| Sprint-Florida, Incorporated | 1,471,981 | 582,702 | 2,054,683 |
| Verizon Florida Inc. | 1,617,497 | 635,938 | 2,253,435 |
| **TOTAL** | **7,203,749** | **2,688,870** | **9,892,619** |

Source: Responses to PSC data requests

## Universal Service Programs

The Federal Communications Commission (FCC) and Congress recognize that telephone service provides a vital link to emergency services, government services, and surrounding communities. To help promote telecommunications service nationwide, the FCC, as directed by Congress, developed the Federal Universal Service Fund (USF). The USF is administered by the Universal Service Administrative Company (USAC). There are four components to the Federal Universal Service Fund:

1. **High-Cost Program**: Provides financial support to companies that provide telecommunications services in areas of America where the cost of providing service is high. It utilizes six high-cost support mechanisms:

- **Embedded high-cost loop (HCL) support**: Provides support for the "last mile" of connection for rural companies in service areas where the cost to provide this service exceeds 115 percent of the national average cost per line.
- **Local switching support (LSS)**: Provides interstate assistance which is designed to reduce the high fixed switching costs for companies serving fewer than 50,000 lines.
- **Long-term support (LTS)**: Helps offset interstate access charges for rate-of-return regulated carriers.
- **Forward-looking high-cost model support**: High-cost support for non-rural carriers is based on a forward-looking economic cost model.
- **Interstate access support (IAS)**: Helps offset interstate access charges for price cap companies.
- **Interstate Common Line Support Mechanism (ICLS)**: Helps offset interstate access charges for rate-of-return companies; was implemented on July 1, 2002.

2. **Low-Income Program**: Provides telephone service discounts to qualifying low-income consumers. It offers two types of benefits:

- **Link-Up Florida**: Helps qualified low-income consumers to connect, or hook up, to the telephone network. This federal program offsets one-half of the initial hook-up fee, up to $30.00, for qualified households. The program also includes a plan to encourage local telephone companies to offer low-income telephone subscribers a deferred payment schedule for these charges. At the national level this program is known as Link-Up America.

- **The Lifeline Assistance Program**: Provides certain discounts on monthly service for qualified telephone subscribers. The Florida discount is $13.50, comprised of a $9.50 federal discount and $3.50 state matching discount provided by the carriers.

- **Tribal Benefits**: Residents living on federally recognized tribal lands may qualify for expanded Link-Up support (up to $70.00 in additional support beyond current levels) and enhanced Lifeline support (up to an additional $25.00 in support beyond current levels).

*Continued on next page*

## Universal Service Programs

*Continued*

- **Monthly Lifeline Credit**: Under the FCC's rules, there are four tiers of monthly federal Lifeline support:

  $ 6.50 - Tier 1 - Federal Subscriber Line Charge (available to all eligible subscribers)
  $ 1.75 - Tier 2 - Federal Support (approved and available in all 50 states)
  $ 1.75 - Tier 3 - Federal Support to match 1/2 of state support
  $ 3.50 - Tier 3 Matching Credit - Florida carriers provide $3.50 in additional support
  $13.50 - Monthly Lifeline Credit

  $25.00 - Tier 4 - Federal Support (only available to eligible subscribers living on tribal lands)

3 **Schools and Libraries (or E-Rate) Program**: Helps to ensure that the nation's classrooms and libraries receive access to the vast array of educational resources that are accessible through the telecommunications network. It offers the following benefits:

- Eligible schools and libraries receive discounts on telephone service, Internet access, and internal connections (*i.e.*, network wiring) within school and library buildings.

- The discounts range from 20% to 90%, depending on the school's eligibility for the national school lunch program (or a federally approved alternative mechanism) and whether or not the school or library is located in an urban or rural area.

4 **Rural Health Care Program**: Helps to link health care providers located in rural areas to urban medical centers so that patients living in rural America will have access to the same advanced diagnostic and other medical services that are enjoyed in urban communities. It offers the following benefits:

- Public and non-profit health care providers in rural areas can receive discounts on monthly telecommunications charges, installation charges, and long distance Internet connection charges.

- Rural health care providers are using funds from this program for a variety of patient services, such as transmitting x-rays from remote areas to be read by health care professionals and experts in urban areas.

- Eligible entities include: post-secondary educational institutions offering health care instruction, teaching hospitals and medical schools; community health centers or health centers providing health care to migrants; community mental health centers; local health departments or agencies; not-for-profit hospitals; and rural health clinics.

## Universal Service Support Mechanisms by Program for Florida 2002

(Units are in Thousands)

| PROGRAM | PAYMENTS FROM USAC | ESTIMATED CONTRIBUTIONS TO USAC | ESTIMATED NET DOLLAR FLOW |
|---|---|---|---|
| High-Cost | $87,018 | $198,690 | ($111,672) |
| Low-Income | $15,521 | $44,707 | ($29,186) |
| Schools & Libraries | $44,154 | $103,328 | ($59,174) |
| Rural Health Care | $2 | $1,097 | ($1,095) |
| Administrative Expense | $0 | $2,909 | ($2,909) |
| **TOTAL** | **$146,695** | **$350,731** | **($204,036)** |

# Universal Service Support Mechanisms by State - 2002

(Units are in Thousands)

| STATE | PAYMENTS FROM USAC | ESTIMATED CONTRIBUTIONS TO USAC | ESTIMATED NET DOLLAR FLOW |
|---|---|---|---|
| Alabama | $115,296 | $71,225 | $44,072 |
| Alaska | $103,782 | $13,997 | $89,784 |
| American Samoa | $2,802 | $127 | $2,675 |
| Arizona | $116,868 | $108,257 | $8,611 |
| Arkansas | $106,392 | $43,669 | $62,723 |
| California | $592,271 | $541,950 | $50,321 |
| Colorado | $82,992 | $105,560 | ($22,568) |
| Connecticut | $23,440 | $81,127 | ($57,687) |
| Delaware | $1,564 | $20,550 | ($18,986) |
| District of Columbia | $3,710 | $28,000 | ($24,289) |
| **Florida** | **$146,695** | **$350,731** | **($204,036)** |
| Georgia | $168,710 | $166,141 | $2,569 |
| Guam | $4,869 | $2,176 | $2,693 |
| Hawaii | $11,404 | $22,188 | ($10,784) |
| Idaho | $55,196 | $26,434 | $28,762 |
| Illinois | $91,173 | $225,910 | ($134,738) |
| Indiana | $65,532 | $100,139 | ($34,607) |
| Iowa | $49,686 | $50,468 | ($782) |
| Kansas | $103,213 | $49,237 | $53,976 |
| Kentucky | $76,615 | $62,102 | $14,513 |
| Louisiana | $113,626 | $71,404 | $42,222 |
| Maine | $44,414 | $24,896 | $19,518 |
| Maryland | $15,479 | $121,319 | ($105,840) |
| Massachusetts | $44,641 | $137,628 | ($92,988) |
| Michigan | $113,498 | $154,554 | ($41,056) |
| Minnesota | $92,773 | $90,071 | $2,702 |
| Mississippi | $196,833 | $44,004 | $152,829 |
| Missouri | $113,704 | $101,665 | $12,039 |
| Montana | $68,600 | $18,262 | $50,338 |
| Nebraska | $39,484 | $31,178 | $8,307 |
| Nevada | $31,071 | $51,415 | ($20,345) |
| New Hampshire | $12,781 | $31,082 | ($18,301) |
| New Jersey | $43,645 | $218,913 | ($175,268) |
| New Mexico | $93,754 | $34,766 | $58,988 |
| New York | $416,093 | $356,427 | $59,667 |
| North Carolina | $91,472 | $153,471 | ($61,999) |
| North Dakota | $36,866 | $12,502 | $24,364 |
| Northern Mariana Islands | $6,545 | $980 | $5,565 |
| Ohio | $120,874 | $178,279 | ($57,404) |
| Oklahoma | $123,532 | $57,442 | $66,090 |
| Oregon | $81,404 | $68,948 | $12,456 |
| Pennsylvania | $117,727 | $218,185 | ($100,458) |
| Puerto Rico | $108,392 | $30,969 | $77,423 |
| Rhode Island | $9,284 | $20,639 | ($11,355) |
| South Carolina | $107,293 | $72,033 | $35,260 |
| South Dakota | $42,385 | $13,525 | $28,860 |
| Tennessee | $87,147 | $97,783 | ($10,637) |
| Texas | $428,263 | $332,612 | $95,651 |
| Utah | $25,585 | $40,016 | ($14,431) |
| Vermont | $30,107 | $14,250 | $15,858 |
| Virgin Islands | $37,217 | $3,425 | $33,792 |
| Virginia | $90,334 | $160,890 | ($70,556) |
| Washington | $106,924 | $116,611 | ($9,687) |
| West Virginia | $86,300 | $31,655 | $54,645 |
| Wisconsin | $92,750 | $86,440 | $6,309 |
| Wyoming | $43,563 | $12,138 | $31,424 |
| **Total** | **$5,236,571** | **$5,280,366** | **($43,795)*** |

** Estimated contributions include an administrative cost of approximately $44 million.*

Source: *Universal Service Monitoring Report, CC Docket No. 98-202, 2003, Table 1.12, page 1-35*
Available online at http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/Monitor/mr03-1.pdf.

## Telephone Subscribership

The percentage of Florida households subscribed to local telephone service has increased since 2000. Households with income levels of less than $30,000 per year comprised 79% of the increase realized from 2000 to 2002.

### Percentage of Households Subscribed to Local Telephone Service

| | 2000 | 2001 | 2002 |
|---|---|---|---|
| **FLORIDA** | 92.1% | 93.2% | 94.3% |
| **UNITED STATES** | 94.1% | 94.9% | 95.3% |

Sources:
PSC's *Annual Report on Competition in Telecommunications Markets in Florida, as of June 30, 2003*
Available online at http://www.floridapsc.com/general/publications/reports/AnnualTelecomMarkets2003.pdf.

Federal Communications Commission's *Telephone Subscribership Report, 2000*
Available online at http://www.fcc.gov/wcb/iatd/lec.html.

## Lifeline Subscribership

### Lifeline Subscribership by ILEC

As of September, 2003

| COMPANY NAME | ACCESS LINES SUBSCRIBED TO LIFELINE SERVICE |
|---|---|
| ALLTEL Florida, Inc. | 2,442 |
| BellSouth Telecommunications, Inc. | 102,757 |
| Frontier Communications of the South, Inc. | 101 |
| GTC, Inc. d/b/a GT Com | 2,274 |
| ITS Telecommunications Systems, Inc. | 26 |
| Northeast Florida Telephone Company d/b/a NEFCOM | 458 |
| Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone | 476 |
| Smart City Telecommunications LLC d/b/a Smart City Telecom | 0 |
| Sprint-Florida, Incorporated | 14,937 |
| Verizon Florida Inc. | 20,138 |
| **TOTAL** | **143,609** |

Sources:
Federal Communications Commission's *State-by-State Telephone Revenues* and *Universal Service Data*

Responses to PSC data requests

PSC's *Number of Customers Subscribing to Lifeline Service and the Effectiveness of Any Procedures to Promote Participation*
Available online at http://www.floridapsc.com/general/publications/report/2003_Lifeline_Report.pdf.

## Lifeline Assistance Subscribers in Florida 1998-2003

| YEAR END | LIFELINE ENROLLMENT | ELIGIBLE HOUSEHOLDS | PARTICIPATION RATE |
|---|---|---|---|
| 12/1998 | 130,139 | 816,278 | 15.9 % |
| 12/1999 | 130,281 | 816,278 | 15.9 % |
| 12/2000 | 134,227 | 816,278 | 16.4 % |
| 12/2001 | 144,610 | 850,000 | 17.0 % |
| 12/2002 | 142,548 | 819,112 | 17.4 % |
| 9/2003 | 143,609 | 819,112 | 17.5 % |

## Joint Lifeline Awareness Projects

### *Settlement Agreements*

- In 2001, the PSC approved two settlement agreements in enforcement proceedings initiated against BellSouth and Sprint for failure to meet the PSC's quality-of-service rules.
- Both companies agreed to contribute funds to the Community Service Fund to be used to promote Lifeline service.
- The Office of the Public Counsel is responsible for overseeing the Community Service Fund.

### *DCF Lifeline Project*

- During the 2002 Legislative Session, the Legislature approved a $500,000 appropriation from the PSC to the Department of Children and Families (DCF) for a Lifeline Project.
- Effective April 21, 2003, the DCF modified its procedures so that information about the Lifeline and Link-Up Florida Programs will be provided during client interviews and on client eligibility notices.
- The ILECs accept the DCF notice as proof of eligibility for Lifeline Assistance.

### *2003 Act*

- "The Tele-Competition Innovation and Infrastructure Enhancement Act of 2003" (the 2003 Act) became law on May 23, 2003, by the signature of the Governor.
- The 2003 Act requires that each state agency that provides benefits to persons eligible for the Lifeline Assistance Program shall, in cooperation with the DCF, the PSC, and telecommunications companies providing Lifeline service, develop procedures to promote participation in Lifeline.
- A report on the procedures that are being developed is available online at http://www.floridapsc.com/general/publication/report/2003_Lifeline_Report.pdf.

## Rates Charged by Florida ILECs for Basic Local Service*

| ILEC | RESIDENTIAL | BUSINESS |
|---|---|---|
| ALLTEL Florida, Inc. | $11.15 | $27.87 |
| BellSouth Telecommunications, Inc. | $10.81 | $29.55 |
| Frontier Communications of the South, Inc. | $10.95 | $27.25 |
| GTC, Inc. d/b/a GT Com | $9.15 | $24.00 |
| ITS Telecommunications Systems, Inc. | $8.96 | $21.03 |
| Northeast Florida Telephone Company d/b/a NEFCOM | $24.40 | $36.00 |
| Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone | $12.90 | $35.00 |
| Smart City Telecommunications LLC d/b/a Smart City Telecom | $11.23 | $25.03 |
| Sprint-Florida, Incorporated | $10.41 | $24.46 |
| Verizon Florida Inc. | $12.00 | $29.90 |

*Basic Local Telecommunications Service means voice-grade, flat-rate residential and flat-rate single-line business local exchange services. Rates shown are for largest rate group in each ILEC's service area.

## Switched Access Charges

Intrastate vs. Interstate Rate Comparison*

| COMPANY | 7/1/2003 **INTRASTATE** RATE | 7/1/2003 **INTERSTATE** RATE |
|---|---|---|
| ALLTEL Florida, Inc. | $0.1132 | $0.0188 |
| BellSouth Telecommunications, Inc. | $0.0460 | $0.0098 |
| Frontier Communications of the South, Inc. | $0.1040 | $0.0178 |
| GT Com (Florala) | $0.1522 | $0.0273 |
| GT Com (Gulf) | $0.1214 | $0.0273 |
| GT Com (St. Joseph) | $0.1306 | $0.0233 |
| Verizon Florida Incorporated | $0.0982 | $0.0147 |
| ITS Telecommunications Systems, Inc. | $0.1128 | $0.0298 |
| Northeast Florida Telephone Company, Inc. | $0.1126 | $0.0258 |
| Sprint-Florida, Incorporated | $0.1027 | $0.0140 |
| TDS Telecom/Quincy Telephone | $0.1270 | $0.0193 |
| Smart City Telecom | $0.1426 | $0.0170 |

*Assumes common transport. Rates shown are those actually billed and, thus, for interstate rates, exclude long term support.

Sources:
PSC's *Comparative Rate Statistics, December 31, 2002, Section C, Regulated Telephone Utilities*
Available online at http://www.floridapsc.com/general/publications/comprate/2002_telecom.pdf.

PSC's *Florida Access and Toll Report 2003*

# MTS Rates
## IXCs: Intrastate (InterLATA) Daytime Rates and 5 Minute Calls*

### AT&T as of (1/22/01)

| MILEAGE | FIRST MINUTE | ADDITIONAL MINUTE | 5 MINUTE CALL |
|---|---|---|---|
| 0-10 | $ 0.30 | $ 0.30 | $ 1.50 |
| 11-22 | $ 0.30 | $ 0.30 | $ 1.50 |
| 23-55 | $ 0.30 | $ 0.30 | $ 1.50 |
| 56-124 | $ 0.30 | $ 0.30 | $ 1.50 |
| 125-292 | $ 0.30 | $ 0.30 | $ 1.50 |
| 293-430 | $ 0.30 | $ 0.30 | $ 1.50 |
| 431-624 | $ 0.30 | $ 0.30 | $ 1.50 |

### MCI WorldCom as of (10/01/01)

| MILEAGE | FIRST MINUTE | ADDITIONAL MINUTE | 5 MINUTE CALL |
|---|---|---|---|
| 0-10 | $ 0.25 | $ 0.25 | $ 1.25 |
| 11-22 | $ 0.25 | $ 0.25 | $ 1.25 |
| 23-55 | $ 0.25 | $ 0.25 | $ 1.25 |
| 56-124 | $ 0.25 | $ 0.25 | $ 1.25 |
| 125-292 | $ 0.25 | $ 0.25 | $ 1.25 |
| 293-430 | $ 0.25 | $ 0.25 | $ 1.25 |
| 431-624 | $ 0.25 | $ 0.25 | $ 1.25 |

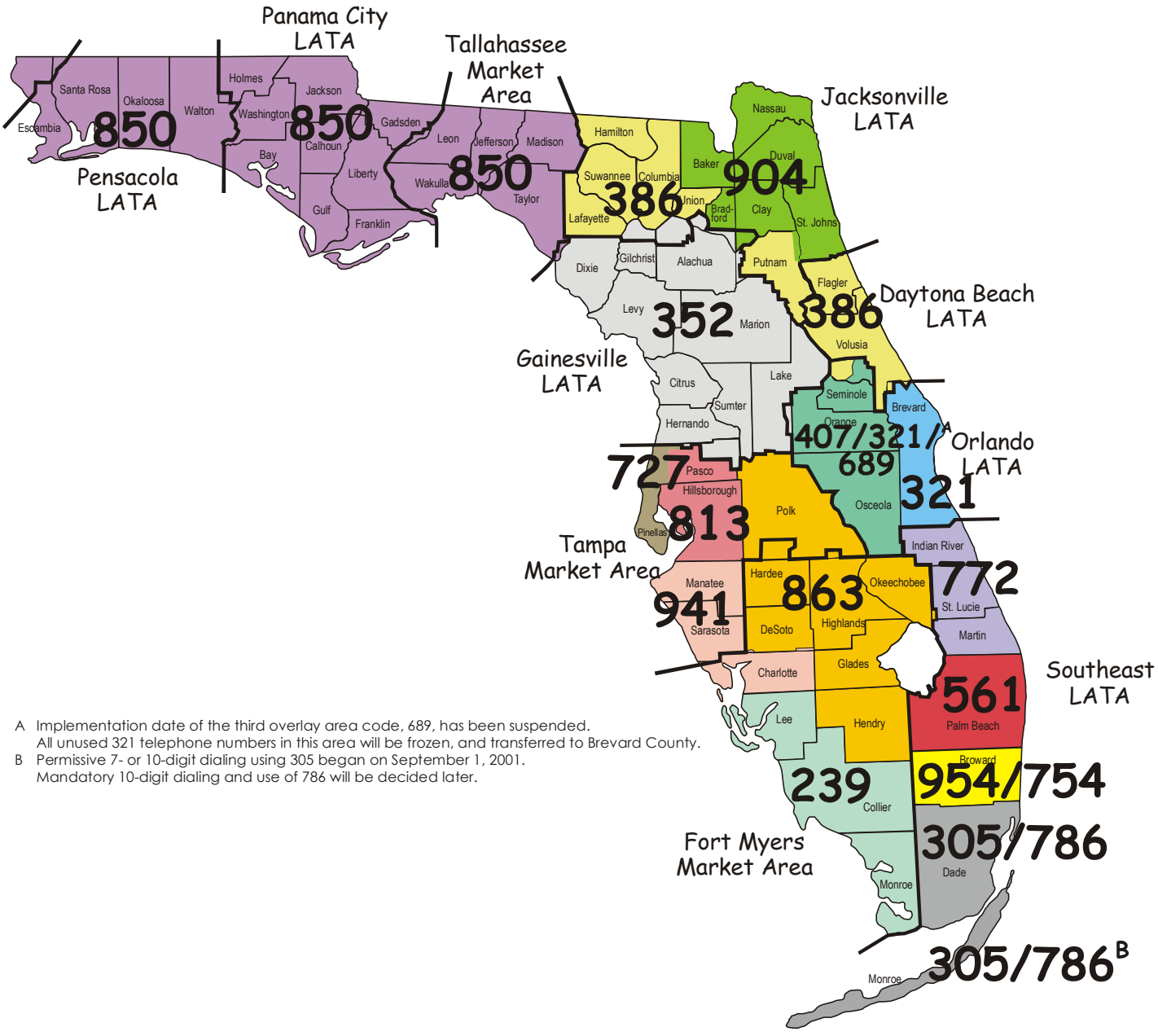
### Sprint as of (3/01/03)

| MILEAGE | FIRST MINUTE | ADDITIONAL MINUTE | 5 MINUTE CALL |
|---|---|---|---|
| 0-10 | $ 0.28 | $ 0.28 | $ 1.40 |
| 11-22 | $ 0.28 | $ 0.28 | $ 1.40 |
| 23-55 | $ 0.29 | $ 0.29 | $ 1.45 |
| 56-124 | $ 0.30 | $ 0.30 | $ 1.50 |
| 125-292 | $ 0.31 | $ 0.31 | $ 1.55 |
| 293-430 | $ 0.32 | $ 0.32 | $ 1.60 |
| 431+ | $ 0.33 | $ 0.33 | $ 1.65 |

** Using basic rate schedules, residence only (where applicable), excluding special plans or discounts. Dates shown are tariff effective dates.*

Source: PSC's *Florida Access and Toll Report 2003*

# Florida Area Codes by County and Local Access and Transport Areas (LATAs)



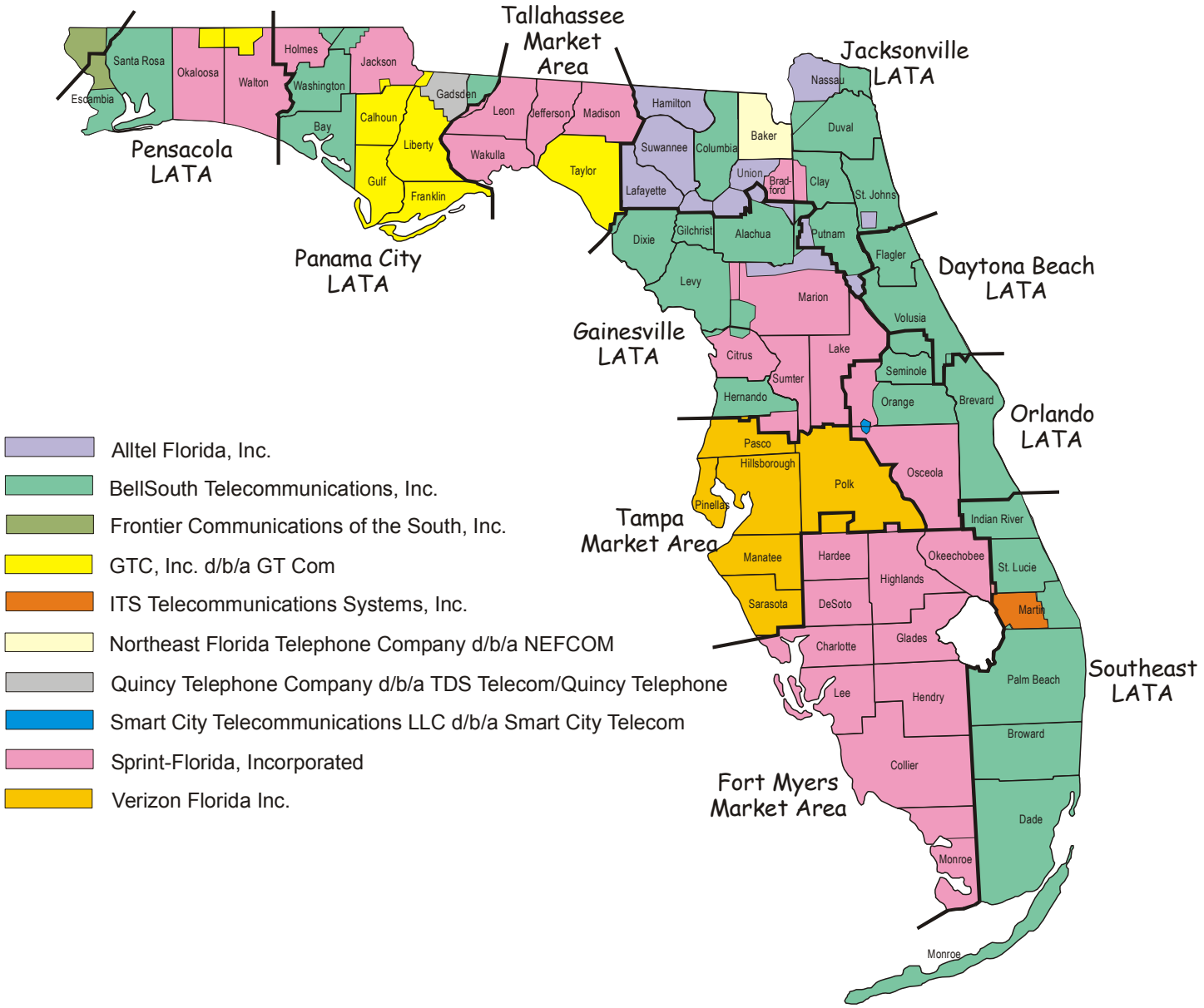

A Implementation date of the third overlay area code, 689, has been suspended. All unused 321 telephone numbers in this area will be frozen, and transferred to Brevard County.

B Permissive 7- or 10-digit dialing using 305 began on September 1, 2001. Mandatory 10-digit dialing and use of 786 will be decided later.

***Local Access and Transport Area*** *(LATA) A geographical area, which is loosely based on standard metropolitan statistical areas, within which a telecommunications company may transport telecommunication signals. Also referred to as Market Area.*

Source: Florida Public Service Commission

# Utility Company Service Areas
# Incumbent Local Exchange Telephone Companies
## (ILECs)




Source: Florida Public Service Commission

## Regulatory Authority

Pursuant to Chapter 367, Florida Statutes, the PSC has regulatory authority over:

- 182 investor-owned water and wastewater utilities in 36 of 67 counties
- More than 1,000 systems

## Water Use Data For 2000

- During 2000, nearly 90 percent of the 16 million residents of Florida obtained their drinking water from public supply water systems; 13 million of these relied upon ground water as their primary source of drinking water.
- The public supply per capita use for Florida was 174 gallons per person per day.
- Just under 4 billion gallons per day was used to irrigate 1.85 million acres of agricultural farmland.
- Slightly more than 12.6 billion gallons per day was used to generate nearly 200,000 kilowatt hours of electricity.

## Florida's Freshwater Withdrawals

- Florida's freshwater withdrawals by use category in millions of gallons per day are shown below. Upon publication of the 2003 Florida Statistical Abstract, freshwater withdrawal data for 2000 was not available.

| USE CATEGORY | 1970 | 1975 | 1980 | 1985 | 1990 | 1995 | PERCENT CHANGE |
|---|---|---|---|---|---|---|---|
| Public Supply | 883 | 1,124 | 1,406 | 1,685 | 1,925 | 2,065 | +134 |
| Domestic Supply | 209 | 228 | 243 | 259 | 299 | 297 | +42 |
| Commercial & Industrial | 900 | 883 | 700 | 709 | 770 | 692 | -23 |
| Agricultural Irrigation | 2,100 | 2,930 | 3,026 | 2,798 | 3,495 | 3,244 | +54 |
| Recreational Irrigation | N/A | N/A | N/A | 182 | 310 | 280 | +54 |
| Power Generation | 1,520 | 1,326 | 1,326 | 680 | 784 | 637 | -58 |
| **TOTAL** | **5,612** | **6,491** | **6,701** | **6,313** | **7,583** | **7,215** | **+28** |

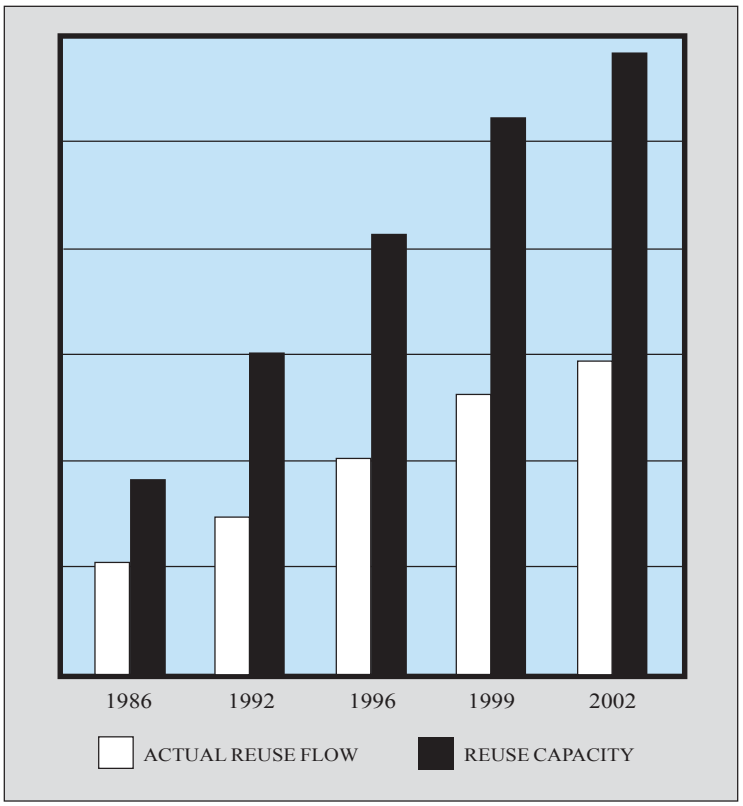
Source: *2003 Florida Statistical Abstract*

## Reuse of Reclaimed Water

- Reuse has become an integral part of wastewater management, water resource management, and ecosystem management in Florida.

- Approximately 584 million gallons per day (mgd) of reclaimed water was reused for beneficial purposes in 2002.

- The total reuse capacity of Florida's domestic wastewater treatment facilities has gone from 362 mgd in 1986 to 1,162 mgd in 2002, which amounts to an increase of 221 percent. The current reuse capacity represents about 52 percent of the total permitted domestic wastewater treatment capacity in Florida.

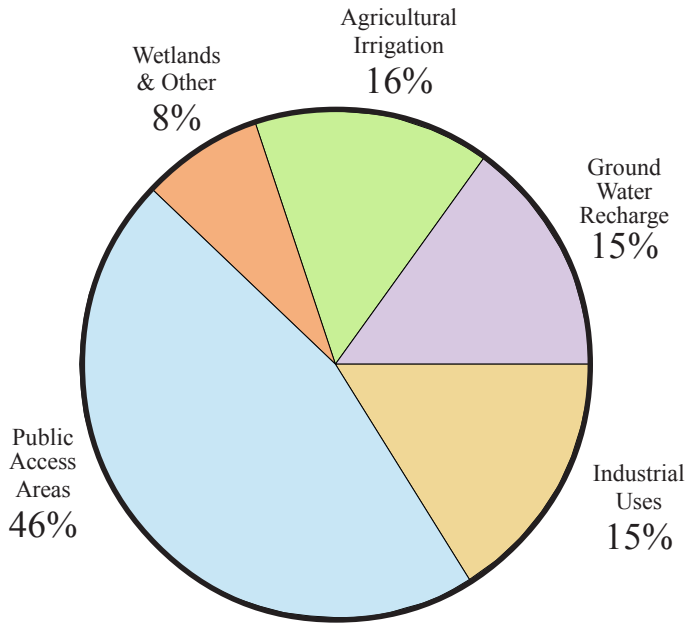



- Reclaimed water from these systems was used to irrigate 140,987 residences, 426 golf courses, 436 parks, and 212 schools. Irrigation of these public access areas represented about 46% of the 584 mgd of reclaimed water reused. The remainder was used as follows: agriculture 16%, industrial 15%, ground water recharge 15%, wetlands and other 8%.

*Continued on next page*

## Reuse of Reclaimed Water

*Continued*




## Tri-State Compact

- In August of 2003, many years of negotiations between Florida, Georgia and Alabama regarding water allocations from the Apalachicola-Chattahoochee-Flint River Basin ended with disagreement among the three state's governors. Florida's major concern is protection of the Apalachicola River and Bay. This water sharing agreement is now the subject of three separate pending Federal lawsuits.

Sources:
*Florida Public Service Commission 2002 Annual Report*
Available online at http://www.floridapsc.com/general/publications/annual_reports/2002.pdf.

*U.S. Geological Survey Water Use Data*
Available online at http://fl.water.usgs.gov/WaterUse/Water_Use_web/Quick_Facts.htm.

*Florida Department of Environmental Protection Reuse Data*
Available online at http://www.dep.state.fl.us/water/reuse/activity.htm.

## Utility Classifications

The National Association of Regulatory Utility Commissioners uses three classes to define the size of water and wastewater utilities:

| | |
|---|---|
| **Class A** | Utilities having annual water or wastewater revenues of $1,000,000 or more |
| **Class B** | Utilities having annual water or wastewater revenues of $200,000 or more but less than $1,000,000 |
| **Class C** | Utilities having annual water or wastewater revenues of less than $200,000 |

- A Class C utility may have as few as 50 customers, whereas a Class A utility may have thousands of customers.
- The number of customers served may be obtained for a specific utility from the annual reports kept on file at the PSC when needed.

## Rate Structure

- Most water and wastewater utilities regulated by the PSC use a base facilities charge and a gallonage charge rate structure.
- The base facilities charge is a flat charge that is designed to recover the fixed costs of utility service that remain the same each month regardless of consumption.
- The gallonage charge recovers the variable costs associated with the utility service such as electricity, chemicals, and labor.
- The gallonage charge is assessed for each 1,000 gallons or 100 cubic feet of water that is registered on the customer's meter.
- Inclining block rate structures are used to encourage water conservation. (This rate structure is very similar to the base facilities charge and gallonage charge rate structure, but includes additional gallonage charges for higher levels of usage.)

## Residential Wastewater Gallonage Cap

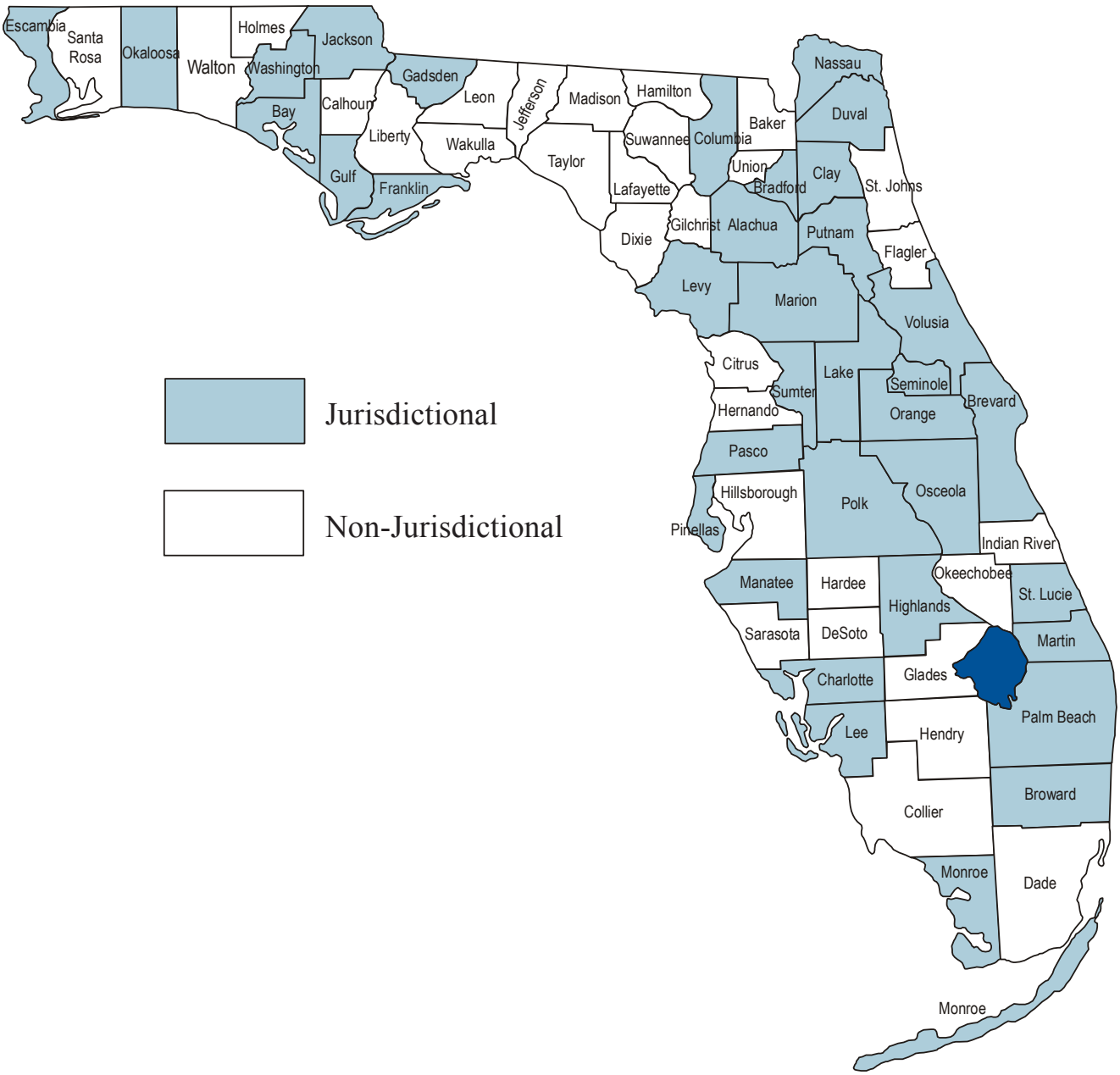
- A maximum (or cap) is set on the number of gallons of water consumption for which the customer is billed a wastewater gallonage charge.
- The cap is normally between 6,000 and 10,000 gallons. (Any water consumption over that amount is generally considered to be used for purposes such as irrigation.)

## Water and Wastewater Utility Rates

- The rates charged by all water and wastewater utilities under the Commission's jurisdiction are shown in alphabetical order by county in the PSC's "Comparative Rate Statistics, December 31, 2002" report, which is available online at http://www.floridapsc.com/general/publications/comprate/2002%20Water%20(Section%20D).pdf.

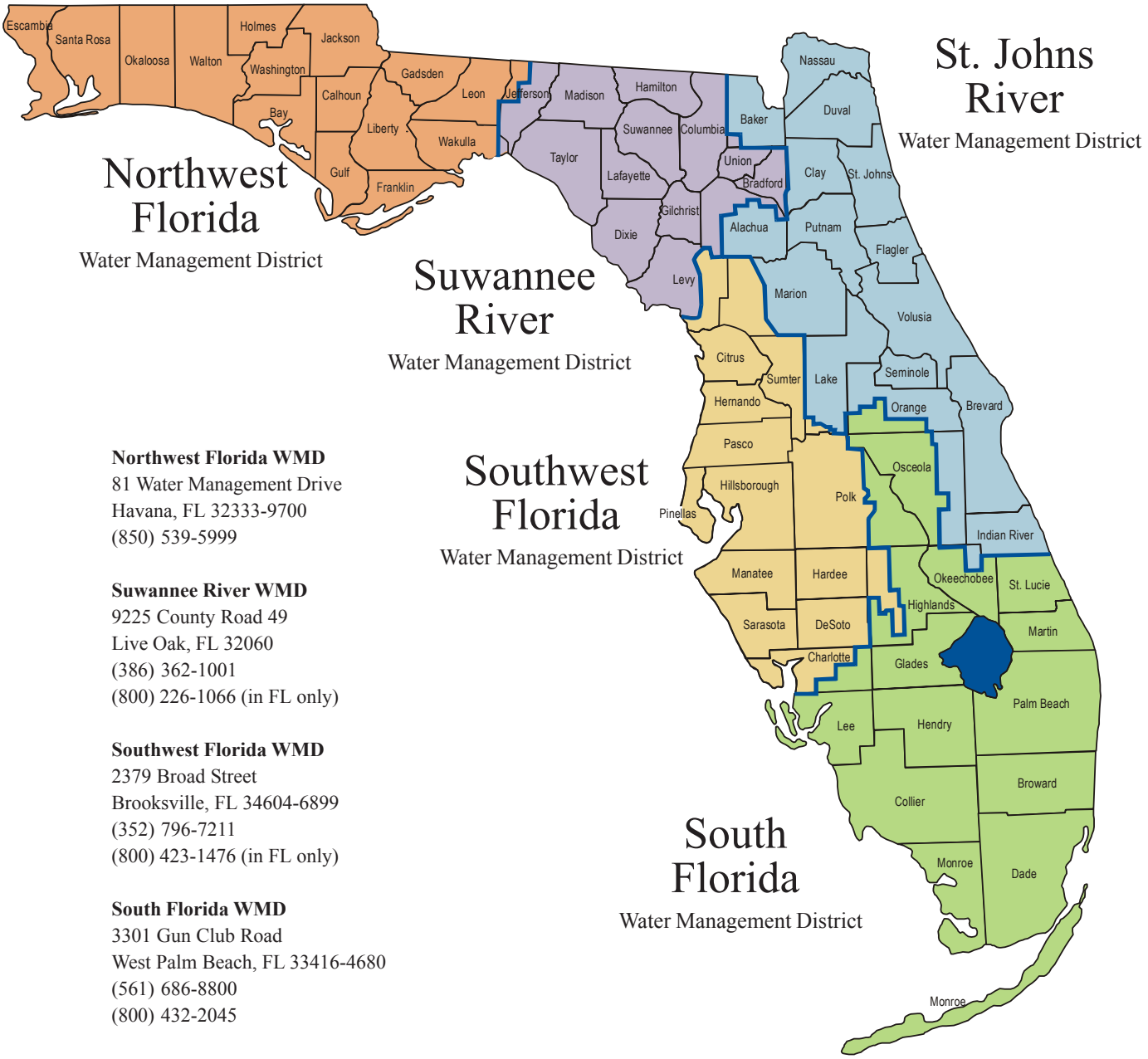
WATER & WASTEWATER

# 36 Jurisdictional Counties




Source: Florida Public Service Commission

# Florida's Five Water Management Districts




**Northwest Florida WMD**
81 Water Management Drive
Havana, FL 32333-9700
(850) 539-5999

**Suwannee River WMD**
9225 County Road 49
Live Oak, FL 32060
(386) 362-1001
(800) 226-1066 (in FL only)

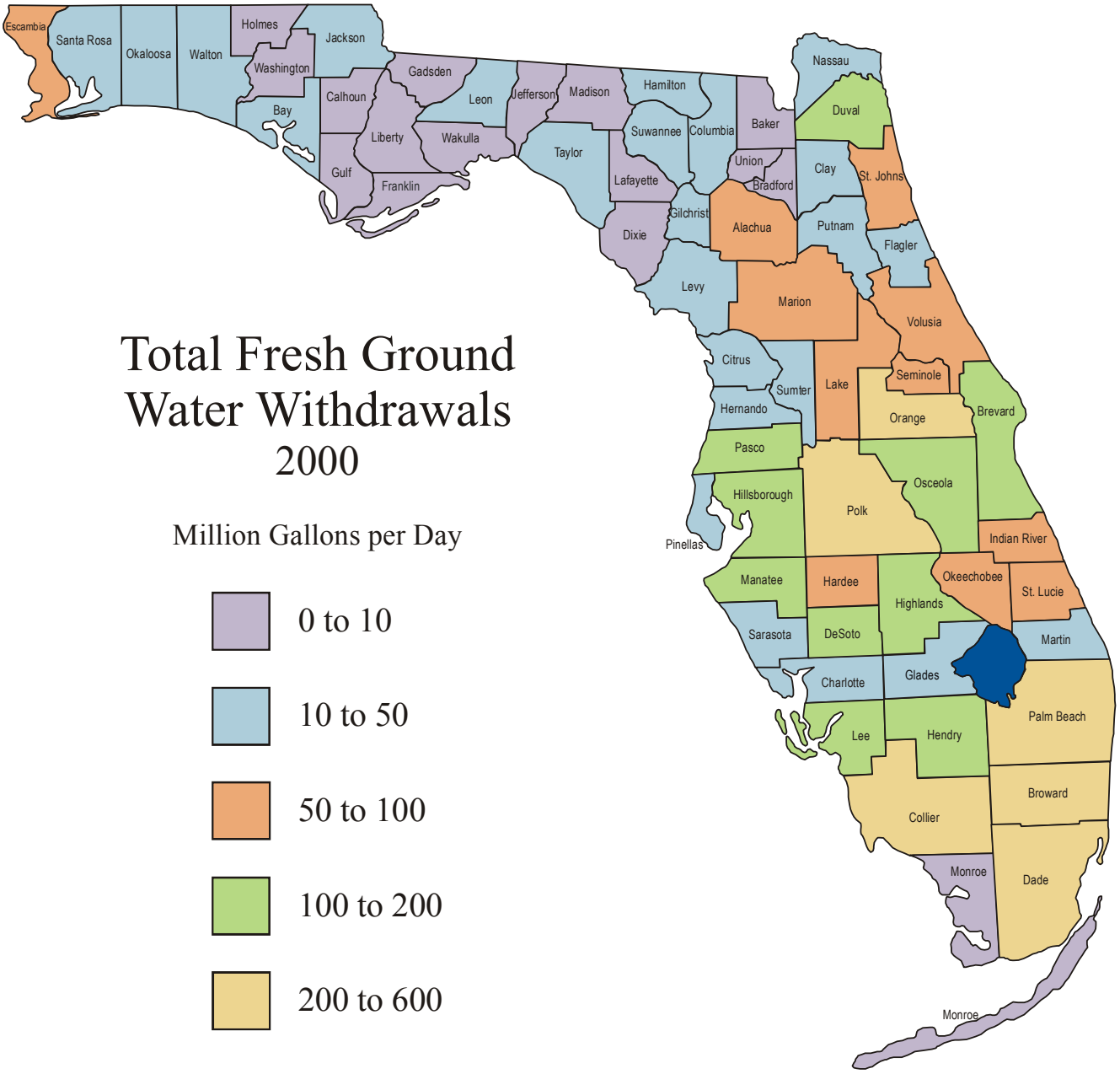
**Southwest Florida WMD**
2379 Broad Street
Brooksville, FL 34604-6899
(352) 796-7211
(800) 423-1476 (in FL only)

**South Florida WMD**
3301 Gun Club Road
West Palm Beach, FL 33416-4680
(561) 686-8800
(800) 432-2045

**St. Johns River WMD**
4049 Reid Street
Palatka, FL 32177
or P.O. Box 1429
Palatka, FL 32178-1429
(386) 329-4500

Source: Florida Public Service Commission

# Total Fresh Ground Water Withdrawals
2000




Source: Florida Public Service Commission

# Florida's Aquifer System


*Florida's aquifers are divided into two general categories: Floridan and Surficial. The Floridan aquifer is the portion of the principal artesian aquifer that extends into Florida. The principal artesian aquifer is the largest, oldest, and deepest aquifer in the southeastern United States. It covers over 100,000 square miles, and underlies all of Florida and parts of southern Alabama, southeastern Georgia, and southern South Carolina. It is one of the most productive aquifers in the world. The Floridan aquifer provides water for several large cities including Gainesville, Jacksonville, Orlando, St. Petersburg, and Tallahassee.*

*Surficial aquifers are shallow beds of shells and sand that lie less than 100 feet underground. They are separated from the deeper Floridan aquifer by a confining bed of soil. The Biscayne aquifer covers over 3,000 square miles, and provides water to Dade, Broward, Palm Beach, and Monroe counties.*

Source: Florida Public Service Commission