MARCH 2006

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.

Should you have questions or suggestions about this publication,
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(850) 413-6140

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ELECTRIC

NATURAL GAS

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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)
- 35 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)
JANUARY 1, 2005

- 48,368 Megawatts (Summer)
- 51,569 Megawatts (Winter - higher due to thermodynamics/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.

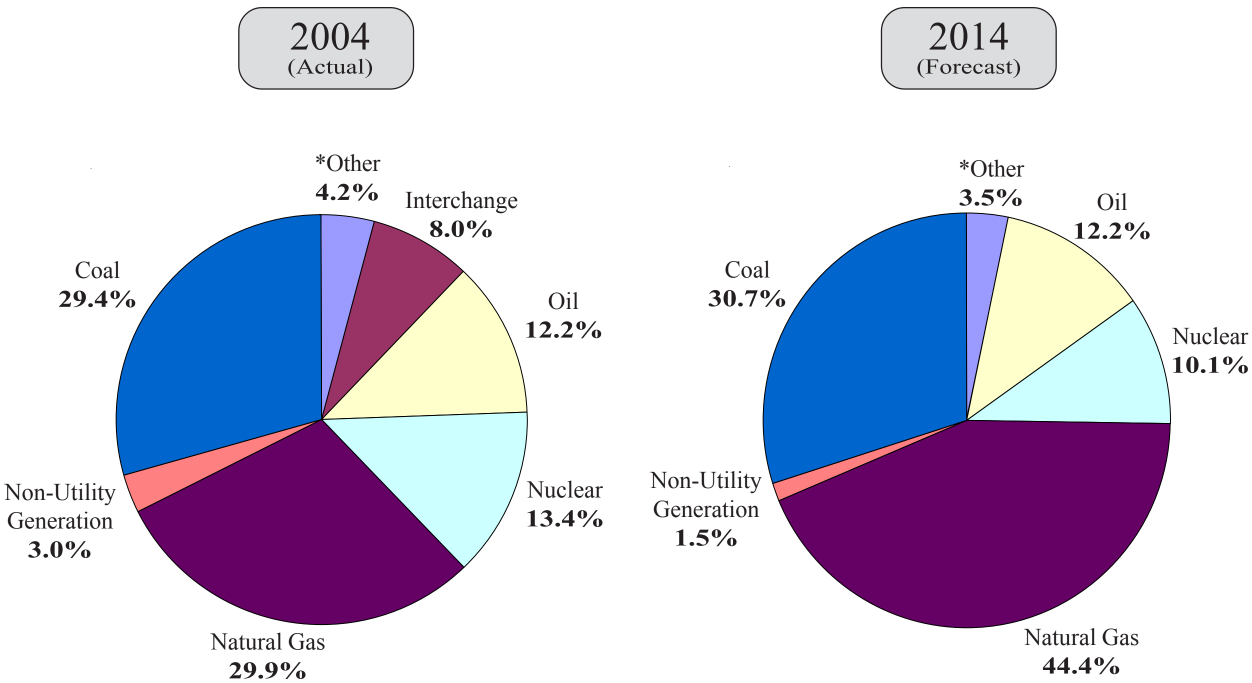
Municipally Owned - An electric utility system owned and/or operated by a municipality engaged in serving residential, commercial, and/or industrial customers, usually within the boundaries of the municipality.

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

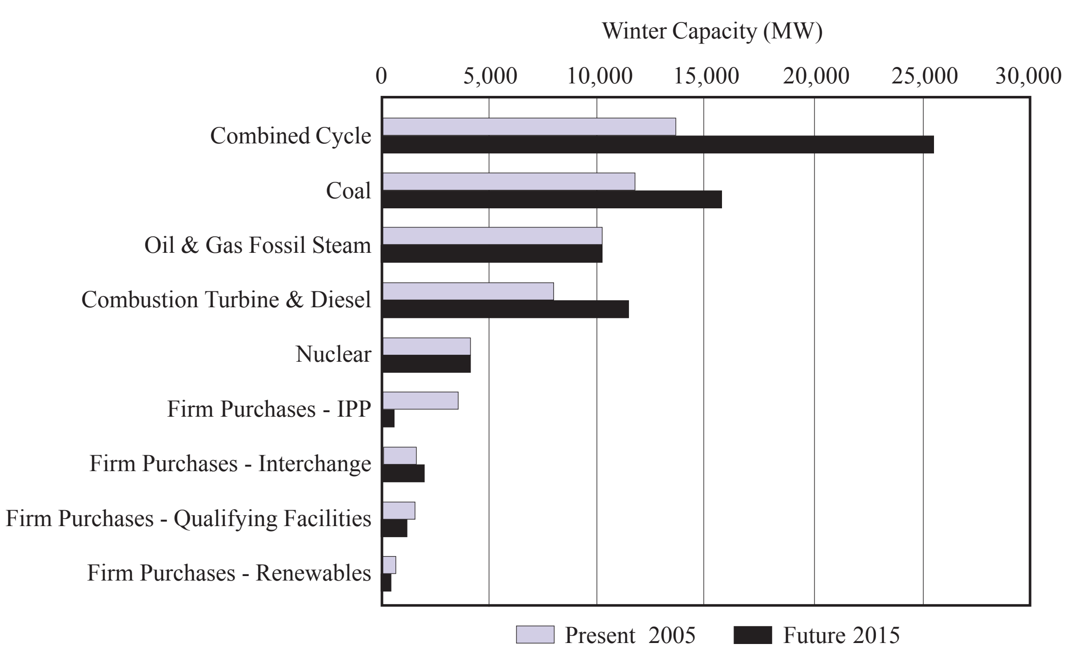
Florida Power & Light Company
Gulf Power Company
Progress Energy Florida (formerly Florida Power Corp.)
Tampa Electric Company
Florida Public Utilities Company (Non-Generating)

Energy Generation by Fuel Type in Florida



* Other *includes Petcoke and Hydro*

Electric Utility Capacity Mix



Sources:
2005 Ten-Year Site Plans filed by generating utilities

http://www.psc.state.fl.us/general/publications/reports/elec-tysp2005.pdf

Average Number of Customers

by Class of Service by Investor-Owned Utility

2005 Average Projected

UTILITY	RURAL & RESIDENTIAL	COMMERCIAL	INDUSTRIAL	TOTAL
Florida Power & Light	3,809,120	468,211	16,590	4,293,921
Progress Energy Florida	1,387,564	161,148	2,813	1,551,525
Tampa Electric Company	558,217	68,606	1,384	628,207
Gulf Power Company	356,763	54,374	304	411,441
Florida Public Utilities Company*	22,878	3,353	685	26,916
TOTAL	**6,134,542**	**755,692**	**21,776**	**6,912,010**

**Reflects 2004 data. Florida Public Utilities is a non-generating utility which is not required to file a Ten Year Site Plan.*

Sources:
2005 Ten-Year Site Plans filed by generating utilities

FPUC Annual Report

Typical Electric Bill Comparisons

Residential Service Provided by Investor-Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2005

UTILITY	MINIMUM BILL OR CUSTOMER CHARGE	1,000 KILOWATT HOURS
Florida Power & Light	$5.25	$90.69
Progress Energy Florida	$8.03	$95.34
Tampa Electric Company	$8.50	$95.62
Gulf Power Company	$10.00	$85.71
Florida Public Utilities		
Marianna Division	$10.00	$67.82
Fernandina Beach	$10.00	$60.66

Commercial/Industrial Service Provided by Investor-Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2005

UTILITY	400,000 KILOWATT HOURS 1,000 KW DEMAND
Florida Power & Light	$29,814
Progress Energy Florida	$29,933
Tampa Electric Company	$29,813
Gulf Power Company	$25,549
Florida Public Utilities	
Marianna Division	$19,097
Fernandina Beach	$16,853

*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. 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 2005.

Source:
Review of tariffs

Utility Rate Comparison by State - 2004

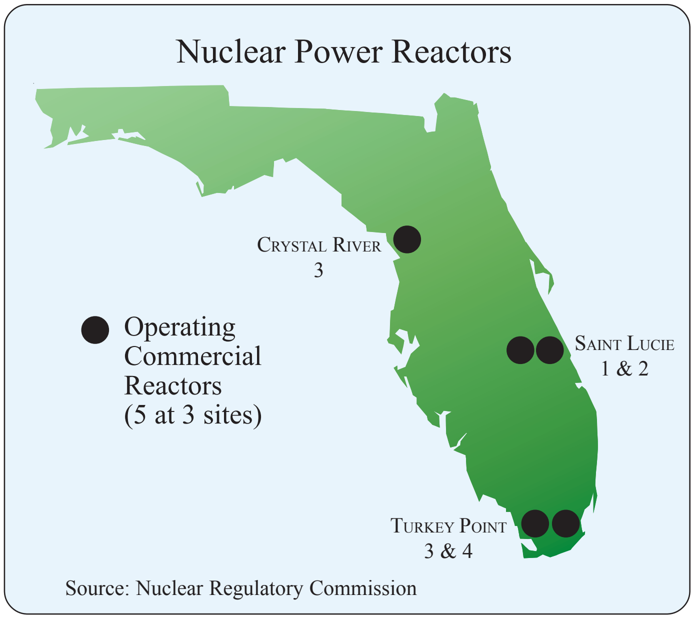
(Cents per Kilowatt-Hour)

STATE	RESIDENTIAL PUBLIC	RESIDENTIAL PRIVATE	RESIDENTIAL CO-OP	COMMERCIAL PUBLIC	COMMERCIAL PRIVATE	COMMERCIAL CO-OP	INDUSTRIAL PUBLIC	INDUSTRIAL PRIVATE	INDUSTRIAL CO-OP
AL	6.7	7.8	8.2	6.8	7.1	8.0	5.0	4.2	4.9
AK	12.5	14.0	12.3	10.3	14.4	11.0	11.9	7.3	8.0
AZ	8.0	8.7	9.7	6.8	7.8	8.3	4.4	5.8	5.0
AR	6.4	7.5	7.5	5.5	5.5	6.9	4.6	4.4	3.4
CA	10.3	12.9	10.3	9.8	12.7	11.6	8.2	9.8	6.8
CO	7.4	8.5	8.8	6.3	6.9	7.8	5.0	4.9	5.7
CT	9.4	11.7	N/A	8.4	10.0	N/A	6.7	8.1	N/A
DE	10.2	8.6	8.6	9.2	7.2	7.6	6.7	5.4	5.9
FL	**8.6**	**9.1**	**8.7**	**7.3**	**7.7**	**7.8**	**5.2**	**6.0**	**6.3**
GA	7.8	7.7	8.1	7.2	6.6	7.8	4.4	4.5	4.2
HI	N/A	17.6	26.8	N/A	16.1	27.7	N/A	12.9	24.6
ID	6.6	5.9	7.4	6.8	5.1	6.5	5.2	3.8	4.1
IL	7.2	8.3	10.1	6.8	8.1	8.1	5.1	4.5	5.8
IN	6.6	7.2	7.7	6.1	6.3	6.6	4.7	4.0	4.7
IA	7.4	9.2	9.2	6.2	6.9	6.8	5.0	4.3	4.0
KS	8.6	7.2	10.0	7.5	5.9	9.1	4.5	4.5	6.0
KY	6.2	5.5	6.9	6.2	5.2	7.1	4.4	3.7	3.4
LA	7.2	8.4	6.9	6.9	7.7	6.7	6.2	5.8	5.6
ME	7.1	12.1	19.2	6.5	9.7	18.4	6.1	N/A	6.6
MD	7.7	7.8	7.7	8.2	7.8	6.1	5.2	5.6	6.3
MA	10.1	12.0	N/A	10.5	11.8	N/A	8.8	8.2	N/A
MI	7.7	8.3	9.8	7.2	7.8	8.7	5.7	4.8	4.9
MN	7.4	7.9	8.1	6.8	6.2	6.7	5.2	4.5	5.0
MS	7.2	9.0	7.7	7.3	8.1	8.1	5.0	5.3	5.3
MO	6.7	6.9	7.2	5.7	5.8	6.2	4.9	4.6	4.4
MT	5.5	8.2	7.8	6.1	8.1	6.9	9.0	4.6	5.3
NE	6.9	N/A	8.1	5.9	N/A	7.7	4.2	N/A	8.0
NV	6.6	9.8	7.8	6.7	9.5	6.8	3.0	7.8	4.3
NH	10.1	12.4	13.9	10.2	11.0	12.1	8.0	10.2	9.9
NJ	11.2	11.3	11.4	11.1	10.2	11.6	8.9	9.2	8.3
NM	8.8	8.5	9.2	8.4	7.3	7.9	6.0	5.1	5.0
NY	14.2	14.8	9.0	13.0	13.7	8.4	3.2	9.7	5.9
NC	9.4	8.0	9.4	8.0	6.4	7.9	5.8	4.8	4.6
ND	5.3	6.7	6.9	4.8	6.0	6.6	4.6	4.5	4.0
OH	8.0	8.1	8.2	8.0	7.3	7.5	5.8	4.6	4.7
OK	7.9	7.5	8.3	7.1	6.3	8.1	4.2	4.8	4.8
OR	6.5	7.3	7.8	6.0	6.6	6.3	4.1	4.5	5.3
PA	9.0	9.3	10.8	8.8	8.5	9.7	7.0	5.9	7.4
RI	10.9	12.2	N/A	11.8	10.7	N/A	8.7	9.8	N/A
SC	7.8	8.0	8.4	7.2	6.7	7.9	4.0	4.1	4.6
SD	5.9	8.1	7.7	5.6	6.8	6.7	4.5	4.7	4.4
TN	6.9	4.9	7.0	7.0	5.2	7.6	5.0	3.3	5.0
TX	8.2	8.5	9.1	7.2	7.0	8.8	5.6	5.1	6.4
UT	7.9	7.1	6.5	7.4	5.5	6.4	5.5	3.9	5.2
VT	11.1	13.1	14.0	11.3	11.4	11.2	10.2	7.6	7.9
VA	6.3	7.8	9.8	5.9	5.8	9.5	4.3	4.1	5.7
WA	6.6	6.1	6.2	5.9	6.8	5.2	4.0	5.7	3.9
DC	N/A	8.0	N/A	N/A	7.4	N/A	N/A	4.6	N/A
WV	7.0	6.2	9.5	6.5	5.4	9.3	5.3	3.8	N/A
WI	7.0	9.3	9.4	6.2	7.4	7.0	4.8	5.0	4.9
WY	6.7	7.4	7.0	5.7	6.4	5.5	6.2	3.9	3.7

Source:
American Public Power Administration
http://www.appanet.org/files/PDFs/utilityratecompstate2004.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 6 years.
- Florida ratepayers have paid over $690 million (over $1 billion 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 2012.
- 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 St Lucie 2	Hutchinson Island, 12 miles Southeast of Ft. Pierce	Florida Power & Light	2036 2043
Turkey Point 3 Turkey Point 4	25 miles South of Miami	Florida Power & Light	2032 2033

* Progress Energy Florida has notified the NRC that it will apply for license renewal in 2009.

Source:
http://www.nrc.gov, Progress Energy Florida and Florida Power & Light

Nuclear Waste Fund Ratepayer Payments by State Through 3-31-05

(Millions of Dollars)

STATE	PAYMENTS (1 mill/kwh, One Time + Int)	RETURN ON INVESTMENTS	TOTAL (Pay + Return)	DEBT*	FUND ASSETS** (Total + Debt)
AL	441.1	273.1	714.2	0.0	714.2
AR	264.2	163.5	427.7	152	579.7
AZ	199.9	123.7	323.6	0.0	323.6
CA	807.5	499.9	1,307.4	0.0	1,307.4
CO	0.2	0.1	0.3	0.0	0.3
CT	231.9	143.6	375.5	311.2	686.7
DE	35.7	22.1	57.8	0.0	57.8
FL	**690.9**	**427.7**	**1,118.6**	**0.0**	**1,118.6**
GA	518.3	320.8	839.1	0.0	839.1
IA	196.5	121.6	318.1	39.3	357.4
IL	1388.0	859.2	2,247.2	844.3	3,091.5
IN	185.9	115.1	301.0	199.9	500.9
KS	102.5	63.5	166.0	0	166.0
KY	114.6	70.9	185.5	0	185.5
LA	240.1	148.6	388.7	0	388.7
MA	277.1	171.5	448.6	141.8	590.4
MD	311.8	193.0	504.8	0	504.8
ME	46.3	28.7	75.0	101.6	176.6
MI	227.3	140.7	368.0	172.2	540.2
MN	265.4	164.3	429.7	0	429.7
MO	193.8	120.0	313.8	5.1	318.9
MS	129.6	80.2	209.8	0	209.8
NC	1,203.5	745.0	1,948.5	0	1,948.5
ND	14.4	8.9	23.3	0	23.3
NE	155.8	96.4	252.2	0	252.2
NH	59.5	36.8	96.3	20.8	117.1
NJ	551.9	341.6	893.5	171	1,064.5
NM	58.1	36.0	94.1	0	94.1
NY	627.0	388.1	1,015.1	439.4	1,454.5
OH	344.7	213.4	558.1	28.4	586.5
OR	75.1	46.5	121.6	0	121.6
PA	1,033.9	640.0	1,673.9	57.8	1,731.7
RI	4.3	2.7	7.0	5.3	12.3
SC	539.2	333.8	873.0	0	873.0
SD	4.6	2.8	7.4	0	7.4
TN	398.9	246.9	645.8	0	645.8
TX	553.6	342.7	896.3	0	896.3
VA	560.6	347.0	907.6	0	907.6
VT	79.3	49.1	128.4	123	251.4
WA	126.5	78.3	204.8	0	204.8
WI	355.8	220.2	576.0	0	576.0
Subtotal	1,3615.3	8428	2,2043.3	2,813.1	24,856.4
Federal	19.8	12.3	32.1	0	32.1
Industry	16.8	10.4	27.2	0	27.2
TOTAL	13,651.9	8,450.7	22,102.6	2,813.1	24,915.7

* 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.

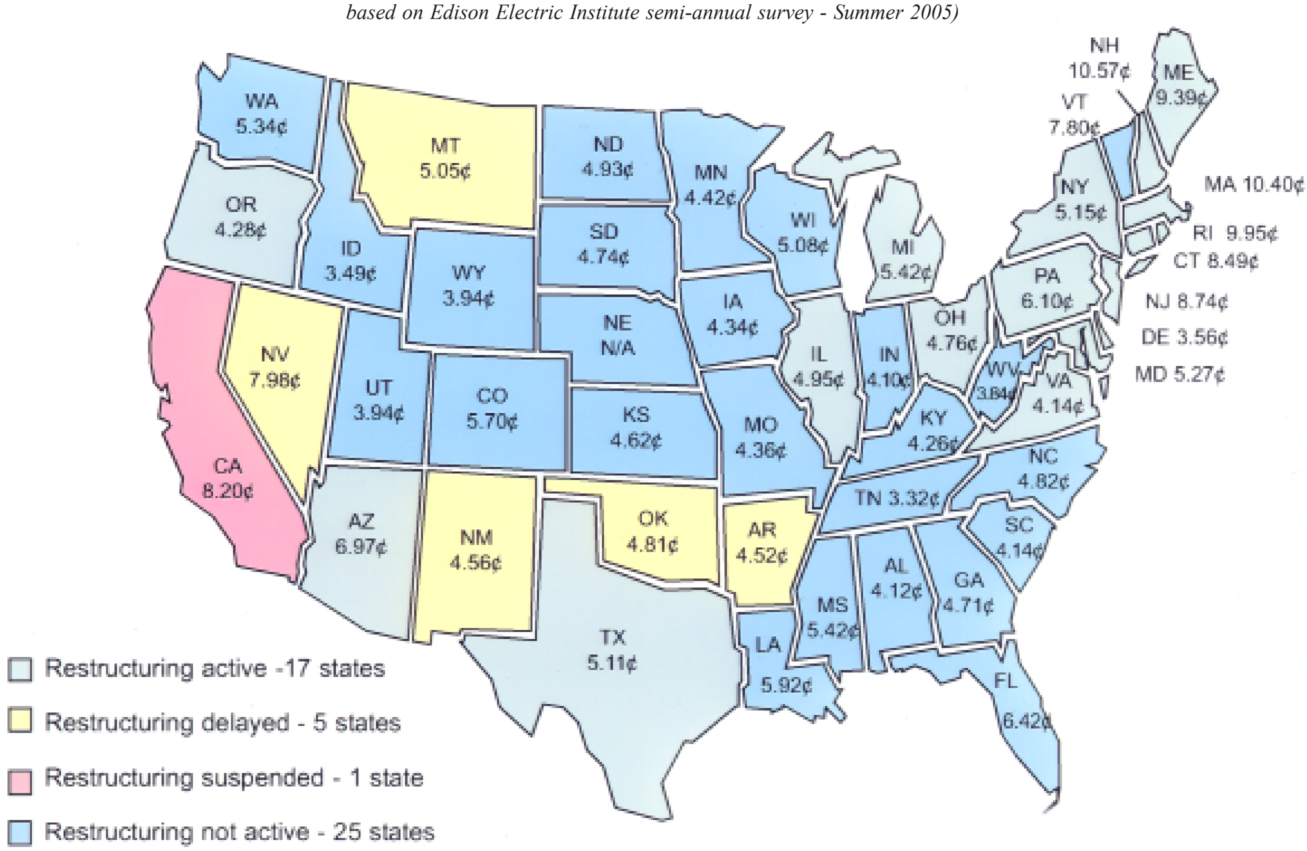
Source:
Michigan Public Service Commission staff
http://www.cis.state.mi.us/mpsc/lic-enf/nuclear/rep305.pdf

Status of State

Electric Industry Restructuring Activity

AS OF NOVEMBER 2005

(With State Average Industrial Electric Rates for Investor Owned Utilities - based on Edison Electric Institute semi-annual survey - Summer 2005)

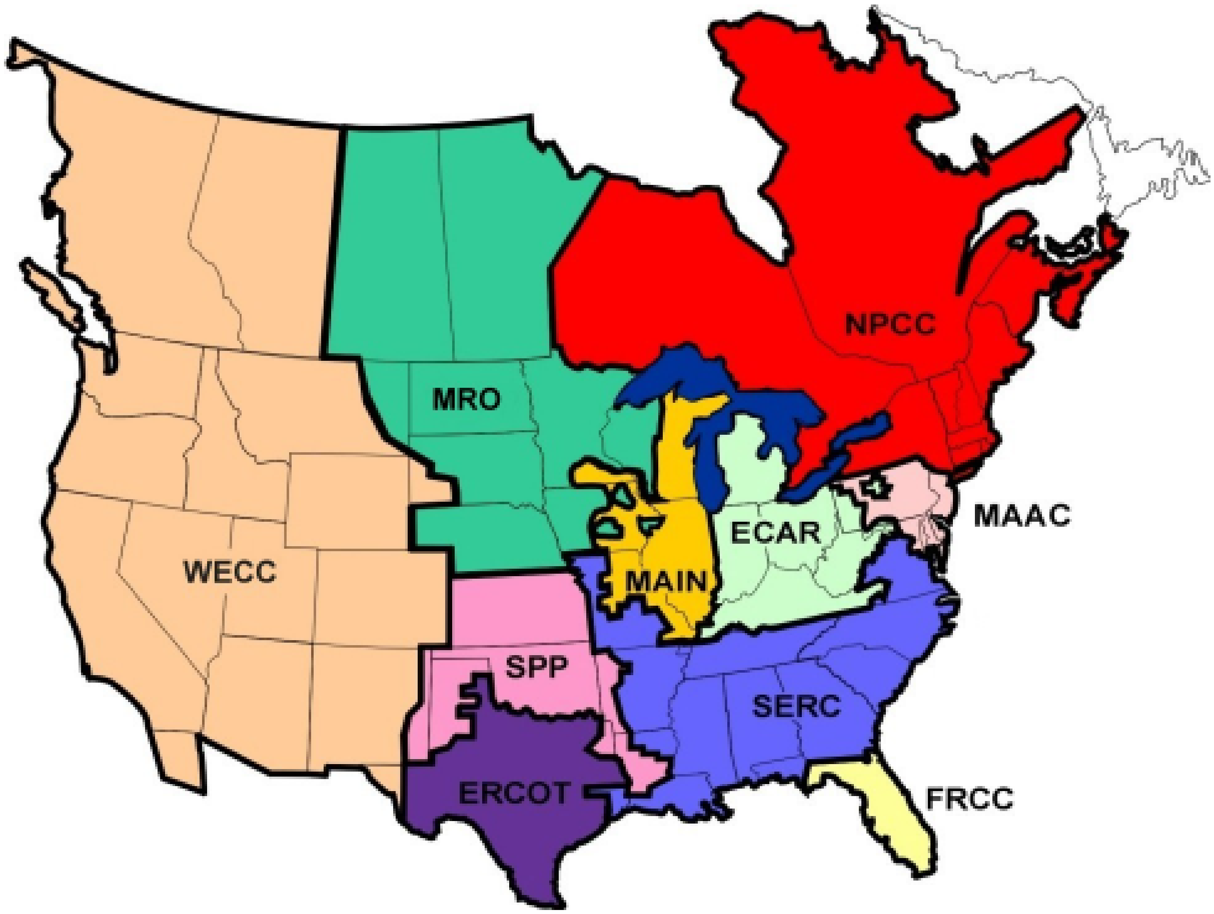


Restructuring means moving away from a state-regulated monopoly franchise system. In short, the industry would move from a monopoly structure in which a single electric utility supplies all the consumers in a given area to one allowing competition between electric generation suppliers.

Source:
WPS Energy Services, Inc.
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.

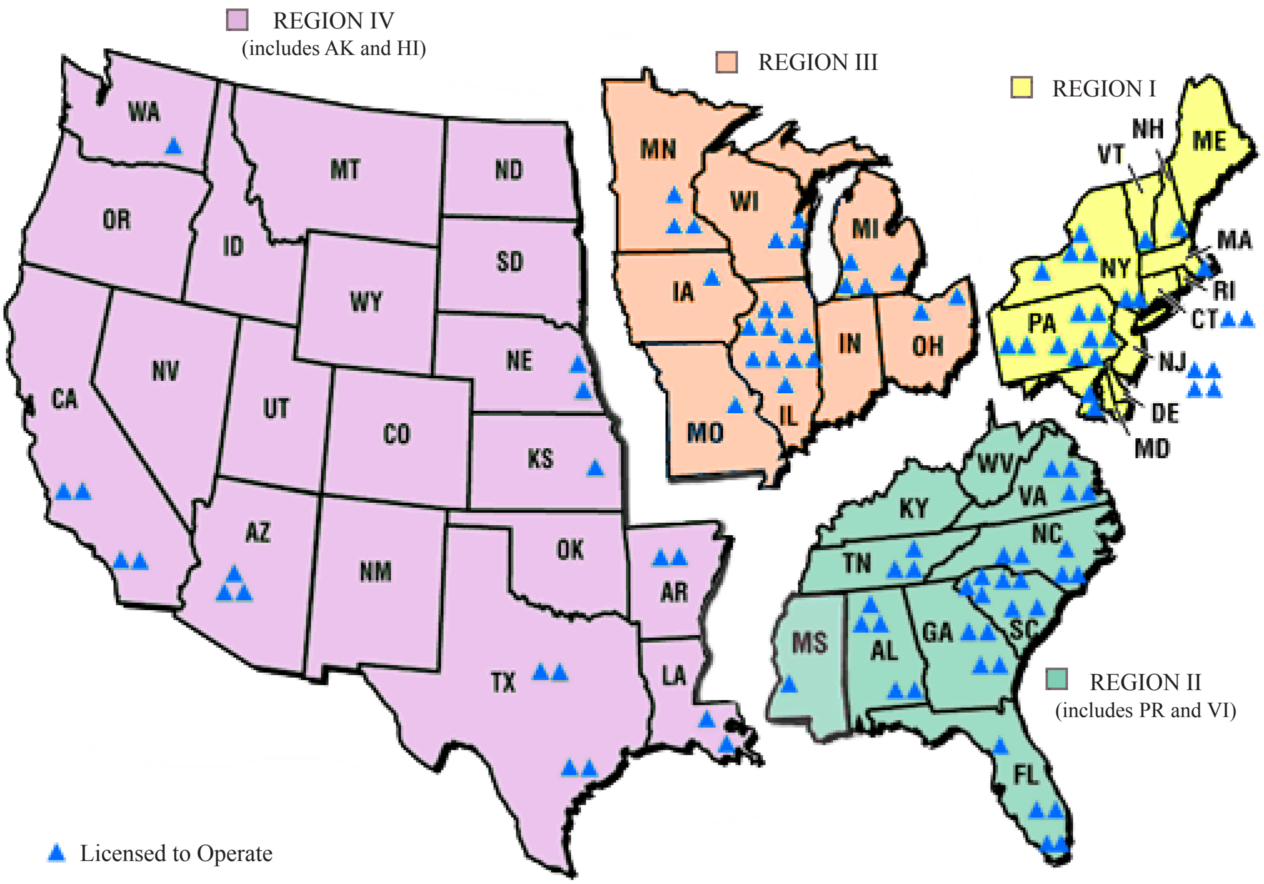


ECAR	East Central Area Reliability
ERCOT	Electric Reliability Council of Texas
FRCC	Florida Reliability Coordinating Council
MAAC	Mid-Atlantic Area Council
MAIN	Mid-America Interconnected Network
MRO	Midwest Reliability Organization
NPCC	Northeast Power Coordinating Council
SERC	Southeastern Electric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

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

Locations of

Operating Nuclear Power Reactors

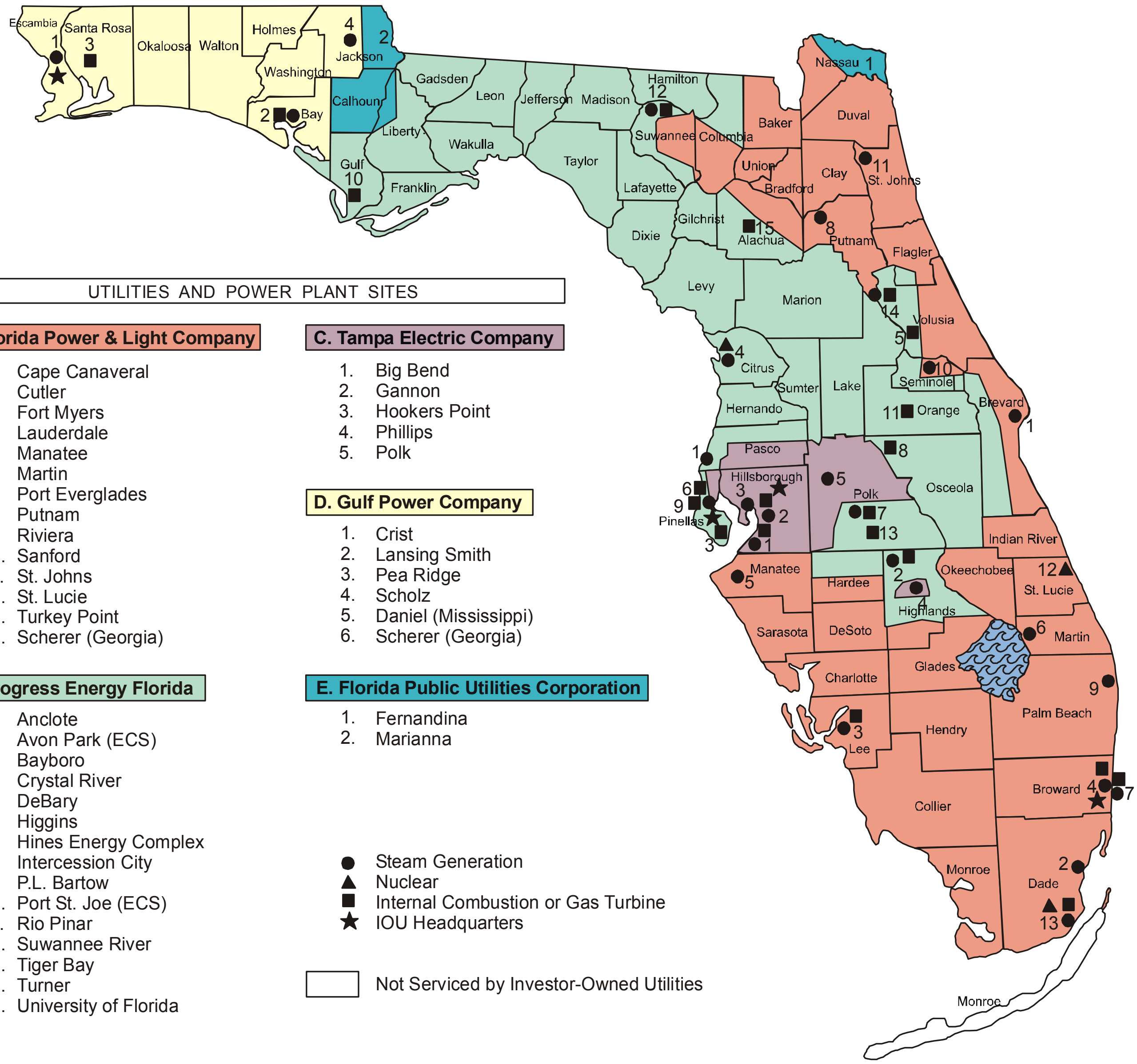


Note: There are no commercial reactors in Alaska or Hawaii.

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

Approximate Company Service Areas

Investor-Owned Electric Utilities



UTILITIES AND POWER PLANT SITES

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

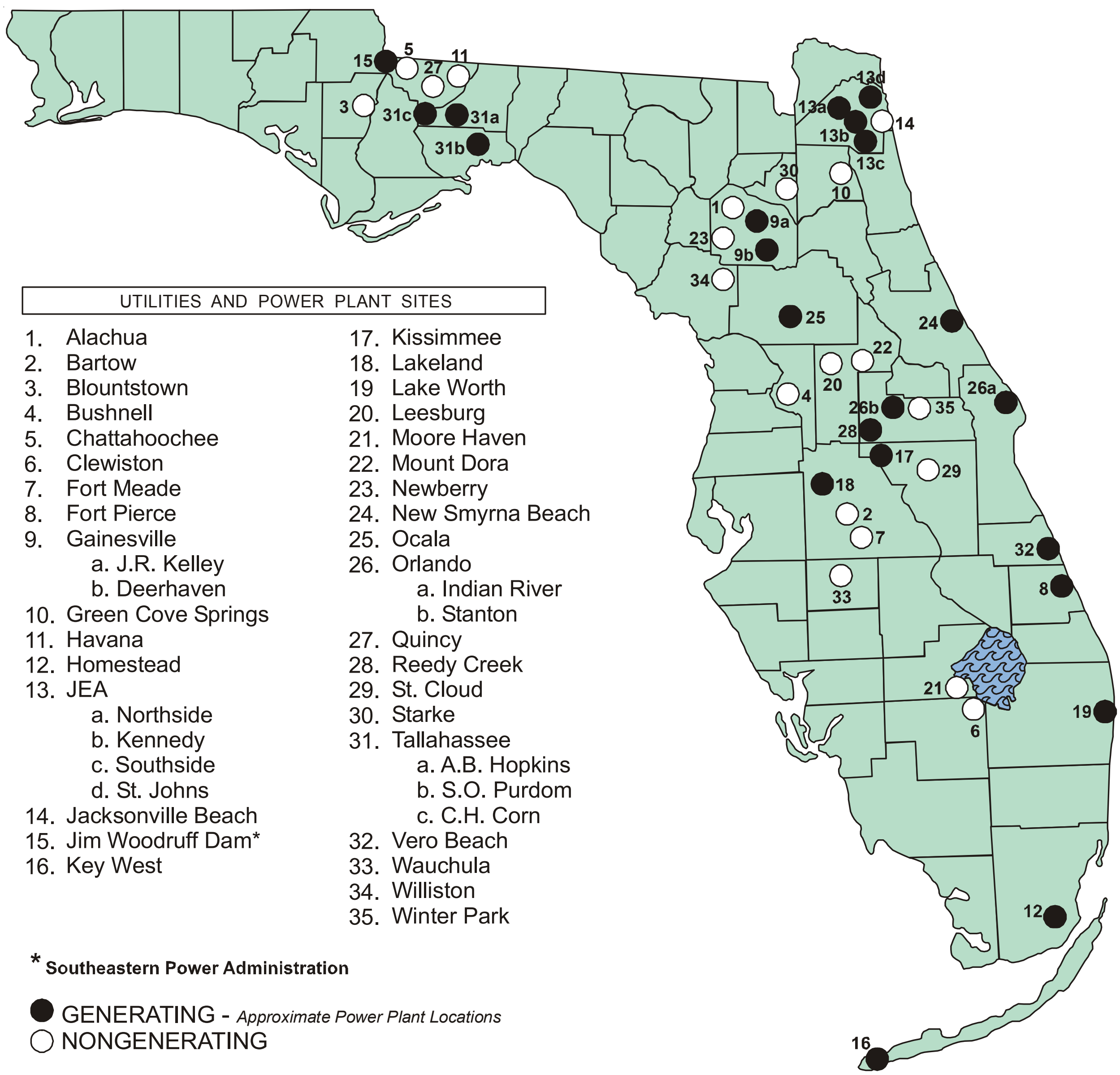
● Steam Generation
▲ Nuclear
■ Internal Combustion or Gas Turbine
★ IOU Headquarters

☐ Not Serviced by Investor-Owned Utilities

Service areas are approximations.
Information on this map should be used only as a general guideline.
For more detailed information, contact individual utilities.

Source:
Florida Public Service Commission

Municipal Electric Utilities



UTILITIES AND POWER PLANT SITES

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
35. Winter Park

* **Southeastern Power Administration**

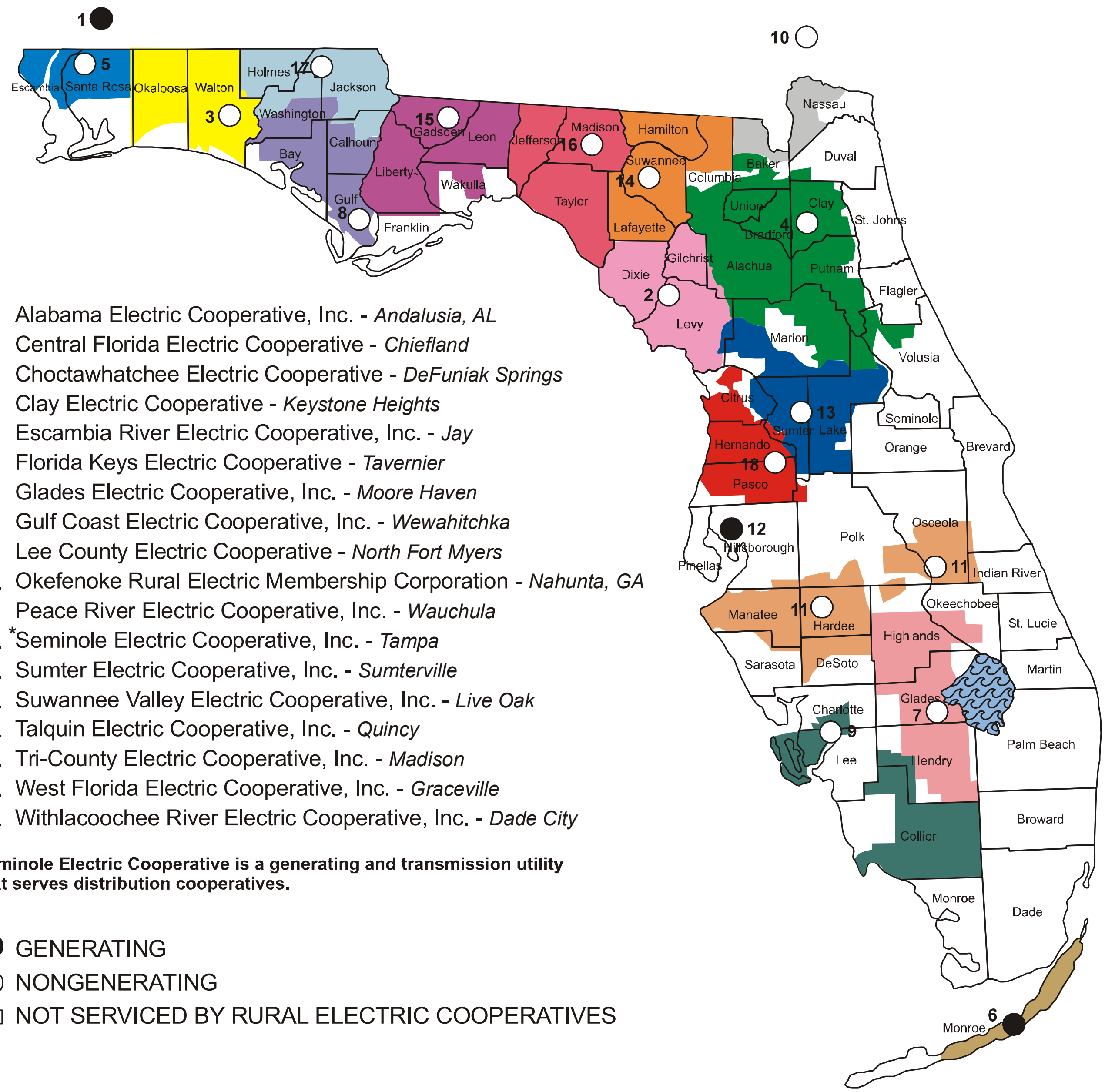
● GENERATING - *Approximate Power Plant Locations*
○ NONGENERATING

Information on this map should be used only as a general guideline.
For more detailed information, contact individual utilities.

Source:
Florida Public Service Commission

Approximate 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*

***Seminole Electric Cooperative is a generating and transmission utility that serves distribution cooperatives.**

● GENERATING
○ NONGENERATING
NOT SERVICED BY RURAL ELECTRIC COOPERATIVES

Service areas are approximations.
Information on this map should be used only as a general guideline.
For more detailed information, contact individual utilities.

Source:
Florida Public Service Commission

Municipally & Cooperatively Owned Electric Systems

MUNICIPAL SYSTEMS (Generating)
*Florida Municipal Power Agency
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
Winter Park, 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.

* The Florida Constitution and the Joint Power Act provide the authority for municipal electric utilities to join together for the joint financing, construction, acquiring, managing, operating, utilizing, and owning of electric power plants.

Sources:
PSC's *Statistics of the Florida Electric Industry, 2004*
http://www.psc.state.fl.us/industry/electric_gas/statistics-2004.pdf

Florida Municipal Power Agency, *Ten-Year Site Plan, 2004-2013*

Typical Electric Bill Comparisons

Residential Service Provided by Municipally Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2005

UTILITY	MINIMUM BILL OR CUSTOMER CHARGE	1,000 KILOWATT HOURS
Alachua	$8.00	$110.80
Bartow	$6.63	$105.08
Blountstown	$3.50	$75.28
Bushnell	$7.40	$119.05
Chattahoochee	$4.50	$92.87
Clewiston	$6.50	$111.00
Fort Meade	$12.96	$119.86
Fort Pierce	$5.35	$114.62
Gainesville	$4.89	$102.41
Green Cove Springs	$6.00	$125.46
Havana	$6.00	$130.82
Homestead	$5.50	$114.15
JEA	$5.50	$89.15
Jacksonville Beach	$4.50	$115.09
Key West	$6.00	$131.90
Kissimmee	$10.17	$121.44
Lake Worth	$7.42	$121.94
Lakeland	$6.35	$121.40
Leesburg	$8.72	$104.76
Moore Haven	$8.50	$99.40
Mount Dora	$5.05	$99.14
New Smyrna Beach	$5.65	$108.58
Newberry	$7.50	$111.62
Ocala	$7.00	$115.58
Orlando	$7.00	$89.61
Quincy	$6.00	$108.52
Reedy Creek	$2.85	$92.84
Starke	$6.45	$138.05
St. Cloud	$7.28	$93.20
Tallahassee	$4.94	$118.77
Vero Beach	$7.21	$131.51
Wauchula	$8.62	$112.69
Williston	$8.00	$116.34
Winter Park	$8.03	$95.34

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2005 Fuel and Purchased Power Costs are included.

Source:
Review of tariffs

Commercial/Industrial Service Provided by Municipally Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2005

UTILITY	400,000 KILOWATT HOURS 1,000 KW DEMAND
Alachua	$38,213
Bartow	$39,455
Blountstown	$35,079
Bushnell	$45,293
Chattahoochee	$37,607
Clewiston	$43,435
Fort Meade	$42,550
Fort Pierce	$40,793
Gainesville	$34,514
Green Cove Springs	$40,509
Havana	$49,134
Homestead	$43,865
JEA	$28,850
Jacksonville Beach	$47,032
Key West	$49,069
Kissimmee	$44,720
Lake Worth	$49,578
Lakeland	$41,774
Leesburg	$34,073
Moore Haven	$34,844
Mount Dora	$30,057
New Smyrna Beach	$40,198
Newberry	$36,893
Ocala	$38,159
Orlando	$28,287
Quincy	$32,108
Reedy Creek	$33,396
Starke	$60,849
St. Cloud	$29,560
Tallahassee	$39,714
Vero Beach	$47,221
Wauchula	$42,823
Williston	$41,050
Winter Park	$29,933

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2005 Fuel and Purchased Power Costs are included.

Source:
Review of tariffs

Residential Service Provided by Cooperatively Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2005

UTILITY	MINIMUM BILL OR CUSTOMER CHARGE	1,000 KILOWATT HOURS
Central Florida	$8.50	$117.00
Choctawhatchee	$18.00	$100.28
Clay	$9.00	$99.70
Escambia River	$9.00	$101.00
Florida Keys	$10.00	$133.87
Glades	$10.50	$130.00
Gulf Coast	$10.00	$101.00
Lee County	$5.00	$98.40
Okefenoke	$10.00	$94.20
Peace River	$11.25	$118.95
Sumter	$8.25	$109.95
Suwannee Valley	$8.73	$113.66
Talquin	$8.00	$100.00
Tri-County	$10.00	$118.00
West Florida	$13.90	$108.77
Withlacoochee River	$9.75	$103.34

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2005 Fuel and Purchased Power Costs are included.

Source:
Review of tariffs

Commercial/Industrial Service Provided by Cooperatively Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2005

UTILITY	400,000 KILOWATT HOURS 1,000 KW DEMAND
Central Florida	$40,150
Choctawhatchee	$26,726
Clay	$33,785
Escambia River	$36,840
Florida Keys	$57,327
Glades	$37,495
Gulf Coast	$32,612
Lee County	$32,575
Okefenoke	$28,840
Peace River	$35,630
Sumter	$32,990
Suwannee Valley	$33,253
Talquin	$29,880
Tri-County	$35,100
West Florida	$23,106
Withlacoochee River	$31,801

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2005 Fuel and Purchased Power Costs are included.

Source:
Review of tariffs

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

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.
- FGT's pipeline capacity is 2.1 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*
http://www.floridapsc.com/general/publications/brochure_pdf/NaturalGasbrochure.pdf

Number of Customers for Investor-Owned Utilities

By Customer Type

December 31, 2004

UTILITY	RESIDENTIAL	COMMERCIAL & INDUSTRIAL	FTS*	OTHER**	TOTAL
Chesapeake Utilities***	0	0	11,973	0	11,973
Florida City Gas (Formerly City Gas Company)	95,680	4,011	1,577	0	101,268
Florida Public Utilities Co.	44,095	4,220	0	20	48,335
Indiantown Gas Co.***	0	0	674	0	674
Peoples Gas System	278,479	17,956	10,849	35	307,319
St. Joe Natural Gas	3,018	256	3	1	3,278
Sebring Gas System	236	48	0	0	284

Annual Therm Sales for Investor-Owned Utilities

December 31, 2004

UTILITY	RESIDENTIAL	COMMERCIAL & INDUSTRIAL	FTS*	OTHER**	TOTAL
Chesapeake Utilities***	0	0	133,675,923	0	133,675,923
Florida City Gas	19,193,451	22,003,874	56,481,470	0	97,678,795
Florida Public Utilities Co.	12,003,580	29,031,280	13,977,350	5,694,700	60,706,910
Indiantown Gas Co.***	0	0	5,849,362	0	5,849,362
Peoples Gas System	65,819,935	81,211,133	286,342,286	691,160,948	1,124,534,302
St. Joe Natural Gas	883,681	328,332	367,198	6,703,544	8,282,755
Sebring Gas System	44,029	274,730	0	0	318,759

* FTS = Firm Transportation Service

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

*** Exited the merchant function - all customers are firm transportation customers.

Source:
2004 Annual Reports filed by Natural Gas Utilities

Typical Natural Gas Bill Comparisons

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

Typical Natural Gas Bill Comparisons
December 31, 2005

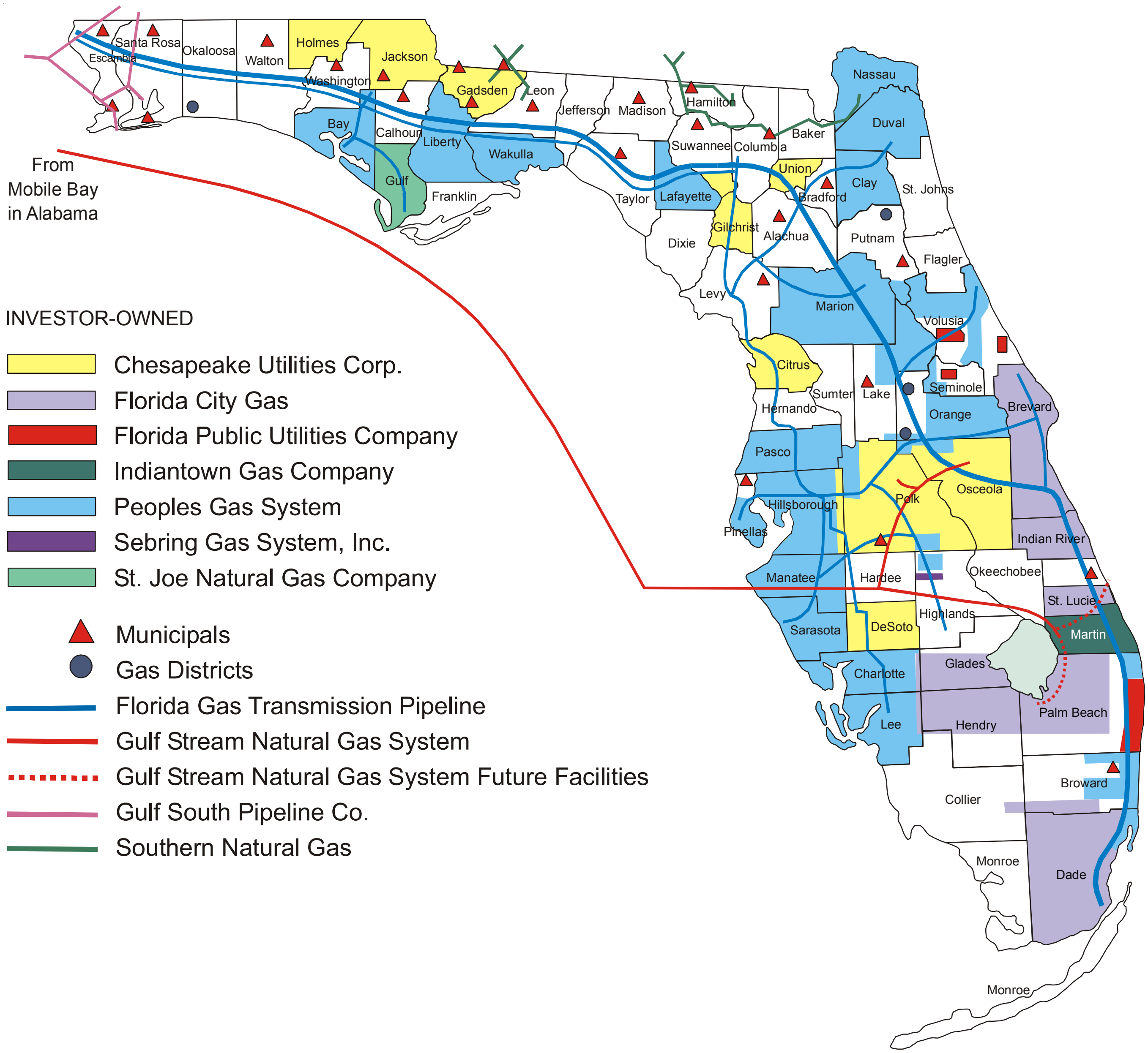
	RESIDENTIAL		COMMERCIAL		INDUSTRIAL	
UTILITY	MINIMUM BILL OR CUSTOMER CHARGE	THERMS SOLD (20)	MINIMUM BILL OR CUSTOMER CHARGE	THERMS SOLD (90)	MINIMUM BILL OR CUSTOMER CHARGE	THERMS SOLD (700)
Chesapeake Utilities	$15.00	$23.34*	$27.50	$72.02*	$42.50	$318.73*
Florida City Gas Company	$8.00	$44.40	$12.00	$195.29	$30.00	$1,356.93
Florida Public Utilities Co.	$8.00	$35.65	$15.00	$153.57	$15.00	$1,092.80
Indiantown Gas Co.	$9.00	$11.49*	$9.00	$21.39*	$21.00	$121.39*
Peoples Gas System	$10.00	$45.17	$30.00	$191.54	$30.00	$1,286.41
Sebring Gas System	$9.00	$12.18*	$35.00	$77.01*	$35.00	$361.74*
St. Joe Natural Gas	$9.00	$28.16	$9.00	$93.33	$40.00	$875.63

December 2005 gas and conservation costs are included except for utilities that have exited the merchant function.

* Exited the merchant function - gas costs not included.

Source:
Review of tariffs

Natural Gas Companies in Florida



Service areas are approximations.
Information on this map should be used only as a general guideline.
For more detailed information, contact individual utilities.

Source:
Florida Public Service Commission

Regulatory Authority

Pursuant to Chapter 364, Florida Statutes, as of June 30, 2005, the PSC had regulatory authority over:

- 10 incumbent local exchange companies (ILECs)
- 415 competitive local exchange companies (CLECs)
- 681 interexchange (long distance) companies (IXCs)
- 423 pay telephone service providers (PATS)
- 23 alternative access vendors (AAVs)
- 30 shared tenant service providers (STS)

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

- All other types of jurisdictional 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 telecommunication 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 registered 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*
http://www.psc.state.fl.us/technical/telintro.cfm

PSC's *Master Commission Directory*
http://www.psc.state.fl.us/mcd/index.aspx

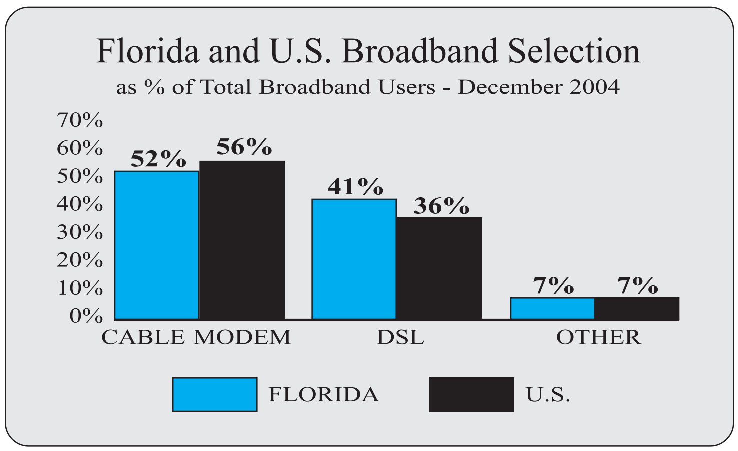
Broadband

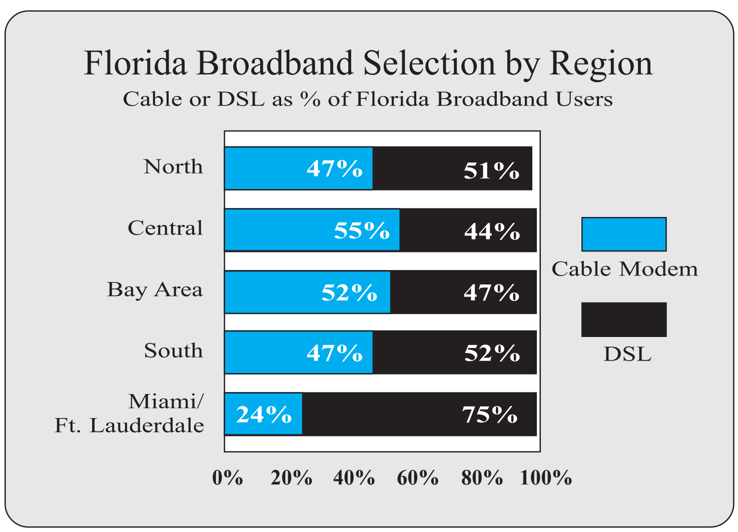
- Broadband is a descriptive term for evolving digital technologies offering consumers a single switched facility offering integrated access to voice, high-speed data services, video-demand services, and interactive information delivery services.

- For the first time in Florida, in the first quarter of 2004, the percentage of customers with internet access using broadband eclipsed the percentage using dial-up. As of July 2004, 51 percent were using broadband.

- The most common way broadband service is delivered in Florida is by DSL (Digital Subscriber Line), followed by cable modem.

- Other methods of access in use in smaller numbers include, but are not limited to, satellite and fixed-wireless.





Sources:
PSC's *Annual Report on Competition in Telecommunications Markets in Florida, as of May 31, 2004*
http://www.psc.state.fl.us/general/publications/reports/tele-competitionreport2004.pdf

http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/hspd0705.pdf

2005 Calendar Year University of Florida, Bureau of Economic and Business Research (BEBR) Consumer Surveys on behalf of FPSC

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 May 31, 2005

	RESIDENTIAL LINES	BUSINESS LINES	TOTAL	CHANGES SINCE 2002
ILECs	6,641,069	2,780,121	9,421,190	(8%)
CLECs	629,869	1,456,162	2,086,031	39%
TOTAL	**7,270,938**	**4,236,283**	**11,507,221**	**(2%)**

Access Lines by Florida ILEC

As of May 31, 2005 (except as noted)

COMPANY	RESIDENTIAL	BUSINESS	TOTAL
ALLTEL Florida, Inc.*	71,557	19,090	90,647
BellSouth Telecommunications, Inc.	3,599,073	1,702,423	5,301,496
Frontier Communications of the South, Inc.*	3,917	430	4,347
GTC, Inc. d/b/a GT Com**	36,863	12,669	49,532
ITS Telecommunications Systems, Inc.*	2,750	944	3,694
Northeast Florida Telephone Company * d/b/a NEFCOM	6,750	2,241	8,991
Quincy Telephone Company * d/b/a TDS Telecom/Quincy Telephone	10,591	3,996	14,587
Smart City Telecommunications LLC* d/b/a Smart City Telecom	4,203	10,560	14,763
Sprint-Florida, Incorporated	1,410,818	503,002	1,913,820
Verizon Florida Inc.	1,488,063	525,734	2,013,797
TOTAL	**6,634,585**	**2,781,089**	**9,415,674**

* As of December 31, 2005
** As of December 31, 2004

Sources:
PSC's *Annual Report on Competition in Telecommunications Markets in Florida, as of May 31, 2005*
http://www.psc.state.fl.us/general/publications/reports/TeleCompReport2005.pdf

Periodic Reports filed by ILECs

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 $10.00 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).

- **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)

Continued on next page

Universal Service Programs

Continued

- **Customer Eligibility:** Customers with annual incomes up to 135% of the Federal Poverty Guidelines (FPG) are eligible to participate in the Lifeline and Link-Up programs. In addition, eligibility for both programs is determined by customer enrollment in any one of the following programs:

  - Temporary Assistance to Needy Families (TANF)
  - Supplemental Security Income (SSI)
  - Food Stamps
  - Medicaid
  - Federal Public Housing Assistance (Section 8)
  - Low-Income Home Energy Assistance Plan (LIHEAP)
  - National School Lunch free lunch program
  - Bureau of Indian Affairs Programs*

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.

* Eligible consumers living on tribal lands qualify for Lifeline if they participate in one of the following federal assistance programs: (1) Tribal TANF; (2) National School Lunch Free Lunch Program; or (3) Head Start Subsidy.

Universal Service Support Mechanisms by Program for Florida

2004
(Units are in Thousands)

PROGRAM	PAYMENTS FROM USAC	ESTIMATED CONTRIBUTIONS TO USAC	ESTIMATED NET DOLLAR FLOW
High-Cost	$84,700	$234,271	($149,571)
Low-Income	$18,368	$51,247	($32,879)
Schools & Libraries	$34,205	$94,432	($60,227)
Rural Health Care	$97	$1,260	($1,163)
Administrative Expense	$0	$4,953	($4,953)
TOTAL	**$137,370**	**$386,163**	**($248,793)**

2003
(Units are in Thousands)

PROGRAM	PAYMENTS FROM USAC	ESTIMATED CONTRIBUTIONS TO USAC	ESTIMATED NET DOLLAR FLOW
High-Cost	$79,463	$216,151	($136,668)
Low-Income	$16,663	$47,265	($30,602)
Schools & Libraries	$39,849	$88,871	($49,022)
Rural Health Care	$49	$1,268	($1,219)
Administrative Expense	$0	$4,396	($4,396)
TOTAL	**$136,024**	**$357,951**	**($221,927)**

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)**

Source:
http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-262986A3.pdf (page 38)

Universal Service Support Mechanisms by State - 2004

(Thousands of Dollars)

STATE	PAYMENTS FROM USAC	ESTIMATED CONTRIBUTIONS TO USAC	ESTIMATED NET DOLLAR FLOW
Alabama	128,659	83,254	45,406
Alaska	123,758	18,428	105,331
American Samoa	3,816	109	3,707
Arizona	134,016	110,660	23,356
Arkansas	150,720	48,922	101,798
California	575,753	613,111	(37,357)
Colorado	98,484	107,566	(9,082)
Connecticut	16,998	87,282	(70,284)
Delaware	1,233	21,206	(19,973)
District of Columbia	2,287	28,673	(26,386)
Florida	**137,370**	**386,162**	**(248,791)**
Georgia	179,852	183,011	(3,159)
Guam	11,052	2,717	8,335
Hawaii	15,807	25,247	(9,440)
Idaho	60,700	28,532	32,168
Illinois	102,652	230,376	(127,724)
Indiana	75,579	107,620	(35,041)
Iowa	95,171	54,802	40,370
Kansas	140,381	51,475	88,906
Kentucky	95,026	69,578	25,448
Louisiana	141,462	79,445	62,016
Maine	46,796	26,524	20,272
Maryland	12,208	130,052	(117,844)
Massachusetts	31,465	140,153	(108,688)
Michigan	85,477	169,514	(84,037)
Minnesota	118,075	93,855	24,220
Mississippi	214,558	50,504	164,054
Missouri	112,498	112,122	377
Montana	80,674	20,764	59,910
Nebraska	56,146	33,527	22,619
Nevada	37,195	57,528	(20,333)
New Hampshire	14,165	30,913	(16,748)
New Jersey	45,190	215,211	(170,021)
New Mexico	81,304	38,593	42,711
New York	286,203	376,067	(89,863)
North Carolina	128,756	172,992	(44,236)
North Dakota	61,519	13,004	48,515
Northern Mariana Islands	1,690	991	699
Ohio	111,121	195,484	(84,363)
Oklahoma	159,859	64,602	95,257
Oregon	88,547	71,889	16,659
Pennsylvania	140,657	241,800	(101,143)
Puerto Rico	128,026	42,644	85,381
Rhode Island	12,157	20,543	(8,386)
South Carolina	103,863	83,569	20,295
South Dakota	64,645	14,050	50,594
Tennessee	94,656	109,803	(15,147)
Texas	493,387	376,947	116,440
Utah	33,089	42,330	(9,242)
Vermont	35,667	14,953	20,714
Virgin Islands	24,936	5,058	19,879
Virginia	106,469	172,306	(65,838)
Washington	120,538	126,321	(5,783)
West Virginia	74,715	36,526	38,189
Wisconsin	123,456	96,767	26,689
Wyoming	57,550	12,667	44,883
Total	**5,675,034**	**5,748,747**	**(73,711)***

* Estimated contributions include an administrative cost of approximately $74 million.

Source:
Universal Service Monitoring Report, CC Docket No. 98-202, 2004, Table 1.12, page 1-38
http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/Monitor/mr04-1.pdf

Telephone Subscribership

Percentage of Households Subscribed to Local Telephone Service

	JULY 2001	JULY 2002	JULY 2003	JULY 2004	JULY 2005
FLORIDA	93.2%	93.6%	95.2%	93.3%	93.0%
UNITED STATES	95.1%	95.1%	95.2%	93.8%	94.0%

Lifeline Subscribership

Lifeline Subscribership by Eligible Telecommunications Carriers

As of September 2005

COMPANY NAME	ACCESS LINES SUBSCRIBED TO LIFELINE SERVICE
ALLTEL Florida, Inc.	3,322
ALLTEL Wireless**	13
BellSouth Telecommunications, Inc.	86,408
Frontier Communications of the South, Inc.	120
GTC, Inc. d/b/a GT Com	2,096
ITS Telecommunications Systems, Inc.	26
Knology*	0
Nextel Partners**	1
Northeast Florida Telephone Company d/b/a NEFCOM	630
Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone	657
Smart City Telecommunications LLC d/b/a Smart City Telecom	5
Sprint-Florida, Incorporated	21,537
Sprint PCS**	13
Verizon Florida Inc.	24,433
TOTAL	**139,261**

*Competitive Local Exchange Carrier ** Wireless Carrier

Lifeline Assistance Subscribers in Florida 1998-2003

DATE	LIFELINE ENROLLMENT	ELIGIBLE HOUSEHOLDS	PARTICIPATION RATE
12/2000	134,227	816,278	16.4 %
12/2001	144,610	850,000	17.0 %
12/2002	142,548	819,112	17.4 %
12/2003	148,905	819,112	18.0 %
9/2004	154,017	1,100,000	14.0 %
9/2005	139,261	1,122,593	12.4 %

Sources:
Federal Communications Commission's *Telephone Subscribership Reports*
http://www.hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-262084A1.pdf

PSC's *Number of Customers Subscribing to Lifeline Service and the Effectiveness of Any Procedures to Promote Participation, December 2005*
http://www.psc.state.fl.us/general/publications/reports/tele-lifelinereport2005.pdf

Lifeline Activities

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.

- In 2003, Sprint Florida, Inc. and Verizon Florida, Inc. filed tariffs to include an income-based criterion of 125% of the federal poverty guidelines (FPG) similar to a tariff BellSouth filed in 2001.

DCF Lifeline

- Effective April 21, 2003, the Department of Children and Families (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.

- In 2004 the FPSC ordered that $1,589,368 be used jointly by the Office of Public Counsel and BellSouth Telecommunications, Inc. (BellSouth) to promote Lifeline and Link-Up.

- In 2005, a law was passed that increased the income-based criterion from 125% to 135% of the FPGs.*

- In 2005, BellSouth, Sprint, and Verizon added the National School Lunch free lunch program as an additional eligibility criterion.

- In February 2005, the Commission approved settlement agreement proposals filed by BellSouth, Sprint, and Verizon implementing a simplified Lifeline and Link-Up certification process. The new process allows eligible Lifeline and Link-Up customers to enroll in the programs by simply signing a document certifying that they participate in one of the Florida Lifeline and Link-Up qualifying programs.

*This criterion currently applies to local exchange companies who have received Florida PSC approval to reduce their switched access rate pursuant to Chapter 364.164, Florida Statutes.

Source:
Florida Public Service Commission

Rates Charged by Florida ILECs for Basic Local Service*

ILEC	RESIDENTIAL	BUSINESS
ALLTEL Florida, Inc.	$11.35	$28.37
BellSouth Telecommunications, Inc.	$12.45	$30.20
Frontier Communications of the South, Inc.	$10.95	$27.25
GTC, Inc. d/b/a GT Com	$9.62	$25.27
ITS Telecommunications Systems, Inc.	$9.21	$21.64
Northeast Florida Telephone Company d/b/a NEFCOM	$9.00	$24.40
Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone	$12.95	$35.00
Smart City Telecommunications LLC d/b/a Smart City Telecom	$11.47	$25.56
Sprint-Florida, Incorporated	$14.60	$28.35
Verizon Florida Inc.	$13.90	$31.00

*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 as of 2/27/06.

Switched Access Charges

Intrastate vs. Interstate Rate Comparison*

COMPANY	NOVEMBER 2005 INTRASTATE RATE	NOVEMBER 2005 INTERSTATE RATE
ALLTEL Florida, Inc.	$0.1132	$0.0177
BellSouth Telecommunications, Inc.	$0.0347	$0.0102
Frontier Communications of the South, Inc.	$0.1040	$0.0119
GT Com (Florala)	$0.1320	$0.0230
GT Com (Gulf)	$0.1214	$0.0266
GT Com (St. Joseph)	$0.1306	$0.0230
ITS Telecommunications Systems, Inc.	$0.1128	$0.0195
Northeast Florida Telephone Company, Inc.	$0.1126	$0.0160
Smart City Telecom	$0.1320	$0.0136
Sprint-Florida, Incorporated	$0.0725	$0.0140
TDS Telecom/Quincy Telephone	$0.1276	$0.0175
Verizon Florida Incorporated	$0.0824	$0.0147

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

Sources:
Review of Tariffs

PSC's *Florida Access and Toll Report, November 2005*

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

AT&T as of (7/01/05)

MILEAGE	FIRST MINUTE	ADDITIONAL MINUTE	5 MINUTE CALL
0-10	$ 0.35	$ 0.35	$ 1.75
11-22	$ 0.35	$ 0.35	$ 1.75
23-55	$ 0.35	$ 0.35	$ 1.75
56-124	$ 0.35	$ 0.35	$ 1.75
125-292	$ 0.35	$ 0.35	$ 1.75
293-430	$ 0.35	$ 0.35	$ 1.75
431-624	$ 0.35	$ 0.35	$ 1.75

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

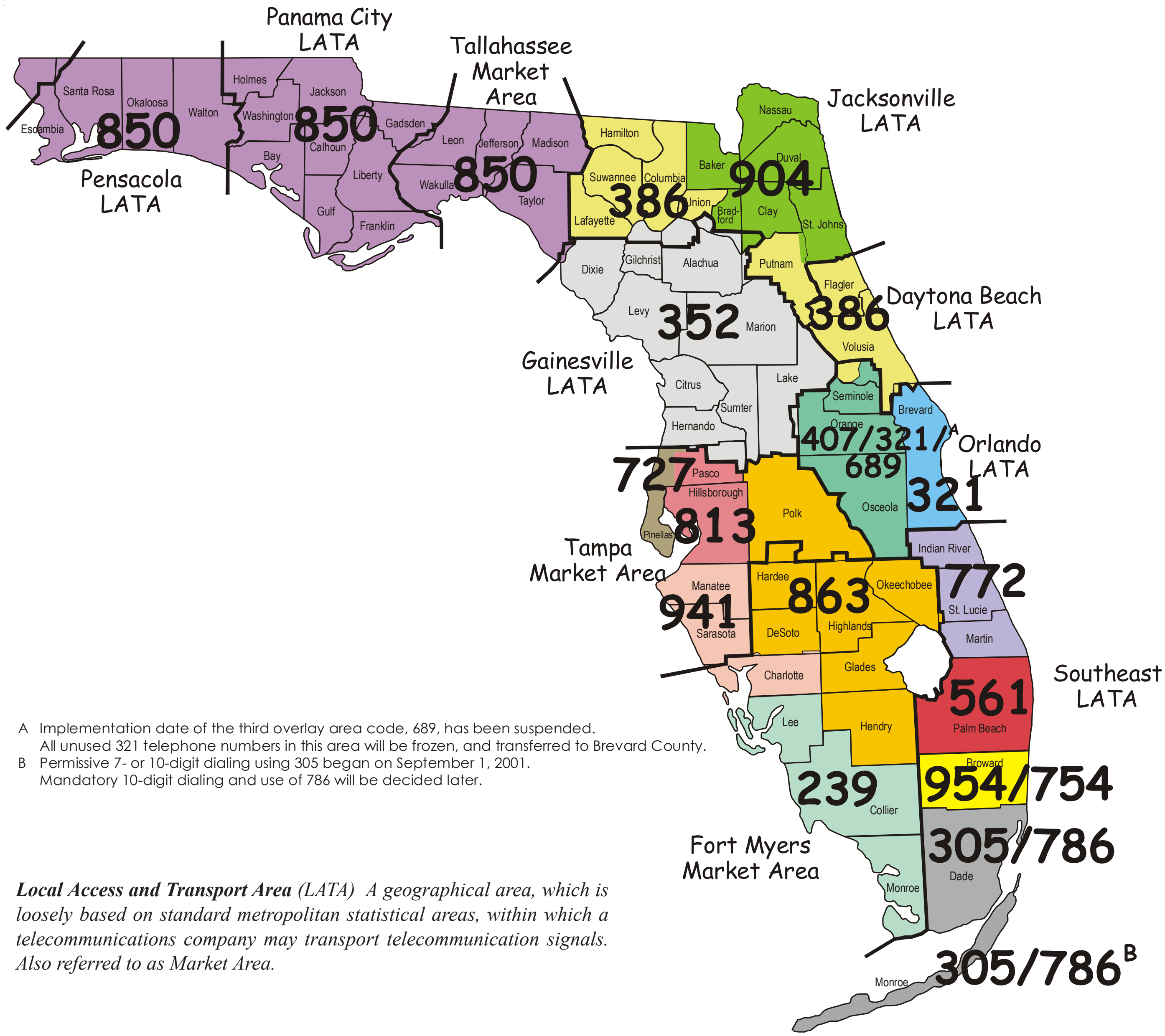
Sprint as of (11/01/05)

MILEAGE	FIRST MINUTE	ADDITIONAL MINUTE	5 MINUTE CALL
0-10	$ 0.26	$ 0.26	$ 1.30
11-22	$ 0.26	$ 0.26	$ 1.30
23-55	$ 0.27	$ 0.27	$ 1.35
56-124	$ 0.28	$ 0.28	$ 1.40
125-292	$ 0.29	$ 0.29	$ 1.45
293-430	$ 0.30	$ 0.30	$ 1.50
431+	$ 0.31	$ 0.31	$ 1.55

* 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, November 2005*

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.

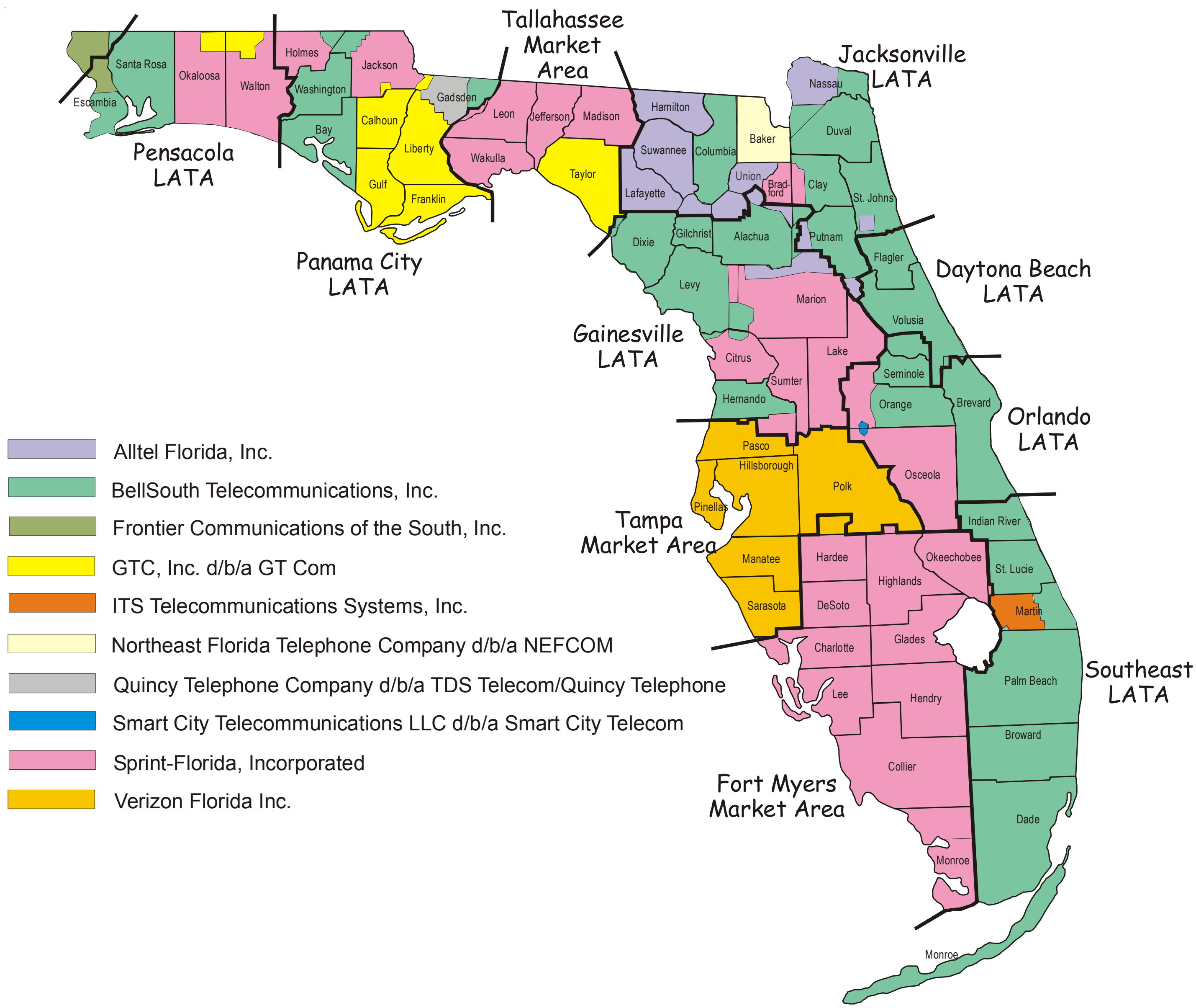
Local Access and Transport Area *(LATA) A geographical area, which is loosely based on standard metropolitan statistical areas, within which a telecommunications company may transport telecommunication signals. Also referred to as Market Area.*

Service areas are approximations.
Information on this map should be used only as a general guideline.

Source:
Florida Public Service Commission

Approximate Company Service Areas

Incumbent Local Exchange Telephone Companies
(ILECs)



Service areas are approximations.
Information on this map should be used only as a general guideline.
For more detailed information, contact individual utilities.

Source:
Florida Public Service Commission

Regulatory Authority

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

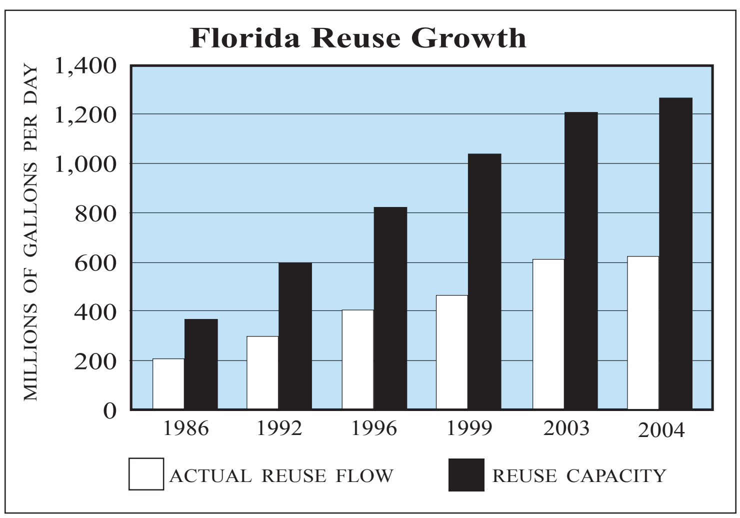
- 181 investor-owned water and wastewater utilities in 36 of 67 counties as of January 1, 2006.

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 1.87 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.

Reuse of Reclaimed Water

- Reuse has become an integral part of wastewater management, water resource management, and ecosystem management in Florida.
- Approximately 637 million gallons per day (mgd) of reclaimed water was reused for beneficial purposes in 2004.
- The total reuse capacity of Florida's domestic wastewater treatment facilities has gone from 362 mgd in 1986 to 1,273 mgd in 2004, which amounts to an increase of 252 percent. The current reuse capacity represents about 56 percent of the total permitted domestic wastewater treatment capacity in Florida.



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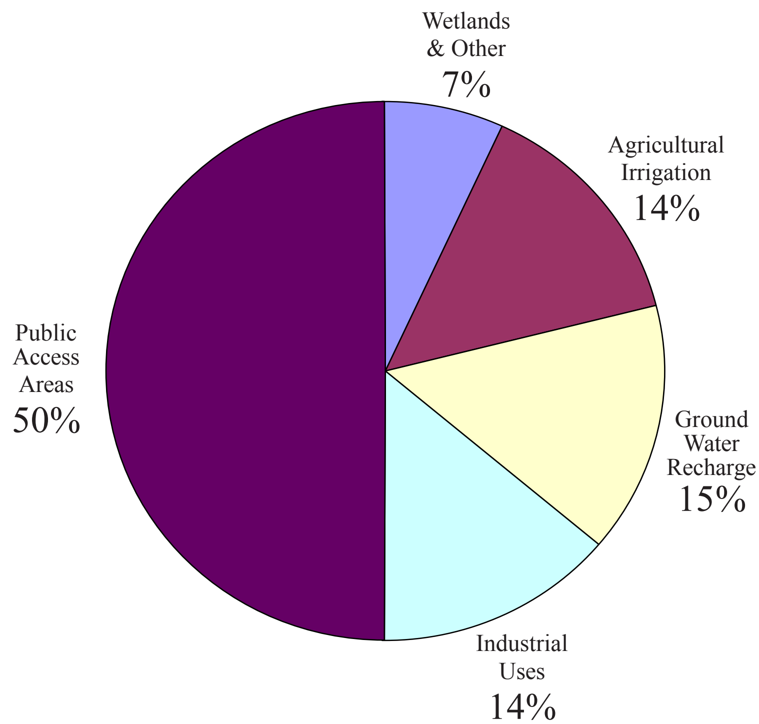
Sources:
U.S., Department of Interior, Geological Survey, Water Use Data Tables 2000
http://fl.water.usgs.gov

2005 Florida Statistical Abstract

Florida Department of Environmental Protection
http://www.dep.state.fl.us/water/reuse/facts.htm

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.

Source:
Florida Department of Environmental Protection
http://www.dep.state.fl.us/water/reuse/facts.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.

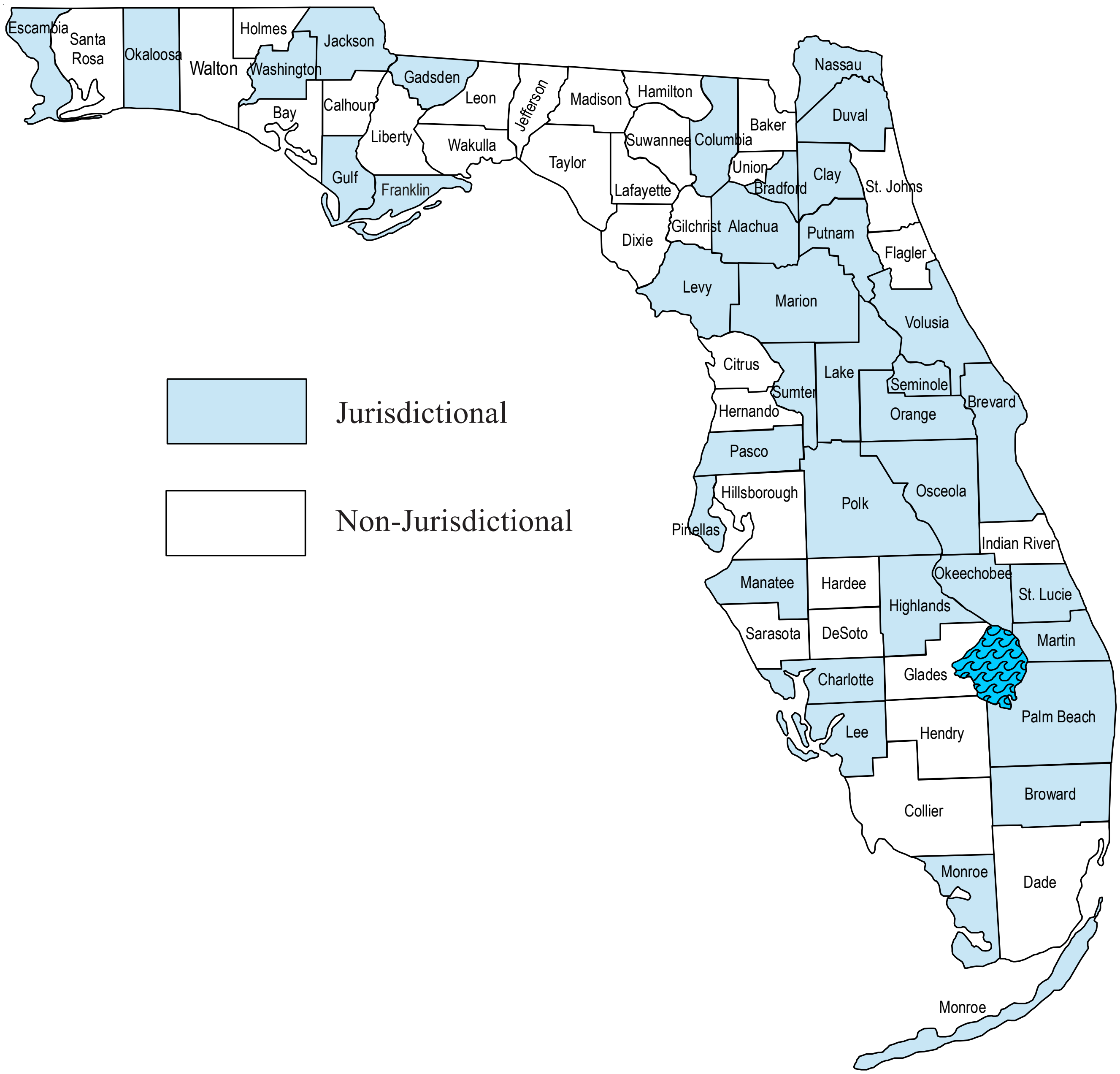
◆ The cap is normally between 6,000 and 10,000 gallons. (Any water consumption over that amount is generally considered to be used for purposes such as irrigation.)

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, 2004" report, which is available on-line at http://www.psc.state.fl.us/general/publications/comprate/2004_water.pdf.

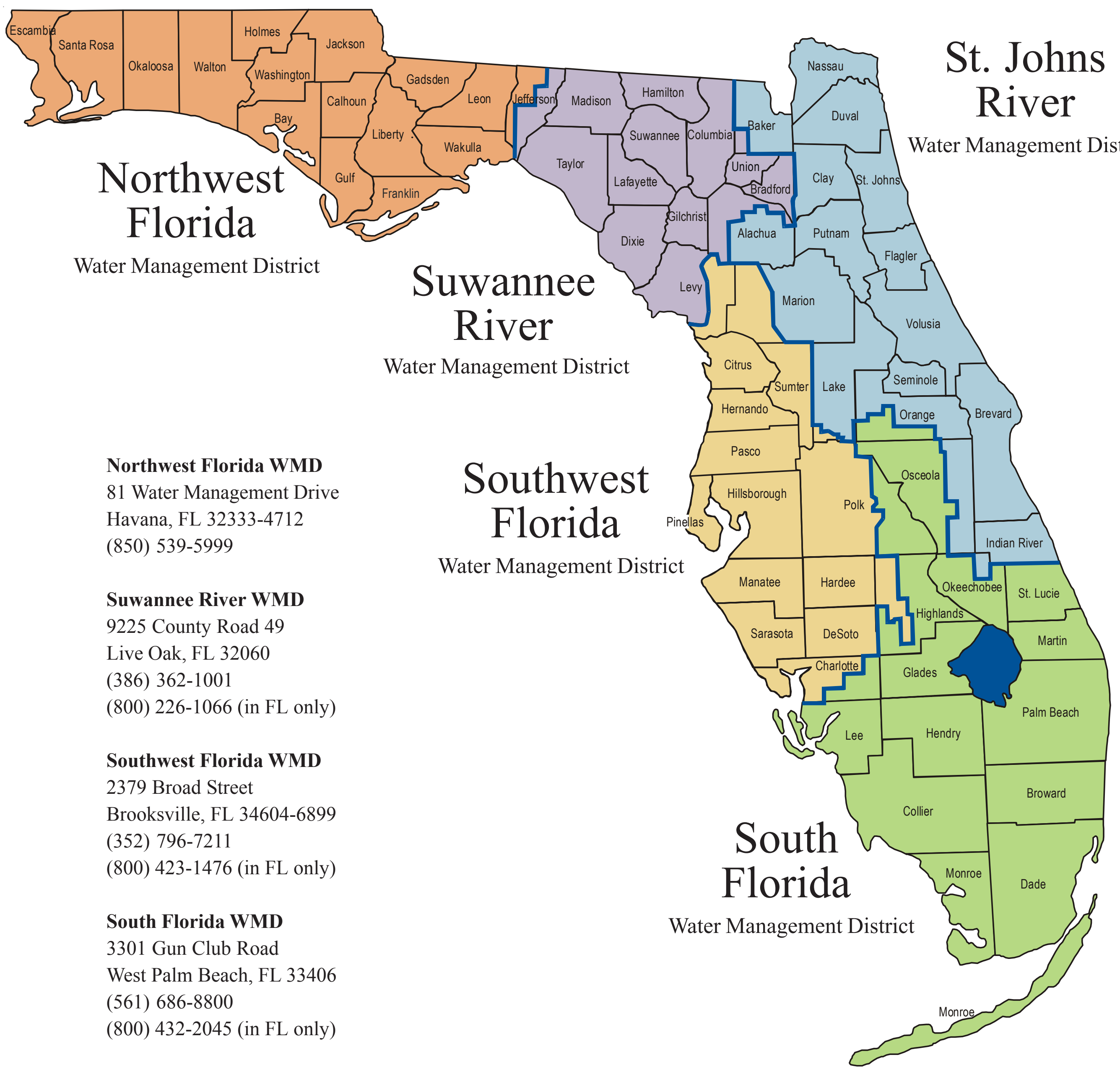
WATER & WASTEWATER

36 Jurisdictional Counties



Source:
Florida Public Service Commission

Florida's Five Water Management Districts



Northwest Florida WMD
81 Water Management Drive
Havana, FL 32333-4712
(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 33406
(561) 686-8800
(800) 432-2045 (in FL only)

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

Source:
Florida Department of Environmental Protection
www.dep.state.fl.us/secretary/watman/default.htm