MARCH 2008

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, Telecommunications, 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.

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ELECTRIC

NATURAL GAS

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TELECOMMUNICATIONS

WATER AND WASTEWATER

Regulatory Authority

Pursuant to Chapter 366, Florida Statutes, as of June 30, 2007, the Florida Public Service Commission (FPSC) has regulatory authority over:

- 5 investor-owned electric companies
  (all aspects of operations, including safety)
- 34 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, 2007

- 53,503 Megawatts (Summer)
- 57,224 Megawatts (Winter - higher due to thermo-dynamics/cooling water)

Transmission Capability for Peninsular Florida

- Import - 3,600 Megawatts (Summer)
  3,700 Megawatts (Winter)
- Export - 1,500 Megawatts (Summer)
  2,000 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.

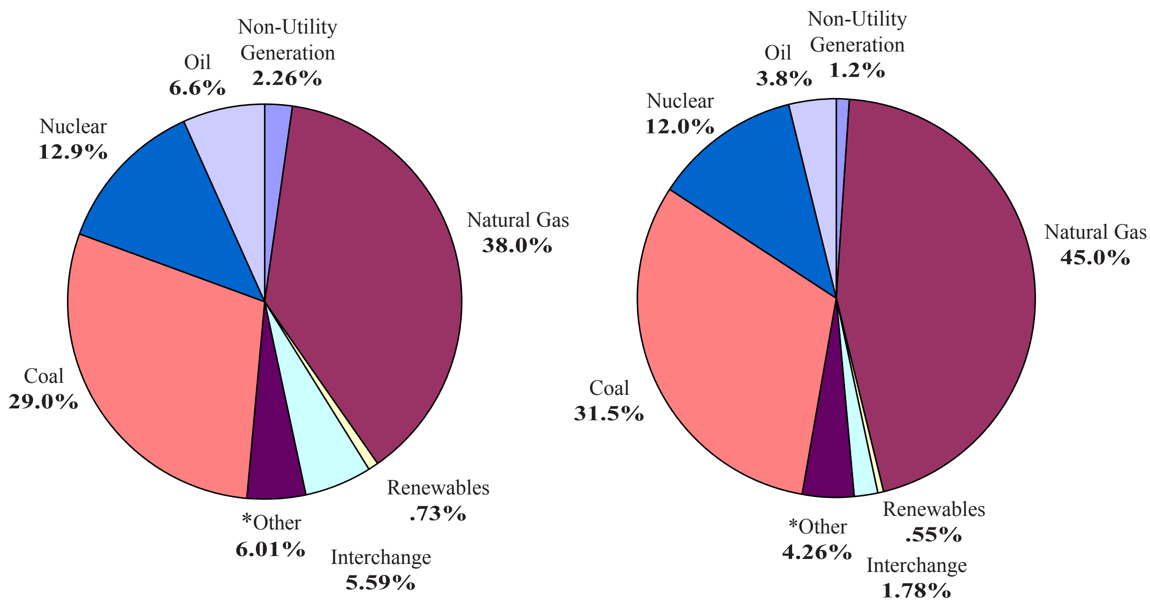
Cooperatively Owned - A joint venture organized for the purpose of supplying electric energy to a specified area. Such ventures are generally exempt from the federal income tax laws. Most cooperatives have been financed by the Rural Electrification Association.

Investor-Owned Electric Systems

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

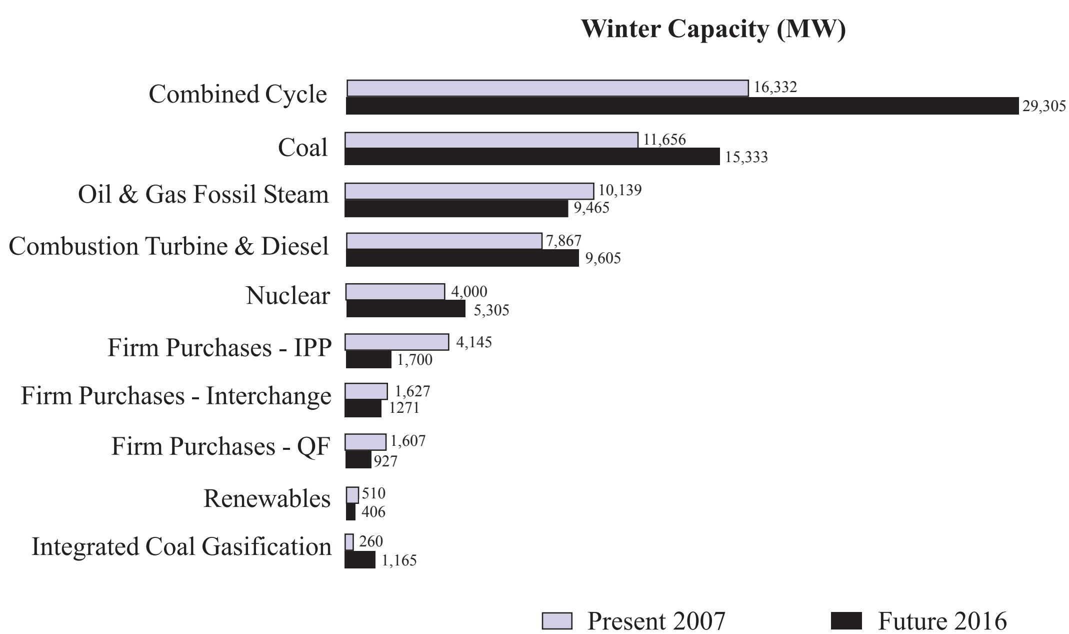
Energy Generation by Fuel Type in Florida

2006 (Actual) | **2016** (Forecast)



* Other *includes Petcoke and Hydro*

Electric Utility Capacity Mix

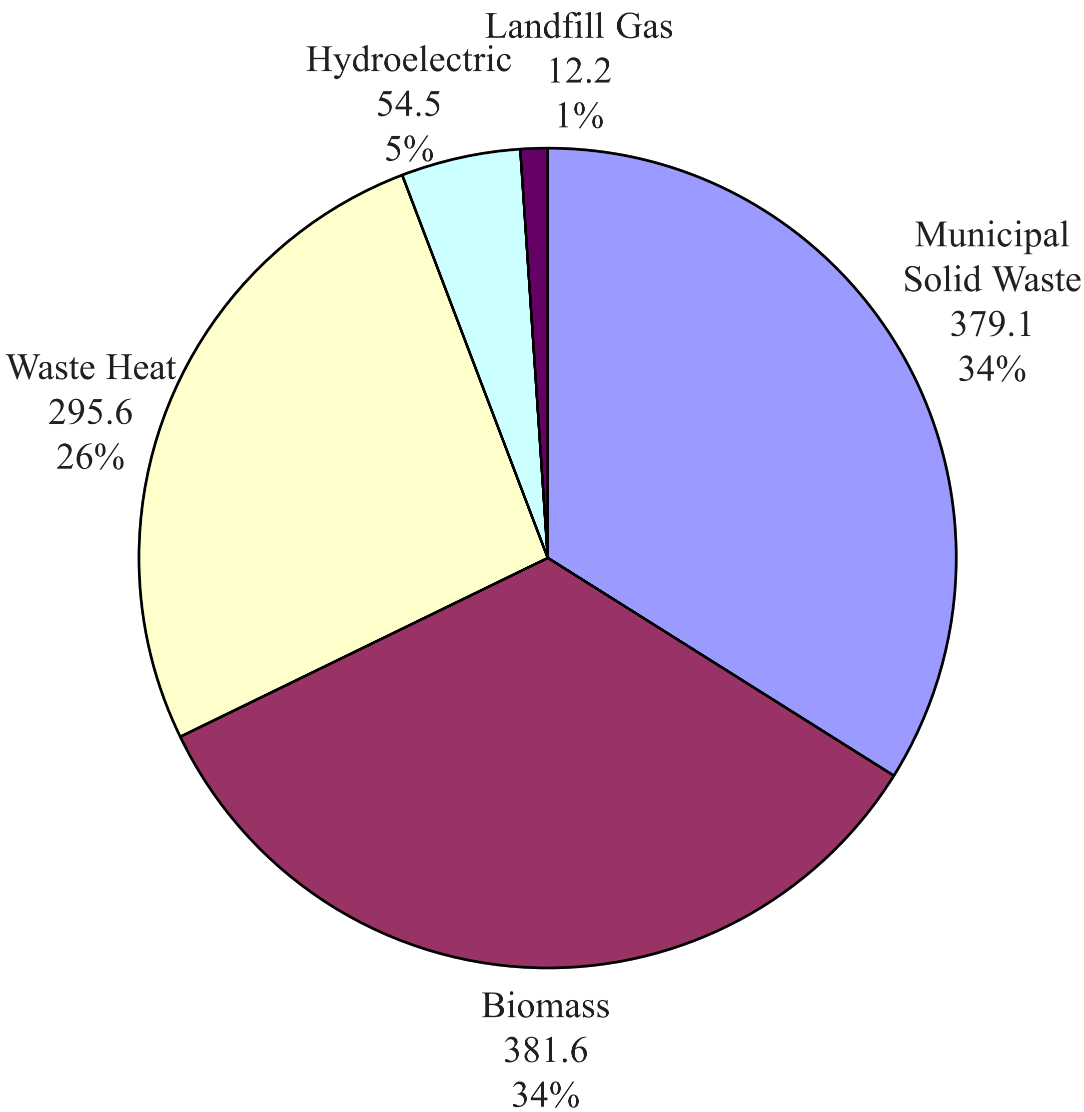


Sources:

Florida Reliability Coordinating Council 2007 Load & Resource Plan, July 2007

2007 Ten-Year Site Plans filed by generating utilities
http://www.psc.state.fl.us/publications/pdf/electricgas/tysp2007.pdf

Florida's Renewable Capacity - 2006
(1,123 megawatts)



Total Florida Renewable Capacity: 1,123 MW
Total Florida Electric Generation Capacity: 53,503 MW (Summer)

Biomass: Material collected from wood processing, foresting, urban wood waste and agricultural waste.
Landfill Gas: Methane collected from landfills.
Waste Heat: Collected in processing phosphate into fertilizer and other products.

Source: FPSC, *Review of 2007 Ten-Year Site Plans for Florida's Electric Utilities,* December 2007
http://www.psc.state.fl.us/publications/pdf/electricgas/tysp2007.pdf

Average Number of Customers

by Class of Service by Investor-Owned Utility

2007 Average Projected

UTILITY	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	TOTAL
Florida Power & Light	3,990,266	485,886	18,706	4,494,858
Progress Energy Florida	1,452,431	167,150	2,701	1,622,282
Tampa Electric Company	589,307	71,900	1,441	662,648
Gulf Power Company	371,949	55, 016	319	427,284
Florida Public Utilities Company*	23,464	3,412	722	27,598
TOTAL	**6,427,417**	**783,364**	**23,889**	**7,234,670**

**Reflects 2006 data. Florida Public Utilities is a non-generating utility which is not required to file a Ten Year Site Plan.*

Sources:
2007 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, 2007

UTILITY	MINIMUM BILL OR CUSTOMER CHARGE	1,000 KILOWATT HOURS
Florida Power & Light	$5.34	$100.80
Progress Energy Florida	$8.03	$107.58
Tampa Electric Company	$8.50	$111.68
Gulf Power Company	$10.00	$99.41
Florida Public Utilities		
Northwest	$10.59	$79.20
Northeast	$10.59	$89.27

Commercial/Industrial Service Provided by Investor-Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2007

UTILITY	400,000 KILOWATT HOURS 1,000 KW DEMAND
Florida Power & Light	$35,789
Progress Energy Florida	$35,401
Tampa Electric Company	$36,313
Gulf Power Company	$30,229
Florida Public Utilities	
Marianna Division	$23,403
Fernandina Beach	$27,819

*Excludes local taxes, franchise fees, and gross receipts taxes that are billed as a separate line item. Includes cost recovery clause factors effective December 2007.

Source:
Review of tariffs

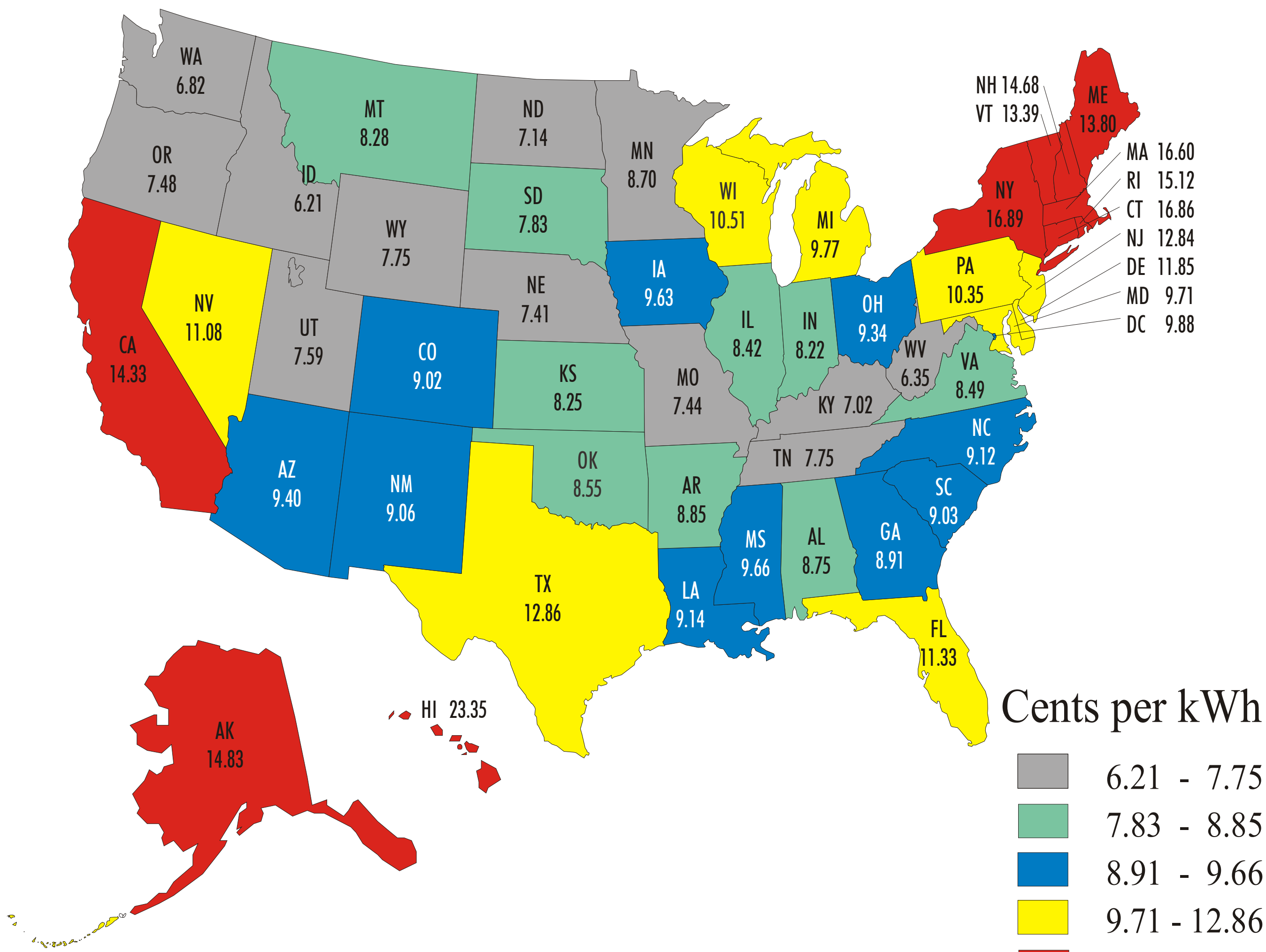
Utility Rate Comparison by State - 2006 - 2007

(Cents per Kilowatt-Hour)

CENSUS DIVISION AND STATE	RESIDENTIAL 2007	RESIDENTIAL 2006	COMMERCIAL 2007	COMMERCIAL 2006	INDUSTRIAL 2007	INDUSTRIAL 2006	TRANSPORTATION 2007	TRANSPORTATION 2006	ALL SECTORS 2007	ALL SECTORS 2006
New England	**16.55**	**15.96**	**14.69**	**14.54**	**12.46**	**11.54**	**8.69**	**11.89**	**14.95**	**14.49**
CT	18.76	16.75	15.31	13.93	12.69	11.60	13.87	14.33	16.21	14.71
ME	15.14	13.78	13.12	12.39	10.60	8.66	-	-	13.17	11.73
MA	16.43	16.60	15.17	15.62	13.61	13.05	-	-	15.29	15.48
NH	14.88	14.69	13.88	14.08	12.53	11.62	-	-	14.02	13.85
RI	13.96	15.19	12.76	13.58	12.29	12.53	-	-	13.16	14.04
VT	14.15	13.41	12.27	11.67	8.76	8.35	-	-	11.99	11.37
Middle Atlantic	**14.07**	**13.43**	**13.17**	**12.76**	**8.07**	**7.77**	**12.13**	**10.86**	**12.48**	**11.97**
NJ	14.48	12.88	13.27	11.68	11.17	10.42	12.32	9.66	13.45	11.92
NY	17.09	16.99	15.46	15.58	9.80	9.40	13.34	11.98	15.38	15.34
PA	11.00	10.38	9.21	8.99	6.88	6.63	7.81	7.42	9.09	8.69
East North Central	**9.80**	**9.19**	**8.66**	**8.17**	**5.79**	**5.36**	**7.27**	**6.12**	**8.00**	**7.47**
IL	10.44	8.51	9.17	7.99	5.98	4.68	6.9	5.64	8.56	7.1
IN	8.16	8.27	7.18	7.23	4.98	4.97	10.10	9.64	6.49	6.48
MI	10.28	9.78	8.96	8.51	6.45	6.04	10.86	9.94	8.61	8.13
OH	9.58	9.43	8.65	8.46	5.77	5.61	10.00	10.13	7.91	7.74
WI	10.74	10.52	8.63	8.39	6.17	5.86	-	-	8.41	8.13
West North Central	**8.28**	**8.20**	**6.77**	**6.67**	**5.10**	**4.97**	**7.13**	**7.00**	**6.81**	**6.69**
IA	9.40	9.72	7.1	7.36	4.79	4.96	NM	7.05	6.84	7.06
KS	8.34	8.35	6.96	7.04	5.20	5.26	-	-	6.94	6.97
MI	9.02	8.74	7.39	7.05	5.70	5.29	8.23	8.02	7.36	7.01
MO	7.65	7.53	6.31	6.14	4.77	4.62	5.98	5.85	6.54	6.37
NE	7.62	7.49	6.32	6.22	4.73	4.56	-	-	6.25	6.10
ND	7.32	7.22	6.53	6.35	5.26	5.00	-	-	6.42	6.25
SD	8.05	7.88	6.56	6.50	5.08	4.83	-	-	6.85	6.72
South Atlantic	**10.02**	**9.79**	**8.64**	**8.46**	**5.65**	**5.46**	**9.42**	**8.53**	**8.66**	**8.43**
DE	13.19	11.76	11.22	10.15	8.84	7.61	-	-	11.34	10.07
DC	11.14	9.88	12.33	11.07	10.16	17.51	11.56	10.59	12.06	11.01
FL	**11.21**	**11.34**	**9.69**	**9.91**	**7.78**	**7.73**	**9.76**	**10.32**	**10.31**	**10.46**
GA	9.13	8.99	8.05	7.84	5.50	5.40	6.46	6.16	7.84	7.67
MD	11.67	9.69	11.52	10.52	9.36	8.12	10.05	8.33	11.37	9.92
NC	9.37	9.14	7.42	7.17	5.44	5.24	-	-	7.80	7.54
SC	9.19	9.04	7.74	7.61	4.85	4.71	-	-	7.17	6.98
VA	8.77	8.55	6.39	6.23	4.98	4.70	6.70	6.82	7.11	6.88
WV	6.63	6.37	5.78	5.59	3.89	3.71	6.33	5.72	5.25	5.03
East South Central	**8.29**	**8.20**	**8.00**	**7.92**	**5.12**	**4.82**	**-**	**-**	**6.99**	**6.80**
AL	9.26	8.81	8.70	8.19	5.29	4.93	-	-	7.54	7.11
KY	7.17	7.03	6.63	6.43	4.50	4.04	-	-	5.77	5.42
MS	9.41	9.75	8.94	9.44	5.86	5.98	-	-	8.09	8.41
TN	7.77	7.77	7.96	7.99	5.39	5.17	-	-	7.08	6.98
West South Central	**11.24**	**11.57**	**9.38**	**9.30**	**7.08**	**7.19**	**8.63**	**8.64**	**9.39**	**9.48**
AR	8.75	8.88	6.89	6.96	5.21	5.24	-	-	6.93	7.00
LA	9.39	9.19	9.16	9.06	6.76	6.95	-	-	8.41	8.37
OK	8.65	8.74	7.33	7.47	5.39	5.54	-	-	7.32	7.44
TX	12.45	12.93	10.01	9.89	7.80	7.82	8.39	8.41	10.30	10.39
Mountain	**9.33**	**9.04**	**7.77**	**7.61**	**5.73**	**5.53**	**7.56**	**7.83**	**7.74**	**7.5**
AZ	9.72	9.46	8.29	8.04	6.09	5.69	-	-	8.59	8.28
CO	9.20	9.08	7.62	7.55	5.90	5.92	7.16	7.79	7.73	7.65
ID	6.36	6.28	5.13	5.20	3.90	3.63	-	-	5.05	4.94
MT	8.74	8.29	7.97	7.45	5.69	5.08	-	-	7.50	6.88
NV	11.78	11.07	10.09	10.11	8.34	8.07	10.01	9.97	10.01	9.64
NM	9.04	9.10	7.63	7.62	5.56	5.60	-	-	7.39	7.38
UT	8.20	7.62	6.59	6.18	4.60	4.27	7.45	7.25	6.47	6.03
WY	7.77	7.78	6.22	6.29	4.10	4.03	-	-	5.27	5.26
Pacific Contiguous	**11.81**	11.65	**11.26**	**11.31**	**7.95**	**7.87**	**7.87**	**6.22**	**10.77**	**10.66**
CA	14.38	14.32	12.89	13.02	10.01	10.17	7.90	6.21	12.84	12.88
OR	8.10	7.47	7.24	6.77	4.97	4.83	6.69	6.43	6.97	6.51
WA	7.21	6.78	6.53	6.61	NM	4.37	5.77	5.96	6.38	6.08
Pacific Noncontiguous	**20.33**	**20.06**	**17.29**	**17.26**	**16.54**	**16.48**	**-**	**-**	**18.01**	**17.90**
AK	15.08	14.80	11.90	11.91	12.28	11.42	-	-	13.04	12.79
HA	23.75	23.48	21.59	21.56	18.04	18.09	-	-	20.94	20.86
U.S. Total	**10.66**	**10.45**	**9.69**	**9.49**	**6.37**	**6.18**	**10.43**	**9.54**	**9.16**	**8.93**

Source:
Energy Information Administration
http://www.eia.doe.gov/cneaf/electricity/epm/table5_6_b.html

Average Residential Price of Electricity by State - 2006
(Average All Residential Sales = 10.40 cents)



Note: The average revenue per kilowatt-hour of electricity sold is calculated by dividing revenue by sales.
Source: Energy Information Administration, Form E1A-861, "Annual Electric Power Industry Report"
http://www.eia.doe.gov/cneaf/electricity/epa/fig7p5.html

Florida Power & Light and Progress Energy currently store approximately 2,500 metric tons of radioactive waste called "spent nuclear fuel" in water-filled pools inside containment structures at plant sites. As these pools become filled to capacity over the next five years, some of the spent fuel will be removed and placed in steel and concrete storage containers (dry casks) onsite.

Federal law requires the U.S. Department of Energy (DOE) to store and ultimately dispose of spent nuclear fuel and high-level radioactive waste in a geologic repository. Since 1983, Florida ratepayers have paid $754.8 million ($1.2 billion with interest) into the federal nuclear waste fund established to cover the cost of transporting and storing spent fuel.

DOE was to being removing spent fuel from commercial nuclear power plants in 1998, however, to date no spent fuel has been moved. Removal of spent fuel is not expected to occur until 2020 because DOE must first apply for and receive a construction permit from the Nuclear Regulatory Commission to construct the repository at Yucca Mountain, Nevada.

The PSC is working to achieve the removal of spent nuclear fuel from plant sites in Florida for permanent disposal in a geologic repository in accordance with the Nuclear Waste Policy Act.

Florida Nuclear Power Reactors
January 1, 2008

Reactor	Location	Utility	Metric Tons in Spent Fuel Pool	Dry Cask Storage to Begin	NRC Licnese Expires
Crystal River 3	7 miles Northwest of Crystal River	Progress	475	2012	2016[1]
St. Lucie 1	12 miles Southeast of Ft. Pierce	FPL	603	2008	2036
St. Lucie 2		FPL	458	2009	2043
Turkey Pt 3	25 miles South of Miami	FPL	515	2011	2032
Turkey Pt 4		FPL	502	2011	2033

Proposed New Nuclear Power Reactors

Reactor	Location	Utility	PSC Need Determination	Estimated In-Service Date
Turkey Point 6 Turkey Point 7	25 miles South of Miami	FPL	Filed 2007 Dkt. 070650	2018 - 2020
Levy County	8 miles North of Crystal River Energy Complex	Progress	Expect to File in March 2008	2016

[1] Progress Energy plans to apply with NRC for license renewal during the first quarter of 2009.
Source: http://www.nrc.gov, Progress Energy and Florida Power & Light.

Nuclear Waste Fund Ratepayer Payments by State Through 6-30-07

(Millions of Dollars)

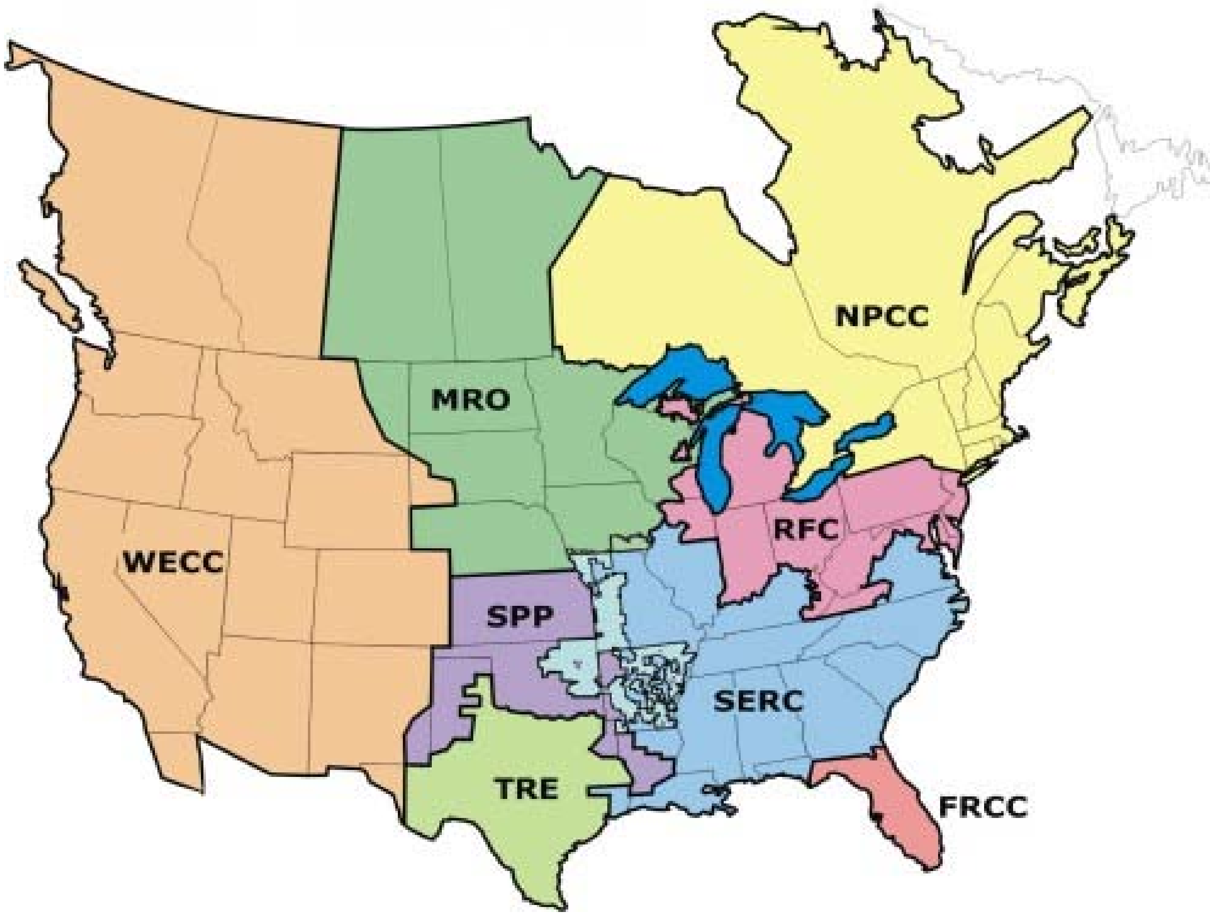
STATE	PAYMENTS (1 mill/kwh, One Time + Int)	RETURN ON INVESTMENTS	TOTAL (Pay + Return)	DEBT*	FUND ASSETS** (Total + Debt)
AL	477.5	307.2	784.7	0.0	784.7
AR	302.6	194.6	497.2	167.8	665.0
AZ	225.2	144.9	370.1	0.0	370.1
CA	896.0	576.4	1,472.4	0.0	1,472.4
CO	0.2	0.1	0.3	0.0	0.3
CT	257.8	165.8	423.6	343.0	766.6
DE	40.2	25.9	66.1	0.0	66.1
FL	**754.8**	**485.5**	**1,240.3**	**0.0**	**1,240.3**
GA	586.0	376.9	962.9	0.0	962.9
IA	217.2	139.7	356.9	43.3	400.2
IL	1587.1	1,020.9	2,608.0	930.7	3,538.7
IN	216.5	139.3	355.8	220.0	575.8
KS	115.3	74.2	189.5	0	189.5
KY	126.8	81.6	208.4	0	208.4
LA	274.2	176.4	450.6	0	450.6
MA	309.2	198.9	508.1	156.3	664.4
MD	343.5	221.0	564.5	0	564.5
ME	47.2	30.4	77.6	111.8	189.4
MI	262.8	169.0	431.8	189.5	621.3
MN	286.3	184.2	470.5	0	470.5
MO	216.9	139.5	356.4	5.1	361.5
MS	141.7	91.1	232.8	0	232.8
NC	1,340.5	862.3	2.202.8	0	2,202.8
ND	15.9	10.2	26.1	0	2601
NE	168.8	108.6	277.4	0	277.4
NH	68.7	44.2	112.9	22.8	135.7
NJ	624.5	401.7	1,026.2	188.2	1,214.4
NM	65.5	42.1	107.6	0	107.6
NY	717.5	461.5	1,179.0	483.5	1,662.5
OH	392.2	252.3	644.5	31.2	675.7
OR	75.1	48.3	123.4	0	123.4
PA	1,173.2	754.7	1,927.9	63.6	1,991.5
RI	4.7	3.0	7.7	5.8	13.5
SC	600.6	386.3	986.9	0	986.9
SD	5.7	3.7	9.4	0	9.4
TN	468.4	301.3	769.7	0	769.7
TX	652.7	419.9	1,072.6	0	1,072.6
VA	616.2	396.4	1,012.6	0	1,012.6
VT	87.8	56.5	144.3	135.5	279.8
WA	145.5	93.6	239.1	0	239.1
WI	383.6	246.8	630.4	0	630.4
Subtotal	15,292.1	9,836.9	25,129.0	3,098.1	28,287.1
Federal	19.8	12.7	32.5	0	32.5
Industry	16.8	10.8	27.6	0	27.6
TOTAL	15,328.7	9,860.4	25,189.1	3,098.1	28,287.2

* 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/rep607.pdf

Reliability Councils

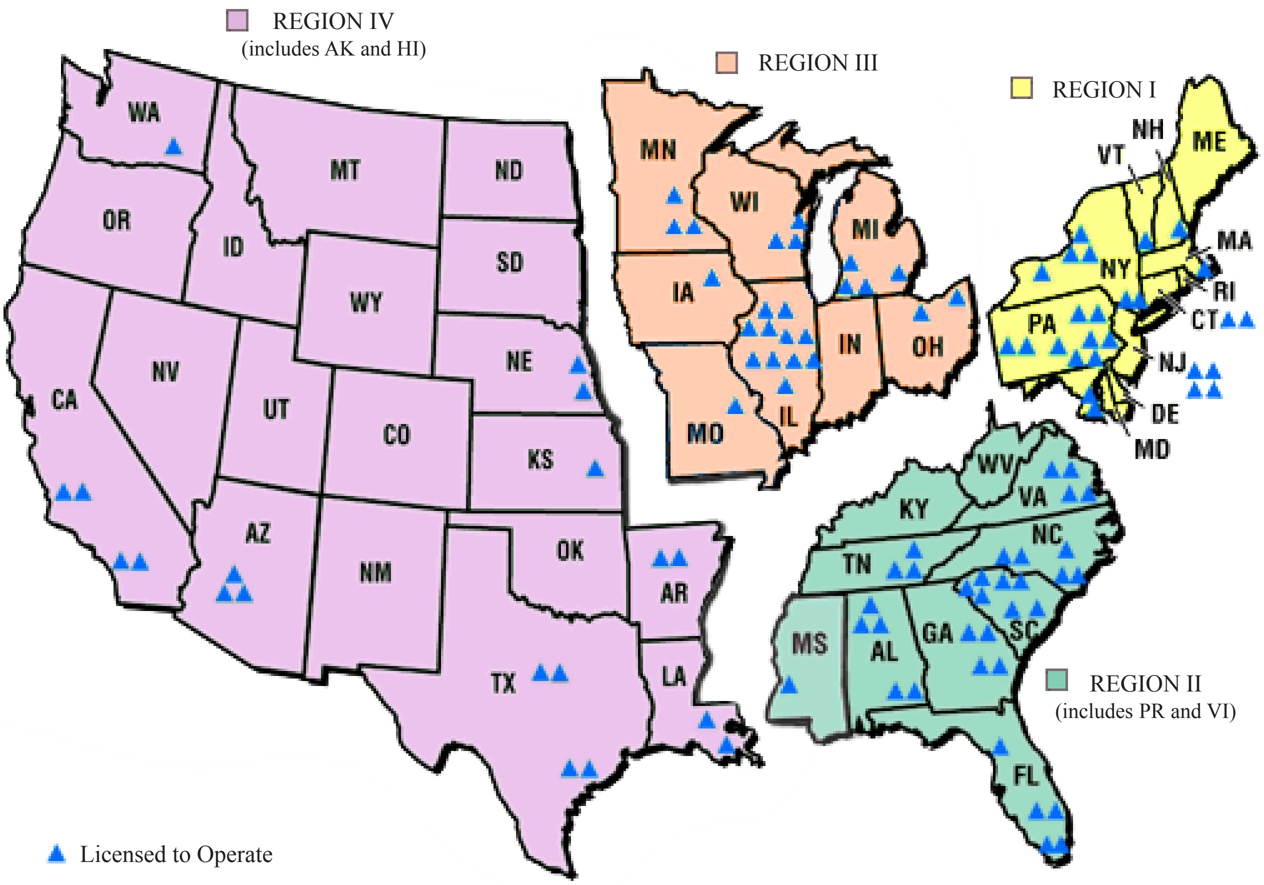
North American Electric Reliability Council (NERC) is a not-for-profit corporation whose members are eight Regional Reliability Councils.



FRCC	Florida Reliability Coordinating Council
MRO	Midwest Reliability Organization
NPCC	Northeast Power Coordinating Council
RFC	Reliability First Corporation
SERC	Southeastern Electric Reliability Council
SPP	Southwest Power Pool
TRE	Texas Regional Entity
WECC	Western Electricity Coordinating Council

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

Locations of
Operating Nuclear Power Reactors

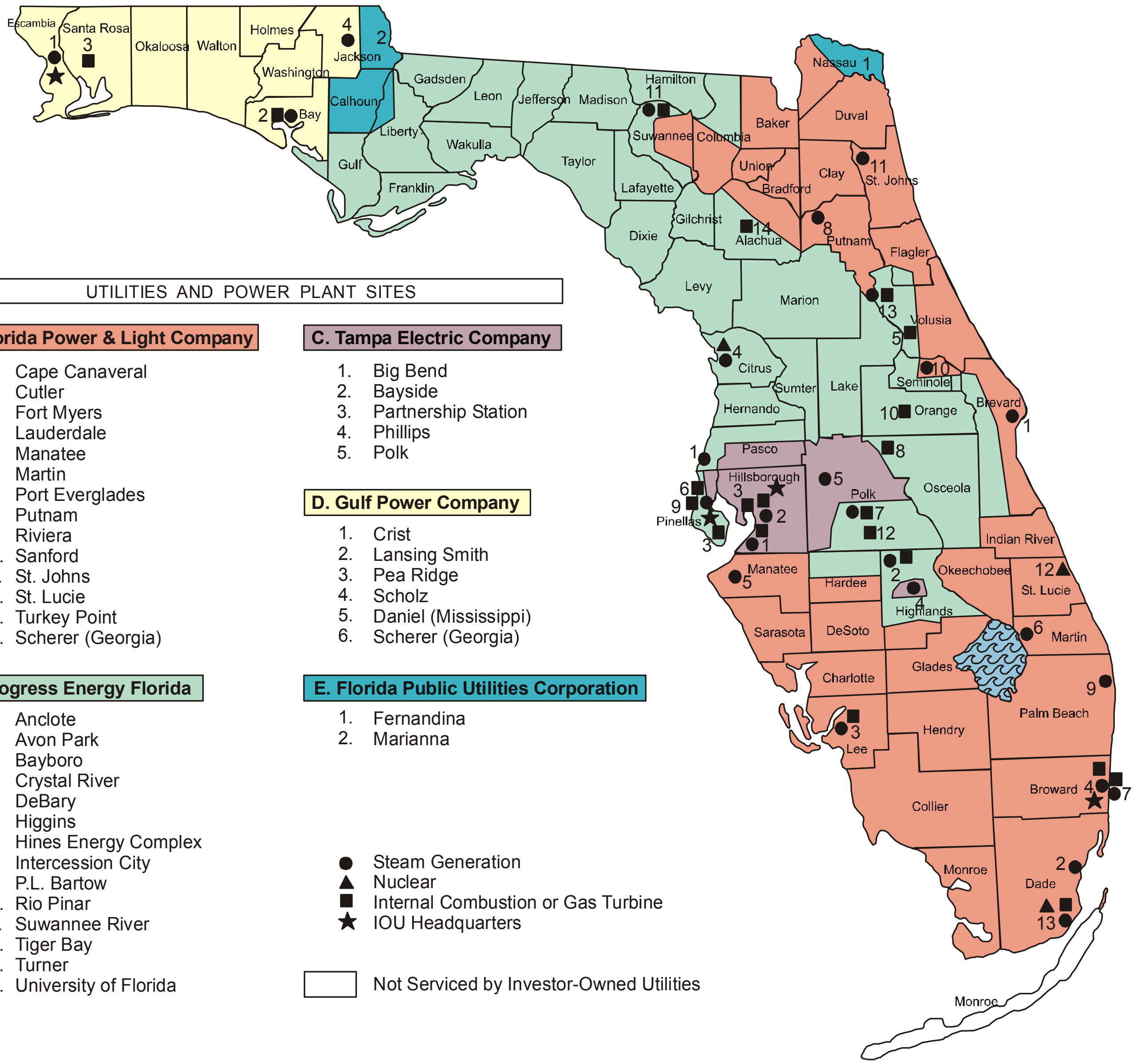


Note: There are no commercial reactors in Alaska or Hawaii.

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
3. Bayboro
4. Crystal River
5. DeBary
6. Higgins
7. Hines Energy Complex
8. Intercession City
9. P.L. Bartow
10. Rio Pinar
11. Suwannee River
12. Tiger Bay
13. Turner
14. University of Florida

C. Tampa Electric Company

1. Big Bend
2. Bayside
3. Partnership Station
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

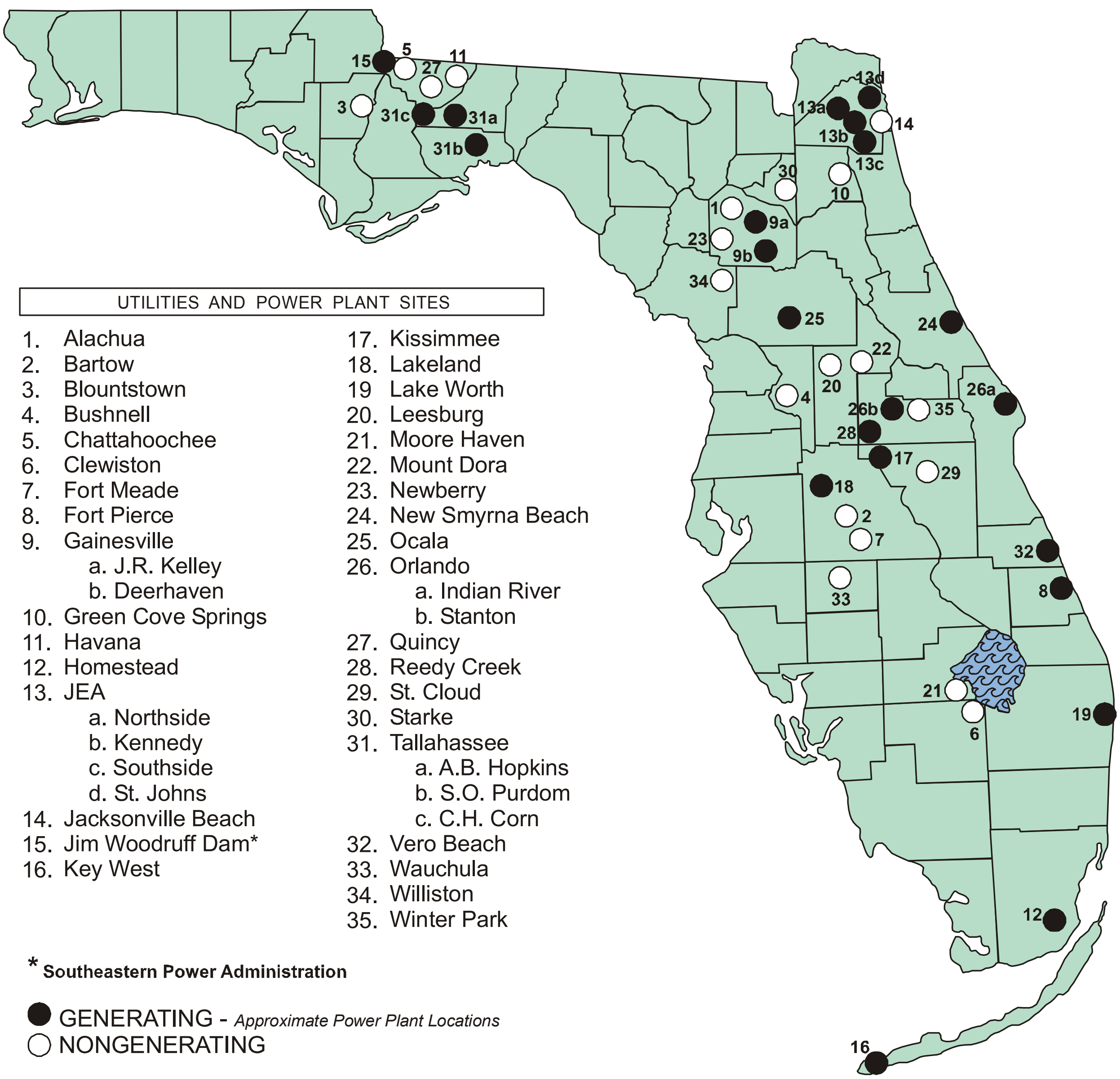
● Steam Generation
▲ Nuclear
■ Internal Combustion or Gas Turbine
★ IOU Headquarters

☐ 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*

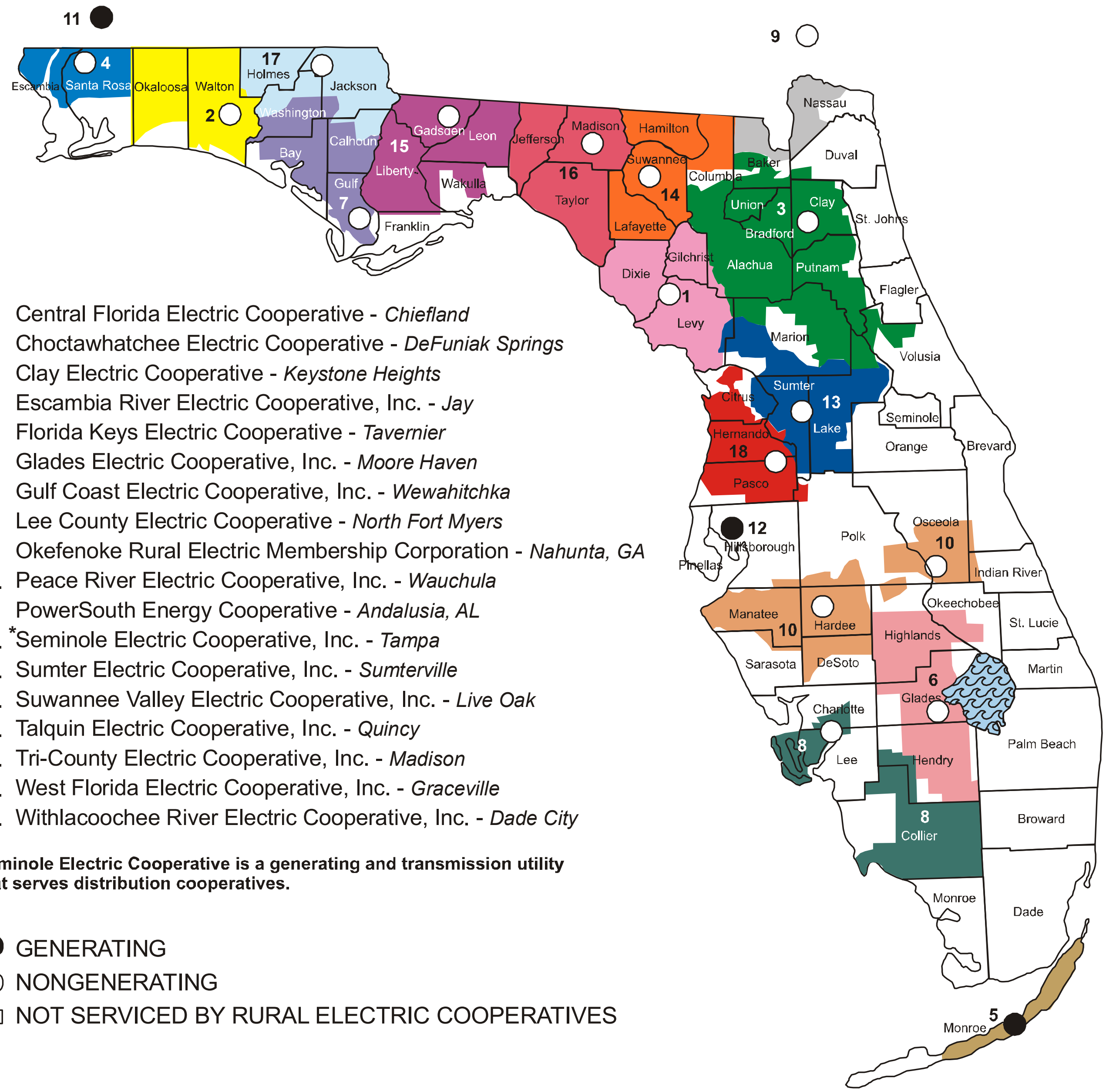
○ NONGENERATING

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. Central Florida Electric Cooperative - *Chiefland*
2. Choctawhatchee Electric Cooperative - *DeFuniak Springs*
3. Clay Electric Cooperative - *Keystone Heights*
4. Escambia River Electric Cooperative, Inc. - *Jay*
5. Florida Keys Electric Cooperative - *Tavernier*
6. Glades Electric Cooperative, Inc. - *Moore Haven*
7. Gulf Coast Electric Cooperative, Inc. - *Wewahitchka*
8. Lee County Electric Cooperative - *North Fort Myers*
9. Okefenoke Rural Electric Membership Corporation - *Nahunta, GA*
10. Peace River Electric Cooperative, Inc. - *Wauchula*
11. PowerSouth Energy Cooperative - *Andalusia, AL*
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.
PowerSouth Cooperative f/k/a Alabama Electric Cooperative, Inc.
Seminole 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, 2006*
http://www.psc.state.fl.us/utilities/electricgas/statistics/statistics-2006.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, 2007

UTILITY	MINIMUM BILL OR CUSTOMER CHARGE	1,000 KILOWATT HOURS
Alachua	$8.00	$108.80
Bartow	$6.70	$115.93
Blountstown	$3.50	$102.12
Bushnell	$7.40	$122.05
Chattahoochee	$6.50	$97.03
Clewiston	$6.50	$113.93
Fort Meade	$12.96	$145.86
Fort Pierce	$5.77	$120.00
Gainesville	$5.54	$118.54
Green Cove Springs	$6.00	$119.77
Havana	$6.00	$129.26
Homestead	$5.50	$117.15
JEA	$5.50	$95.31
Jacksonville Beach	$4.50	$119.23
Key West	$6.24	$140.34
Kissimmee	$10.17	$116.30
Lake Worth	$8.25	$120.45
Lakeland	$8.00	$118.82
Leesburg	$10.21	$127.91
Moore Haven	$8.50	$109.50
Mount Dora	$5.57	$115.67
New Smyrna Beach	$5.65	$123.80
Newberry	$7.50	$124.00
Ocala	$9.35	$127.18
Orlando	$7.00	$97.95
Quincy	$6.00	$114.82
Reedy Creek	$2.85	$100.92
Starke	$6.45	$123.04
St. Cloud	$7.28	$101.86
Tallahassee	$6.00	$140.90
Vero Beach	$7.21	$132.17
Wauchula	$8.62	$127.73
Williston	$8.00	$118.04
Winter Park	$8.03	$107.58

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2007 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, 2007

UTILITY	400,000 KILOWATT HOURS 1,000 KW DEMAND
Alachua	$37,413
Bartow	$43,773
Blountstown	$44,191
Bushnell	$46,493
Chattahoochee	$34,481
Clewiston	$44,667
Fort Meade	$52,950
Fort Pierce	$43,790
Gainesville	$40,065
Green Cove Springs	$41,483
Havana	$49,310
Homestead	$45,065
JEA	$31,531
Jacksonville Beach	$48,688
Key West	$52,289
Kissimmee	$42,664
Lake Worth	$48,335
Lakeland	$39,532
Leesburg	$42,004
Moore Haven	$38,884
Mount Dora	$35,656
New Smyrna Beach	$49,464
Newberry	$41,845
Ocala	$44,363
Orlando	$31,635
Quincy	$34,588
Reedy Creek	$36,628
Starke	$54,845
St. Cloud	$32,900
Tallahassee	$47,220
Vero Beach	$47,485
Wauchula	$48,839
Williston	$41,730
Winter Park	$35,401

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2007 Fuel and Purchased Power Costs are included.

Source:
Review of tariffs

Residential Service Provided by Cooperatively Owned Utilities

Typical Electric Bill Comparisons*
December 31, 2007

UTILITY	MINIMUM BILL OR CUSTOMER CHARGE	1,000 KILOWATT HOURS
Central Florida	$10.50	$109.10
Choctawhatchee	$24.00	$118.42
Clay	$9.00	$97.50
Escambia River	$12.00	$117.00
Florida Keys	$10.00	$134.95
Glades	$15.50	$127.50
Gulf Coast	$19.45	$117.15
Lee County	$8.00	$105.20
Okefenoke	$10.00	$103.00
Peace River	$12.25	$110.95
Sumter	$11.50	$111.85
Suwannee Valley	$9.75	$108.95
Talquin	$8.00	$108.00
Tri-County	$10.00	$116.00
West Florida	$13.90	$119.37
Withlacoochee River	$9.75	$101.05

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2007 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, 2007

UTILITY	400,000 KILOWATT HOURS 1,000 KW DEMAND
Central Florida	$37,105
Choctawhatchee	$31,593
Clay	$32,905
Escambia River	$41,540
Florida Keys	$50,060
Glades	$24,095
Gulf Coast	$36,733
Lee County	$31,574
Okefenoke	$32,000
Peace River	$32,035
Sumter	$33,117
Suwannee Valley	$22,441
Talquin	$33,080
Tri-County	$34,300
West Florida	$23,106
Withlacoochee River	$30,885

*Local taxes, franchise fees, and gross receipts taxes not embedded in rates are excluded.
December 2007 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 2.3 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.psc.state.fl.us/publications/consumer/brochure

Florida Gas Transmission
http://www.panhandleenergy.com/comp_fld.asp

Number of Customers for Investor-Owned Utilities

By Customer Type

December 31, 2006

UTILITY	RESIDENTIAL	COMMERCIAL & INDUSTRIAL	FTS*	OTHER**	TOTAL
Chesapeake Utilities***	0	0	13,731	0	13,731
Florida City Gas (Formerly City Gas Company)	97,787	4,200	1,440	0	103,427
Florida Public Utilities Co.	46,432	4,278	436	61	51,207
Indiantown Gas Co.***	0	0	677	0	677
Peoples Gas System	299,944	16,760	12,256	75	329,035
St. Joe Natural Gas	2,885	251	3	1	3,140
Sebring Gas System***	0	0	6, 287	0	6, 287

Annual Therm Sales for Investor-Owned Utilities

December 31, 2006

UTILITY	RESIDENTIAL	COMMERCIAL & INDUSTRIAL	FTS*	OTHER**	TOTAL
Chesapeake Utilities***	0	0	130,996,672	0	130,996,672
Florida City Gas	16,473,740	22,753,891	54,435,600	0	93,663,231
Florida Public Utilities Co.	12,102,640	30,438,280	13,210,950	6,252,440	62,004,310
Indiantown Gas Co.***	0	0	5,948,450	0	5,948,450
Peoples Gas System	69,465,883	71,338,965	306,002,256	852,371,593	1,299,178,697
St. Joe Natural Gas	738,672	306,329	414,896	6,740,311	8,200,208
Sebring Gas System***	0	0	726,770	0	726,770

* 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:
2006 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, 2007

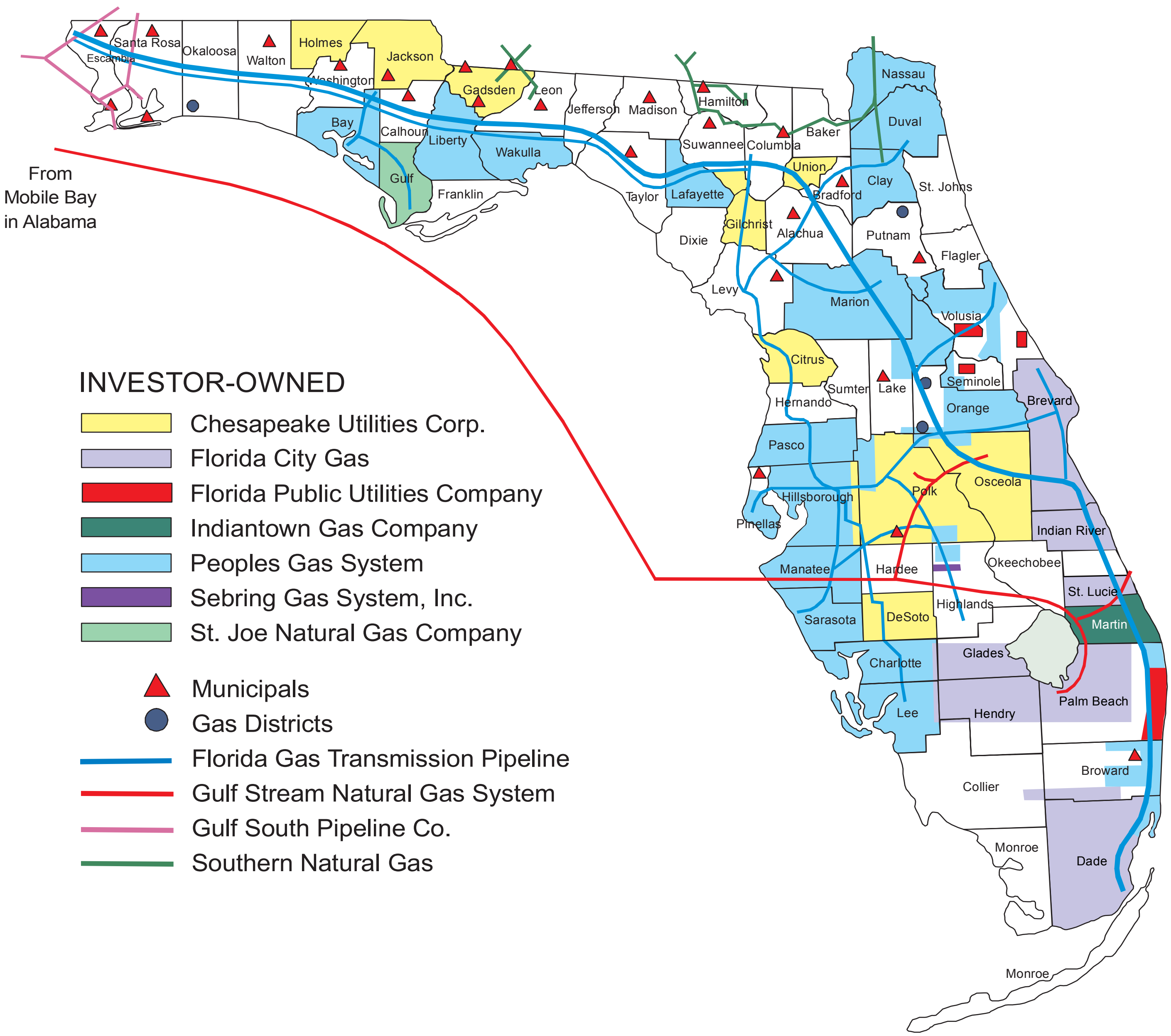
	RESIDENTIAL		COMMERCIAL		INDUSTRIAL	
UTILITY	MINIMUM BILL OR CUSTOMER CHARGE	THERMS SOLD (20)	MINIMUM BILL OR CUSTOMER CHARGE	THERMS SOLD (90)	MINIMUM BILL OR CUSTOMER CHARGE	THERMS SOLD (700)
Chesapeake Utilities	$15.00	$26.74*	$15.00	$67.82*	$27.50	$302.17*
Florida City Gas Company	$8.00	$48.78	$8.00	$191.50	$12.00	$1,337.82
Florida Public Utilities Co.	$8.00	$49.82	$15.00	$184.06	$45.00	$1,293.53
Indiantown Gas Co.	$9.00	$16.57*	$9.00	$43.05*	$9.00	$273.85*
Peoples Gas System	$10.00	$45.98	$20.00	$171.68	$20.00	$1,199.70
Sebring Gas System	$9.00	$20.43*	$9.00	$60.43*	$12.00	$357.29*
St. Joe Natural Gas	$9.00	$37.54	$9.00	$137.31	$9.00	$1,006.98

December 2007 gas costs are included for those companies participating in purchased gas adjustment clause. (Florida City, FPUC, Peoples and St. Joe).
December 2007 conservation costs are included for those companies participating in conservation. (Cheasepeake, Florida City, FPUC, Peoples and St. Joe).

* 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, 2007, the PSC had regulatory authority over:

- 10 incumbent local exchange companies (ILECs)
- 366 competitive local exchange companies (CLECs)
- 625 interexchange (long distance) companies (IXCs)
- 259 pay telephone service providers (PATS)
- 34 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

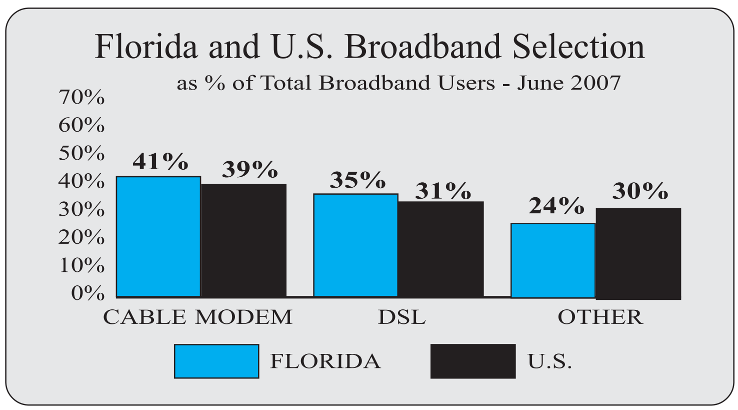
- **Alternative Access Vendor** (AAV) AAVs provide private line service between an entity and facilities at another location, whether owned by the entity or an unaffiliated entity or access service between an end-user and an interexchange carrier by other than a local exchange telecommunications company. 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 Commission to provide local exchange telecommunications in this state on or after July 1, 1995.
- **Incumbent Local Exchange Telecommunications Company** (ILEC) Any company certificated by the Commission to provide local exchange telecommunications service in this state 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 tariffs of individual local exchange companies.
- **Operator Service Provider** Company provides or plans to provide alternate operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
- **Pay Telephone Service Company** (PATS) Any certificated telecommunications entity which provides pay telephone service.
- **Prepaid Debit card Provider** Any person or entity that states it is the network service provider on a prepaid card.
- **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.

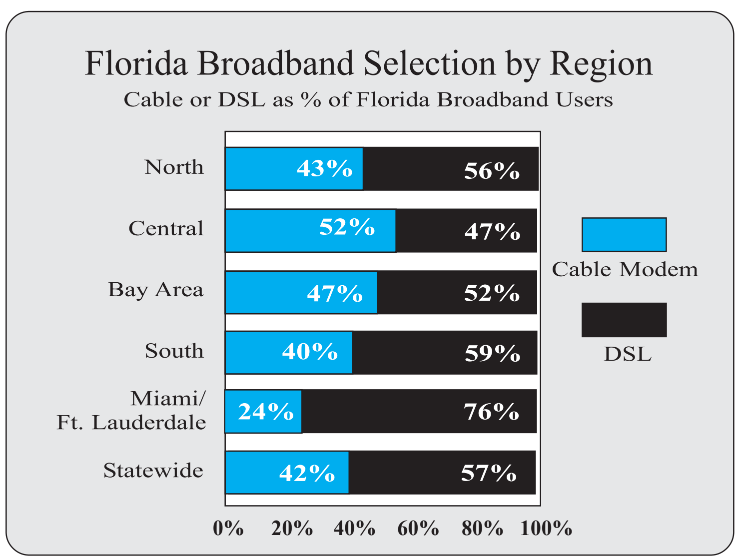
Sources: PSC Summary of Regulated Utilities for Fiscal Year Ending June 30, 2007.

PSC's *Telecommunications Terms and Definitions*
http://www.psc.state.fl.us/publications/telecomm/telterms.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. For calendar year 2007, 74 percent were using broadband.
- The most common way broadband service is delivered in Florida is by cable modem, followed by DSL (Digital Subscriber Line).
- Other methods of access in use in smaller numbers include, but are not limited to, satellite, mobile wireless, and fixed-wireless.





Sources:

High-Speed Services for Internet Access: Status as of December 31, 2006,
http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-270128A1.pdf

2007 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, 2006

	RESIDENTIAL LINES	BUSINESS LINES	TOTAL	CHANGES SINCE 2003
ILECs	6,218,002	2,863,989	9,081,991	(8%)
CLECs	453,039	1,417,276	1,870,315	0%
TOTAL	**6,671,041**	**4,281,265**	**10,952,306**	**(7%)**

Retail Access Lines by Florida ILEC

December 31, 2007

COMPANY	RESIDENTIAL	BUSINESS	TOTAL RETAIL*
AT&T Florida	3,093,500	1,362,451	4,455,951
Embarq Florida	1,129,046	566,109	1,695,155
FairPoint Communications	30,948	13,025	43,973
Frontier Communications of the South	3,434	378	3,812
ITS Telecommunications Systems	2,598	951	3,549
NEFCOM	6,635	2,227	8,862
Smart City Telecom	3,898	11,018	14,916
TDS Telecom/Quincy Telephone	9,117	3,728	12,845
Verizon Florida.	1,072,500	471,108	1,543,608
Windstream Florida	67,876	20,409	88,285
TOTAL	**5,419,552**	**2,451,404**	**7,870,956**

* Does not include resale, UNE, payphone, or official lines.

Sources:

PSC's Annual Report on Competition in Telecommunications Markets in Florida , as of May 31, 2006
http://www.psc.state.fl.us/publications/pdf/telecomm/2006CompReportfinal.pdf

Periodic Reports filed by ILECs required by Rule 25-4.0185, F.A.C.

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 a traditional wireline telephone or the activation fee for a wireless telephone for a primary residence. 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 a monthly credit of at least $13.50 for qualified telephone subscribers.* The telephone subscriber may receive a credit less than $13.50 if the subscriber's bill for basic local telephone service is less than $13.50.

- **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)

*Verizon and Embarq include additional credit to offset rate increases authorized by Section 364.164, Florida Statutes (Rate Rebalancing).

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 Cash Assistance (TCA)**
  - 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.

- Recently, the FCC has augmented the existing support with a three-year pilot program to fund the construction of dedicated broadband networks that connect health care providers in a state or region. This program will provide funding for up to 85% of an applicant's costs of deploying a dedicated broadband network, including any necessary network design studies, as well as the costs of advanced telecommunications and information services that will ride over this network. Participants deploying dedicated broadband health care networks would also have the option of connecting those systems to Internet-2, National LambdaRail, or the public Internet.

- 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.

** Known as Temporary Assistance to Needy Families (TANF) for federal Universal Service purposes.

Universal Service Support Mechanisms by Program for Florida

2006
(Units are in Thousands)

PROGRAM	PAYMENTS FROM USAC	ESTIMATED CONTRIBUTIONS TO USAC	ESTIMATED NET DOLLAR FLOW
High-Cost	$81,607	$286,636	($205,029)
Low-Income	$17,752	$57,404	($39,652)
Schools & Libraries	$52,923	$116,791	($63,868)
Rural Health Care	$141	$2,841	($2,700)
Administrative Expense	$0	$6,258	($6,258)
TOTAL	**$152,423**	**$469,930**	**($317,507)**

2005
(Units are in Thousands)

PROGRAM	PAYMENTS FROM USAC	ESTIMATED CONTRIBUTIONS TO USAC	ESTIMATED NET DOLLAR FLOW
High-Cost	$91,450	$274,739	($193,289)
Low-Income	$17,761	$58,090	($40,329)
Schools & Libraries	$53,437	$133,752	($80,315)
Rural Health Care	$107	$1,837	($1,730)
Administrative Expense	$0	$6,132	($6,132)
TOTAL	**$162,755**	**$474,550**	**($311,795)**

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)**

Source:
Federal Communications Commission's *Universal Service Monitoring Reports*, Table 1.12, CC Docket No. 98-202
http://www.fcc.gov/wcb/iatd/monitor.html

Universal Service Support Mechanisms by State - 2006

(Thousands of Dollars)

STATE	PAYMENTS FROM USAC	ESTIMATED CONTRIBUTIONS TO USAC	ESTIMATED NET DOLLAR FLOW
Alabama	143,306	100,753	42,553
Alaska	209,879	22,002	187,877
American Samoa	2,792	249	2,543
Arizona	138,632	127,607	11,025
Arkansas	147,610	60,848	86.762
California	610,925	730,849	(119,924)
Colorado	104,737	121,905	(17,168)
Connecticut	29,770	102,686	(72,916)
Delaware	1,255	25,757	(24,502)
District of Columbia	11,977	32,689	(20,712)
Florida	**152,423**	**469,930**	**(317,507)**
Georgia	170,389	217,680	(47,291)
Guam	21,423	3,935	17,488
Hawaii	43,955	27,938	16,017
Idaho	59,505	33,796	25,709
Illinois	153,664	275,354	(121,690)
Indiana	87,195	126,200	(39,005)
Iowa	122,883	61,954	60,929
Kansas	206,104	58,993	147,111
Kentucky	126,469	84,622	41,847
Louisiana	179,253	94,640	84,613
Maine	52,240	31,423	20,817
Maryland	16,686	152,393	(135,707)
Massachusetts	40,978	156,510	(115, 532)
Michigan	110,767	193,406	(82,639)
Minnesota	149,625	107,048	42,577
Mississippi	315,555	60,094	255,461
Missouri	121,985	128,950	(6,965)
Montana	85,515	23,457	62,058
Nebraska	92,531	37,456	55,075
Nevada	40,083	65,681	(25,598)
New Hampshire	10,134	35,867	(25,733)
New Jersey	49,783	247,748	(197,965)
New Mexico	128,392	44,762	83,630
New York	203,196	413,887	(210,691)
North Carolina	150,454	201,024	(50,570)
North Dakota	90,338	14,892	75,446
Northern Mariana Islands	1,985	1,051	934
Ohio	137,756	230,522	(92,766)
Oklahoma	198,418	73,973	124,445
Oregon	88,384	81,119	7,265
Pennsylvania	143,692	280,967	(137,275)
Puerto Rico	163,077	57,810	105,267
Rhode Island	7,861	21,882	(14,021)
South Carolina	125,280	97,199	28,081
South Dakota	98,807	16,639	82,168
Tennessee	109,984	130,517	(20,533)
Texas	516,649	445,509	71,140
Utah	42,702	50,314	(7,612)
Vermont	35,280	17,433	17,847
Virgin Islands	26,200	7,745	18,455
Virginia	106,422	193,667	(87,245)
Washington	135,713	142,810	(7,097)
West Virginia	79,820	42,958	36,862
Wisconsin	164,942	113,556	51,386
Wyoming	60,952	15,116	45,836
Total	**6,626,332**	**6,715,770**	**(89,438)***

* Estimated contributions include an administrative cost of approximately $89 million.

Source:
Federal Communications Commission's Universal Service Monitoring Reports, Table 1.12, CC Docket No. 98-202
http://www.fcc.gov/wcb/iatd/monitor.html

Telephone Subscribership

Percentage of Households Subscribed to Local Telephone Service

	JULY 2003	JULY 2004	JULY 2005	JULY 2006	JULY 2007
FLORIDA	95.2%	93.3%	93.0%	94.2%	93.3%
UNITED STATES	95.2%	93.8%	94.0%	94.6%	95.0%

Lifeline Subscribership

Lifeline Subscribership by Eligible Telecommunications Carriers

As of September 2007

COMPANY NAME	ACCESS LINES SUBSCRIBED TO LIFELINE SERVICE
ALLTEL Wireless**	38
American Dial Tone*	1,840
AT&T Florida	93,337
Budget Phone*	59
Embarq Florida	30,016
FairPoint Communications	2.030
Frontier Communications of the South	150
ITS Telecommunications Systems	27
Knology*	126
Midwestern*	174
NEFCOM	635
Nexus*	2,037
Smart City Telecom	8
Sprint Nextel**	39
TDS Telecom/Quincy Telephone	736
Verizon, Florida	23,918
Vilaire*	5,598
Windstream Florida	3,806
TOTAL	164,626

*Competitive Local Exchange Carrier ** Wireless Carrier

Lifeline Assistance Subscribers in Florida

DATE	LIFELINE ENROLLMENT	ELIGIBLE HOUSEHOLDS	PARTICIPATION RATE
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 %
9/2006	145,734	1,150,483	12.7 %
9/2007	164,626	1,173,173	14.0%

Sources:
Federal Communications Commission's *Telephone Subscribership Reports*
http://www.fcc.gov/wcb/iatd/lec.html

PSC's *Number of Customers Subscribing to Lifeline Service and the Effectiveness of Any Procedures to Promote Participation, December 2007*
http://www.psc.state.fl.us/publications/pdf/telecomm/tele-lifelinereport2007.pdf

Key Recent Developments
Low-Income Program

- **Lifeline Automatic Enrollment Process -** In April 2007, the FPSC and Department of Children and Families (DCF) implemented a joint project to develop a Lifeline automatic enrollment process whereby potential Lifeline customers, once certified through a DCF qualifying program, would have their name placed on a spreadsheet to be forwarded to the FPSC. Then the FPSC sorts the list by the applicant's telephone company and forwards an automatic e-mail informing the appropriate eligible telecommunications carrier (ETC) that a Lifeline application is available for retrieval through the Commission's secure database.

  The automatic enrollment process entails the DCF applicant checking a "yes" box on the DCF application providing a positive affirmation that the applicant would like to receive a discount on his or her telephone service. The "no" box provides an option to the applicant to not subscribe to Lifeline service. If the applicant answers yes, the applicant is directed to provide applicable information needed for Lifeline enrollment, and to then continue completing the DCF application. If the applicant has existing phone service, the application is automatically forwarded to the appropriate ETC by the FPSC for enrollment in the Lifeline program. If the applicant answers no, the applicant is directed to continue completing the DCF application to enroll in a DCF program. The FPSC and DCF are continuing to work together to make it easier for applicants to enroll in the Lifeline program.

- **Amendment of Rule 25-4.0665, F.A.C., Lifeline Service -** Section 364.10(3)(h)(2), F.S., as amended during the 2007 Legislative Session, requires any state agency that determines a person is eligible for Lifeline service to immediately forward the information to the FPSC to ensure that the person is automatically enrolled in the Lifeline program. This section required the FPSC to adopt rules by December 31, 2007, creating procedures to automatically enroll eligible customers in Lifeline service.

  In addition, Section 364.107, Florida Statutes, was created to protect the personal identifying information of Lifeline applicants by granting a public records exemption for such information. The information made confidential and exempt may be released to the applicant's telecommunications carrier for eligibility, verification, or auditing of a Lifeline Assistance Plan, and to the FPSC for enrollment purposes.

  On September 25, 2007, the FPSC proposed amendments to Rule 25-4.0665, F.A.C., Lifeline Service. On October 5, 2007, the proposed amendment of Rule 25-4.0665, F.A.C. was forwarded to the Joint Administrative Procedures Committee for review.* On November 19, 2007, the FPSC issued a notice stating that the FPSC had adopted the amendments to Rule 25-6.0665, F.A.C., effective December 6, 2007.

- **Memorandum of Understanding -** Section 364.10(3)(h)(3), F.S., required the FPSC, DCF, and OPC to enter into a Memorandum of Understanding (MOU) with respect to the development of automatic enrollment procedures for Lifeline. A MOU was signed by the parties on September 27, 2007. The MOU is available for review on the FPSC's Web site http://www.floridapsc.com/utilities/liaison/index.aspx.

Rural Health

- **Rural Health Care Pilot Program -** In November 2007, the FCC released an Order selecting rural health care applicants to participate in its Pilot Program.** In Florida, the Big Bend Regional Healthcare Information Organization (BBR) submitted the only application. The FCC awarded BBR $3.2 million per year for three years. While this award has the benefit of bringing additional support dollars to Florida, the Pilot Program increases the overall size of the federal universal service fund by $139 million per year. The $3.2 million in support distributed in Florida represents 2.3 percent of the Pilot Program support. However, Florida rate- payers can expect to pay approximately seven percent of the Pilot Program (i.e., $9.7 million).*** Because Florida's estimated contributions exceed the Pilot Program's support commmitment, Florida's net contributor status is further exacerbated.

Source:
Florida Public Service Commission
*Docket No. 070572-TL, Proposed Amendment of Rule 25-4.0665, F.A.C., Lifeline Service..
** Federal Communications Commission, Order, WC Docket No. 02-60, FCC 07-198, released November 19, 2007.
*** Federal Communications Commission's Universal Service Monitoring Reports, Table 1.12, CC Docket No. 98-202.

Rates Charged by Florida ILECs for Basic Local Service*

ILEC	RESIDENTIAL	BUSINESS
AT&T Florida	$13.58	$31.00
Embarq Florida	$16.85	$30.75
FairPoint Communications	$10.08	$26.49
Frontier Communications of the South	$10.95	**$28.20
ITS Telecommunications Systems	$9.42	$22.13
NEFCOM	$9.00	$24.40
Smart City Telecom	$11.47	$25.56
TDS Telecom/Quincy Telephone	$13.20	$35.00
Verizon Florida	$16.09	$32.79
Windstream Florida	$11.35	$28.37

*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 12/31/07.

** Includes $.95 charge for touchtone dialing.

Switched Access Charges

Intrastate vs. Interstate Rate Comparison*

COMPANY December 2007	INTRASTATE RATE	INTERSTATE RATE
AT&T Florida	$0.0271	$0.0102
Embarq Florida	$0.0468	$0.0140
FairPoint Communications (Florala)	$0.1320	$0.0325
FairPoint Communications (Gulf)	$0.1214	$0.0373
FairPoint Communications (St. Joseph)	$0.1306	$0.0373
Frontier Communications of the South	$0.1040	$0.0121
ITS Telecommunications System	$0.1128	$0.0356
NEFCOM	$0.1006	$0.0307
Smart City Telecom	$0.1320	$0.0134
TDS Telecom/Quincy Telephone	$0.1266	$0.0226
Verizon Florida	$0.0655	$0.0145
Windstream Florida	$0.1132	$0.0114

*Assumes common transport.

Sources:
Review of Tariffs

PSC's *Florida Access and Toll Report, 2007*

Message Toll Service (MTS) Rates
ILECs IntraLATA 5 Minute Daytime Calls*

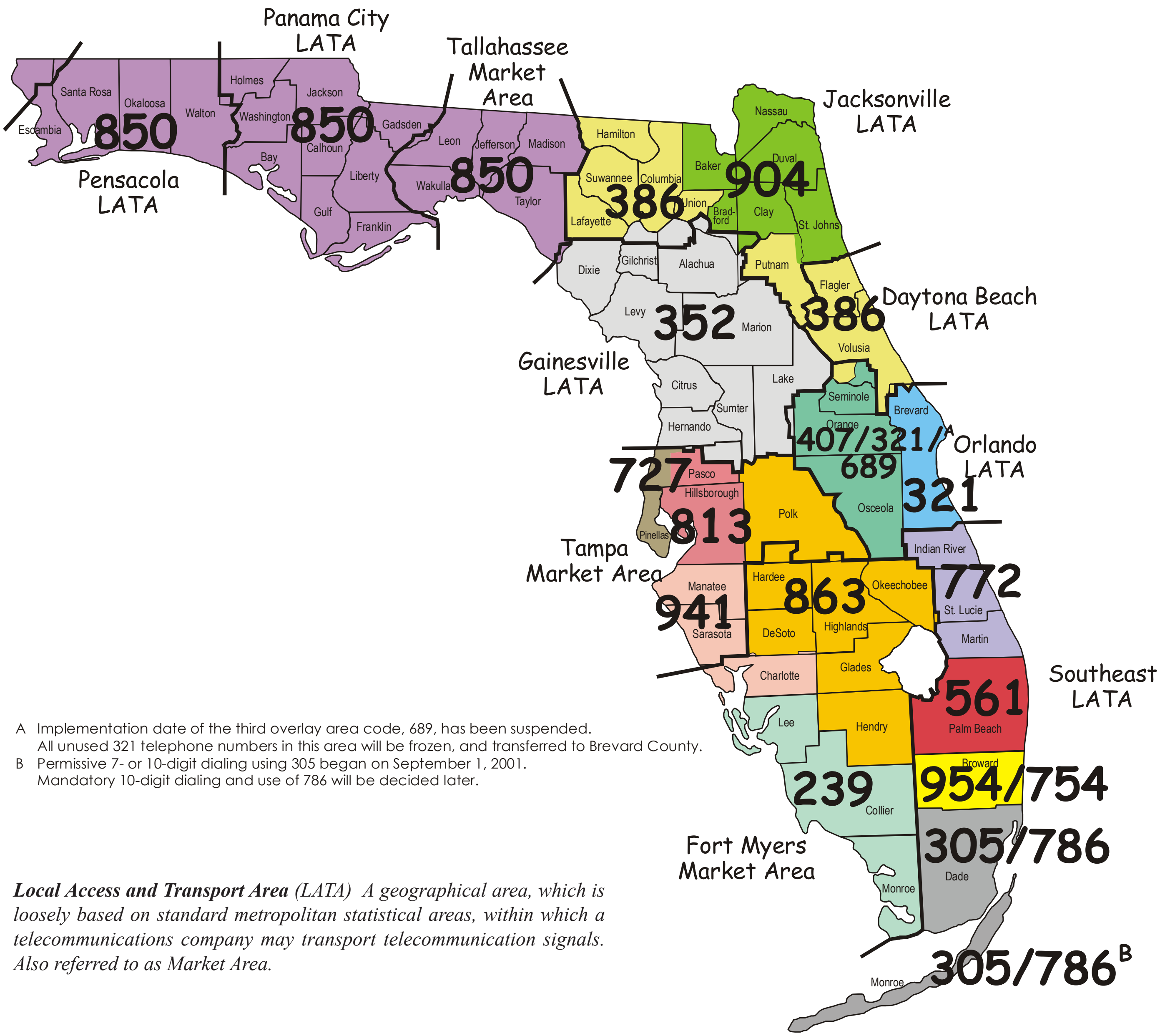
Mileage Bands

COMPANY NAME	0 - 10	11 - 22	23 - 55	56 - 124	125 - 292
AT&T Florida	$ 1.650	$ 1.650	$ 1.650	$ 1.650	$ 1.650
Embarq Florida	$ 1.25	$ 1.25	$ 1.65	$ 1.65	$ 1.65
FairPoint Communications (Florala)	$ 0.47	$ 0.74	$ 1.21	$ 1.21	$ 1.21
FairPoint Communications (Gulf)	$ 0.47	$ 0.66	$ 0.93	$ 0.93	$ 0.93
FairPoint Communications (Port St. Joe)	n/a	$ 0.74	$ 1.21	$ 1.21	$ 1.21
Frontier Communications of the South	n/a	$0.74	$ 1.21	$ 1.21	$ 1.21
ITS Telecommunications Systems	n/a	$ 0.66	$ 0.95	$ 0.99	$ 1.00
NEFCOM	n/a	$ 0.66	$ 1.08	$ 1.08	n/a
Smart City Telecom	n/a	$ 0.89	$ 1.21	$ 1.21	n/a
TDS Telecom/Quincy Telephone	$ 0.71	$ 0.71	$ 1.11	$ 1.11	$ 1.11
Verizon Florida	$ 1.50	$ 1.50	$ 1.50	$ 1.50	n/a
Windstream Florida	$ 0.47	$ 0.66	$ 0.95	$ 1.00	n/a

* Using basic rate schedules, residence only (where applicable), excluding special plans or discounts.

Source:
PSC's *Florida Access and Toll Report, December 2007*

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.

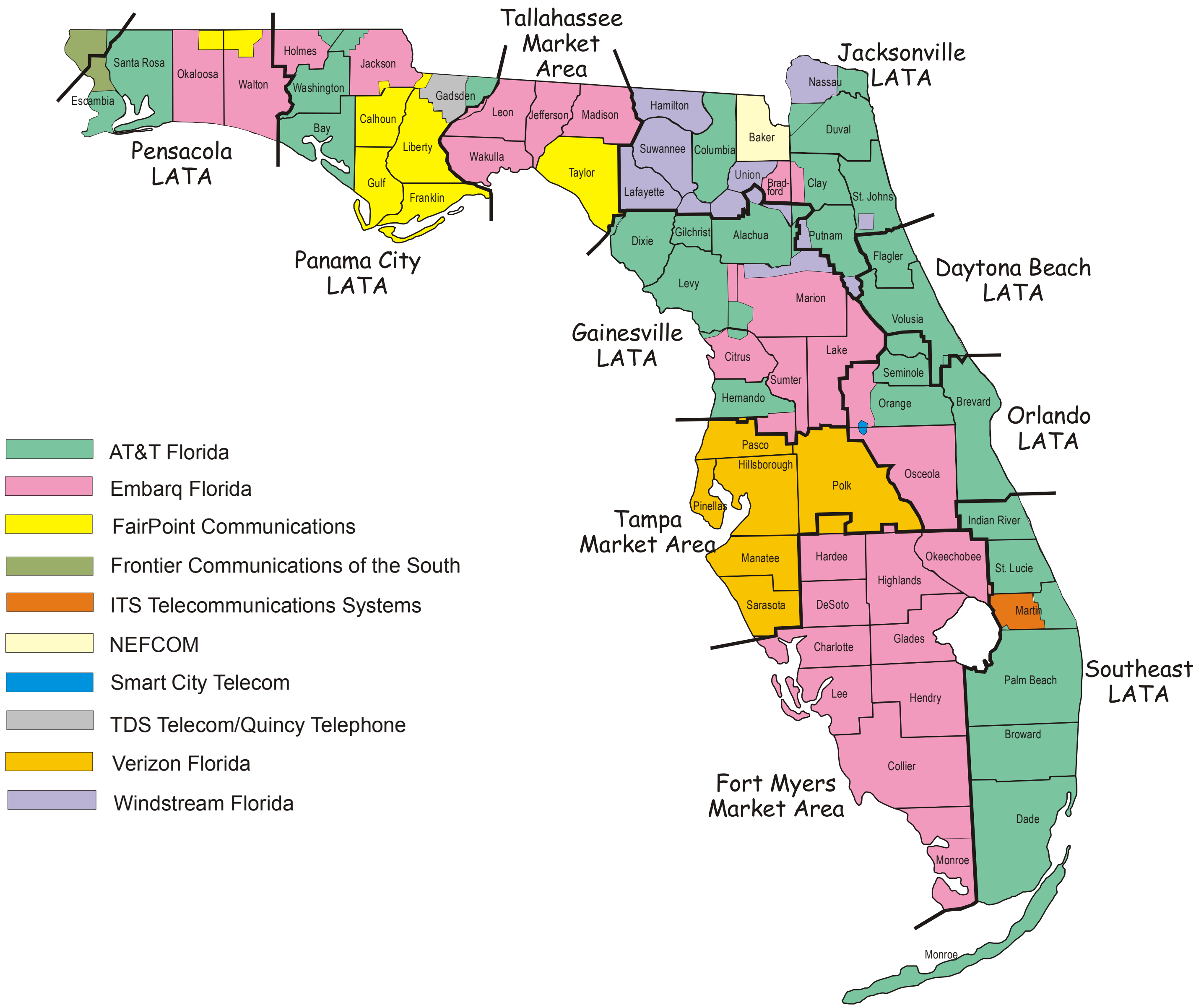
***Local Access and Transport Area** (LATA) A geographical area, which is loosely based on standard metropolitan statistical areas, within which a telecommunications company may transport telecommunication signals. Also referred to as Market Area.*

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:

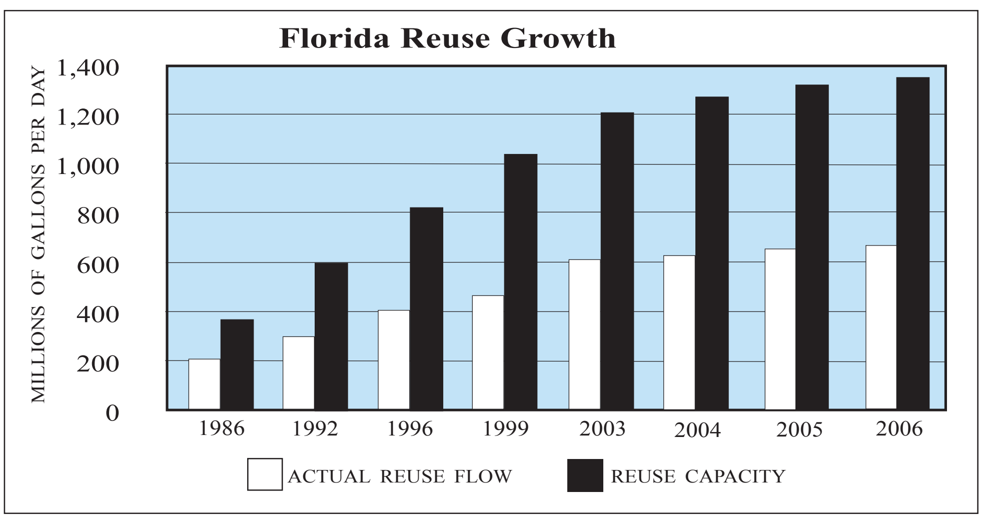
- 160 investor-owned water and wastewater utilities in 34 of 67 counties as of January 1, 2008.

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 663 million gallons per day (mgd) of reclaimed water was reused for beneficial purposes in 2006.
- The total reuse capacity of Florida's domestic wastewater treatment facilities has gone from 362 mgd in 1986 to 1,368 mgd in 2006, which amounts to an increase of 278 percent. The current reuse capacity represents about 58 percent of the total permitted domestic wastewater treatment capacity in Florida.



Continued on next page

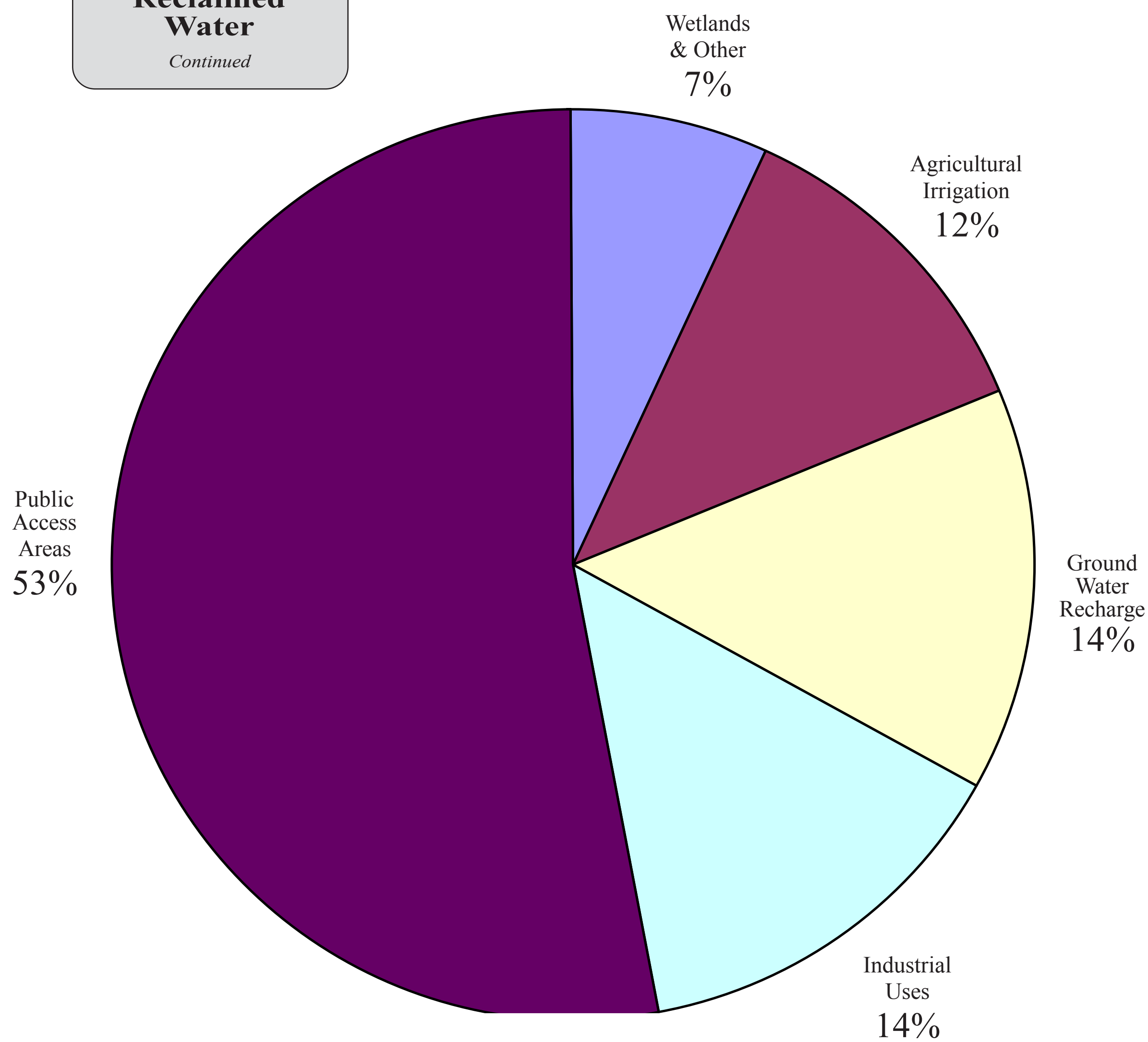
Sources:
U.S., Department of Interior, Geological Survey, Water Use Data Tables 2000
http://fl.water.usgs.gov

2005 Florida Statistical Abstract

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

Reuse of Reclaimed Water

Continued



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

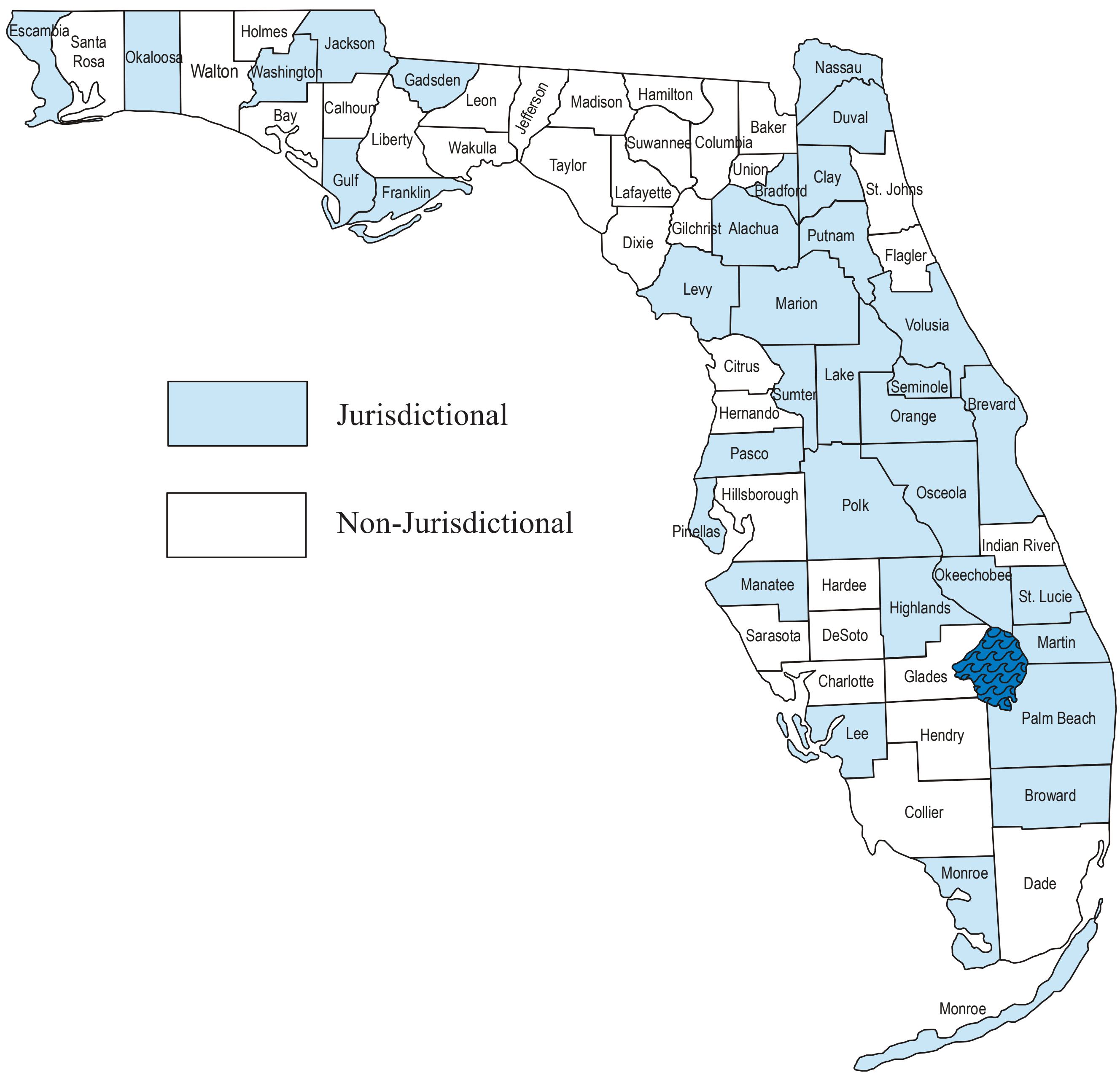
- ◆ A maximum (or cap) is set on the number of gallons of water consumption for which the customer is billed a wastewater gallonage charge.
- ◆ The cap is normally between 6,000 and 10,000 gallons. (Any water consumption over that amount is generally considered to be used for purposes such as irrigation.)

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" report, which is available on-line at http://www.psc.state.fl.us/publications/reports.aspx

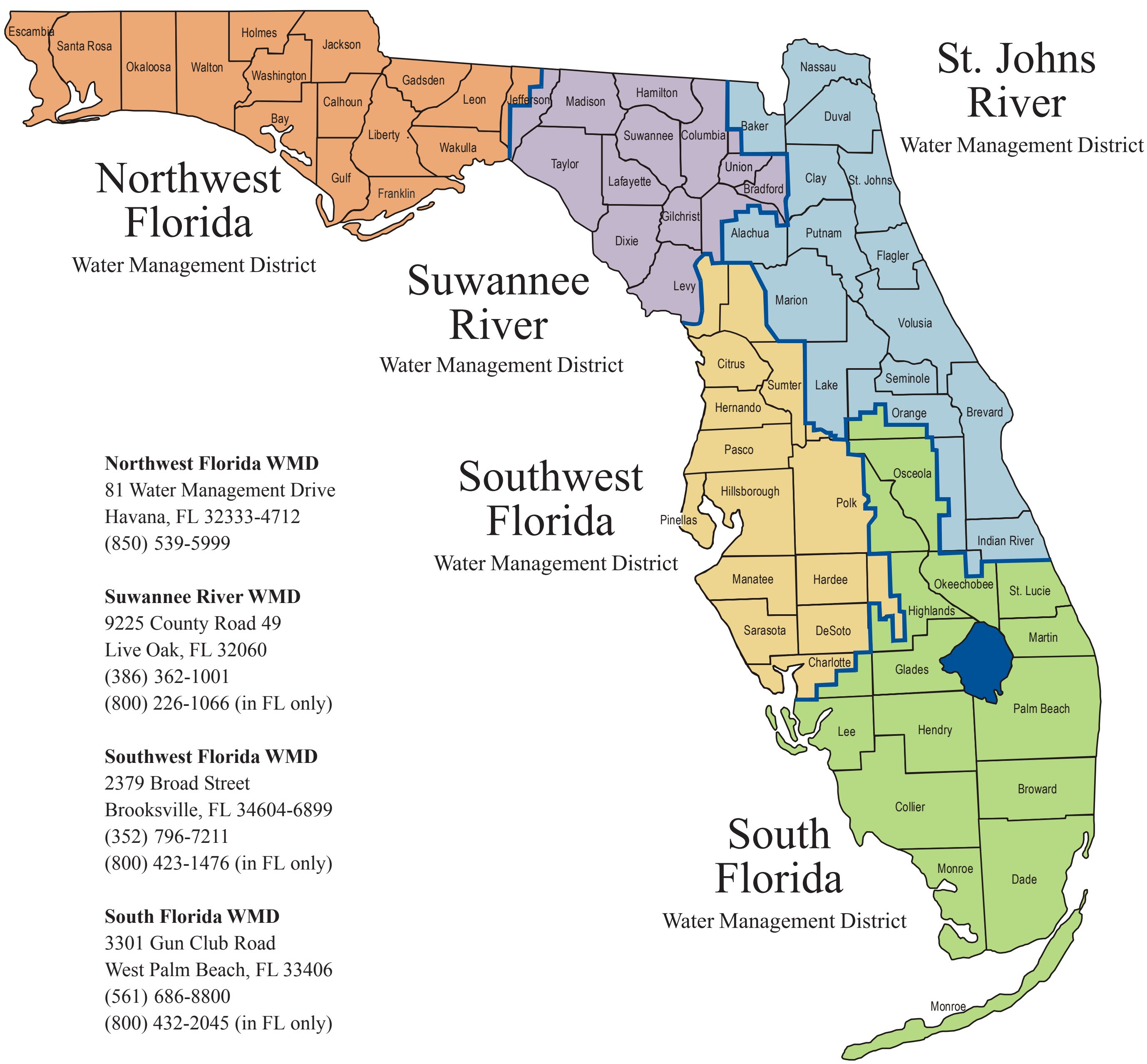
WATER & WASTEWATER

34 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