Schedule of Inflation and Growth Multiplier Calculation

Company: Florida Public Utilities Company
         Fernandina Beach Water Division
Docket No.: 990535-WU
Schedule Year Ended: December 31, 2000
Historic [x] or Projected [x]

Explanation: For each year since the last established rate base, provide the amounts and percent increases associated with customers and average CPI. Show the calculation for each compound multiplier.

Florida Public Service Commission

Schedule: H-2 Revised 7/29/99
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Preparer: Jennifer Starr

Line No.		Average CPI [A]				Average Water Customers [B]				Inflation and Growth Compound Multipliers	
		Amount	% Increase	Compound Multiplier		Amount	% Increase	Compound Multiplier			[A x B]
1											
2											
3											
4											
5	1987	113.6		1.0000	1987	4,196		1.0000		1987	1.0000
6	1988	118.3	4.14%	1.0414	1988	4,360	3.91%	1.0391		1988	1.0821
7	1989	124.0	4.82%	1.0916	1989	4,569	4.79%	1.0889		1989	1.1886
8	1990	130.7	5.40%	1.1506	1990	4,789	4.82%	1.1413		1990	1.3132
9	1991	136.2	4.21%	1.1990	1991	4,959	3.55%	1.1818		1991	1.4170
10	1992	140.3	3.01%	1.2351	1992	5,090	2.64%	1.2130		1992	1.4982
11	1993	144.5	2.99%	1.2721	1993	5,245	3.05%	1.2499		1993	1.5900
12	1994	148.2	2.56%	1.3047	1994	5,407	3.09%	1.2885		1994	1.6811
13	1995	152.4	2.83%	1.3417	1995	5,553	2.70%	1.3233		1995	1.7755
14	1996	156.9	2.95%	1.3813	1996	5,729	3.17%	1.3652		1996	1.8858
15	1997	160.5	2.29%	1.4130	1997	5,967	4.15%	1.4219		1997	2.0091
16	1998	163.0	1.56%	1.4350	1998	6,234	4.47%	1.4855		1998	2.1317
17	1999	166.7	2.27%	1.4676	1999	6,417	2.94%	1.5291		1999	2.2441
18	2000	170.6	2.34%	1.5019	2000	6,601	2.87%	1.5729		2000	2.3623
	Compound Factors applied to 1998										
19	1998	163.0		1.0000	1998	6,234		1.0000			
20	1999	166.7	2.27%	1.0227	1999	6,417	2.94%	1.0294		1999	1.0528
21	2000	170.6	2.34%	1.0466	2000	6,601	2.87%	1.0589		2000	1.1082
	Factor applied to previous year										
22	1998	163.0		1.0000	1998	6,234		1.0000			
23	1999	166.7	2.27%	1.0227	1999	6,417	2.94%	1.0294		1999	1.0528
24	2000	170.6	2.34%	1.0234	2000	6,601	2.87%	1.0287		2000	1.0528

Note: Source of CPI-U for historical is the U.S. Department of Labor Bureau of Labor Statistics
       Source of projected CPI-U is the Executive Office of the President, Budget of the United States Government, Fiscal Year 2000.

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Florida Public Service Commission

Schedule: H-2 Revised 7/29/99
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Supporting Schedule: H-19
Recap Schedule: E-2

Rate	Class	1998 Total Customers	1998 Average Customers	1999 Total Customers	1999 Average Customers	2000 Total Customers	2000 Average Customers
611	3	66,552	5,546	68,531	5,711	70,510	5,876
612	3	826	69	837	70	848	71
613	3	115	10	116	10	117	10
614	3	88	7	84	7	80	7
615	3	17	1	17	1	17	1
611	4	3,885	324	3,997	333	4,109	342
612	4	822	68	844	70	866	72
613	4	755	63	773	64	791	66
614	4	90	7	98	8	106	9
615	4	72	6	72	6	72	6
615	5	36	3	36	3	36	3
611	7	335	28	335	28	336	28
612	7	192	16	192	16	192	16
613	7	207	17	215	18	223	19
614	7	11	1	11	1	11	1
641	7	22	2	22	2	22	2
642	7	12	1	12	1	12	1
632	8	204	17	205	17	206	17
640	9	78	7	90	8	102	9
641	9	50	4	52	4	54	5
642	9	286	24	295	25	304	25
643	9	144	12	156	13	168	14
644	9	12	1	12	1	12	1
Total		74,811	6,234	77,002	6,417	79,194	6,601

Average customers are based on total customers divided by twelve.

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