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March 3, 2014

### BY ELECTRONIC FILING

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

Re: Docket No. 140001-EI: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor

Dear Ms. Stauffer:

For electronic filing, please find the Petition for Approval of Final True-Up Amount for 2013 submitted on behalf of Florida Public Utilities Company, along with the Direct Testimony and Exhibit CDY-1 of Mr. Curtis Young.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

**MEK** 

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery | DOCKET NO. 140001-EI clause with generating performance incentive factor.

DATED: March 3, 2014

## FLORIDA PUBLIC UTILITIES COMPANY'S PETITION FOR APPROVAL OF FUEL ADJUSTMENT AND PURCHASED POWER COST RECOVERY FINAL TRUE-UP AMOUNT FOR PERIOD ENDED DECEMBER 2013

Florida Public Utilities Company (FPUC or Company), by and through its undersigned counsel, hereby files this Petition asking the Florida Public Service Commission (FPSC or Commission) for approval of FPUC's fuel adjustment and purchased power cost recovery final net true-up amount for the period ended December 2013. In support of this request, the Company hereby states:

1) FPUC is an electric utility subject to the Commission's jurisdiction. Its principal business address is:

Florida Public Utilities Company 1641 Worthington Road, Suite 220 West Palm Beach, Fl 33409

The name and mailing address of the persons authorized to receive notices are: 2)

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

Cheryl Martin Florida Public Utilities Company 1641 Worthington Road, Suite 220 West Palm Beach, Fl 33409

3) Consistent with the requirements for this proceeding, the Company has prefiled the fuel adjustment and purchased power cost recovery true-up forms supplied by the Commission consistent with the requirements for such filings.

- 4) In accordance with Order No. PSC-14-0084-PCO-EI, issued February 4, 2014, in this Docket, the Company is also submitting, contemporaneously with this Petition, the Direct Testimony and Exhibit CDY-1 of Mr. Curtis Young in support of the Company's request for approval of the final true-up amount.
- 5) The final true-up amounts for the period ended December 2013 are an under recovery \$2,532,762 for the Marianna Division, and an over recovery \$3,941,298 for the Fernandina Beach Division.
- 6) The Commission-approved total true-up amounts to be collected for the period January 2014 through December 2014 are an under-recovery of \$755,373 for the Marianna Division, and an over-recovery of \$2,685,677 for the Fernandina Beach Division, as reflected in Commission Order No. PSC-13-0665-FOF-EI.
- 7) The Company, therefore, seeks approval to include the final remaining true-up amounts of an under-recovery of \$1,777,389 for the Northwest Division and an over-recovery of \$1,255,621 for the Northeast Division in the calculation of cost recovery factors for the period beginning January 2015.

WHEREFORE, FPUC respectfully requests that the Commission approve the Company's

final net true-up amounts for the period ended December 2013 as set forth above.

RESPECTFULLY SUBMITTED this 3rd day of March, 2014.

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

bkeating@gunster.com

Attorneys for Florida Public Utilities Company

# **CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing Petition for Approval of Final True-Up, as well as the Direct Testimony and Exhibit CDY-1 of Curtis D. Young, has been furnished by Electronic Mail to the following parties of record this 3rd day of March, 2014:

	T D D 1 /T T 00 TT 11 /A 11
Martha Barrera	James D. Beasley/J. Jeffry Wahlen/Ashley
Florida Public Service Commission	Daniels
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## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Docket No. 140001-EI
Fuel and Purchased Power Cost Recovery Clause
Direct Testimony of
Curtis Young
(2013 Final True-Up)
on behalf of
Florida Public Utilities Company

1	Q.	Please state your name and business address.
2	A.	Curtis Young, 1641 Worthington Road, Suite 220, West Palm Beach, Fl 33409.
3	Q.	By whom are you employed?
4	A.	I am employed by Florida Public Utilities Company.
5	Q.	Could you give a brief description of your background and business experience?
6	A.	I am the Senior Regulatory Analyst for Florida Public Utilities Company. I have
7		performed various accounting and analytical functions including regulatory filings,
8		revenue reporting, account analysis, recovery rate reconciliations and earnings
9		surveillance. I'm also involved in the preparation of special reports and schedules
10		used internally by division managers for decision making projects. Additionally, I
11		coordinate the gathering of data for the FPSC audits.
12	Q.	What is the purpose of your testimony?
13	A.	The purpose of my testimony is to present the calculation of the final remaining true-
14		up amounts for the period January 2013 through December 2013.
15	Q.	Have you included any exhibits to support your testimony?
16	A.	Yes. Exhibit(CDY-1) consists of Schedules A, B, M1, F1 and E1-B for the
17		Northwest Florida (Marianna) and Northeast Florida (Fernandina Beach) divisions.
18		These schedules were prepared from the records of the company.

- Q. What has FPUC calculated as the final remaining true-up amounts for the period January 2013 through December 2013?
- A. For Northwest Florida the final remaining true-up amount is an under recovery of \$1,777,389. For Northeast Florida the calculation is an over recovery of \$1,255,621.
- 5 Q. How were these amounts calculated?
- A. They are the difference between the actual end of period true-up amounts for the
  January through December 2013 period and the total true-up amounts to be collected
  or refunded during the January December 2014 period.
- 9 Q. What was the actual end of period true-up amount for January December 2013?
- 10 A. For Northwest Florida it was \$2,532,762 under recovery and for Northeast Florida it was \$3,941,298 over recovery.
- 12 Q. What have you calculated to be the total true-up amount to be collected or refunded during the January December 2014 period?
- 14 A. Using six months actual and six months estimated amounts, we calculated an under 15 recovery for Northwest Florida of \$755,373 and an over recovery of \$2,685,677 for 16 Northeast Florida.
- Q. Did you include costs in addition to the costs specific to purchased fuel in the calculations of your true-up amounts?
- 19 A. Yes, included with our fuel and purchased power costs are charges for contracted 20 consultants and legal services that are directly fuel-related and appropriate for 21 recovery in the fuel clause for each respective division.
- Q. Please explain how these costs were determined to be recoverable under the fuel clause?

Consistent with the Commission's policy set forth in Order No. 14546, issued in Docket No. 850001-EI-B, on July 8, 1985, the other costs included in the fuel clause are directly related to fuel and have not been recovered through base rates. Specifically, as illustrated in Order 14546, the costs the Company has included are fuel-related costs and were not anticipated or included in the cost levels used to establish the current base rates. To be clear, these costs are not tied to the Company's internal staff involvement in fuel and purchased power procurement and administration. Instead, these costs are associated with external contracts, which were unanticipated in the Company's last rate case, and which, consequently, tend to be more volatile depending upon the issue. Similar expenses paid to Christensen and Associates associated with the design for a Request for Proposals of Fuel costs, as well as the evaluation of those responses, were deemed appropriate for recovery by FPUC through the fuel clause in Order No. PSC-05-1252-FOF-EI, issued in Docket No. 050001-EI. Additionally, in Docket No. 120001-EI and Docket No. 130001-EI, the Commission determined that certain legal and consulting costs associated with the review and analysis of the Company's existing purchase power agreements, as well as the development and negotiations for a renewable energy contract with Rayonier were appropriate and recoverable through the fuel clause.

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- Q. Which legal and consulting costs were allowed to be recovered through the fuel clause in 2012 and 2013?
- A. In both years, the Commission allowed FPUC to recover costs associated with work done by Christensen and Associates ("Christensen"), Gunster, Yoakley, & Stewart, ("Gunster") and Sterling Energy Services ("Sterling") pertaining to the Rayonier

renewable energy contract, which was finalized in early 2012. This contract provides for the purchase of power at rates lower than the existing Purchase Power Agreement between FPUC and JEA. FPUC realized reduced fuel rates for the Northeast Division customers as a result of this agreement, beginning in mid-2012. The costs associated with the development, negotiation, and regulatory approvals for the contract had not been included in expenses during the last FPUC consolidated electric base rate proceeding; thus, they were not being recovered through the Company's base rates. Consequently, the Commission allowed these costs to be passed through the fuel clause. The Company believes that the costs addressed herein are similar to those allowed to be recovered through the fuel clause in 2012 and 2013. As such, the Company believes the costs addressed herein are likewise appropriate for recovery through the fuel clause.

- Q. What are the costs outside of purchased fuel costs, included in the 2013 final true up for Florida Public Utilities Company?
- 15 A. The Company engaged Christensen, Gunster, and Sterling, as well as, King & Spalding, LLP ("King and Spalding"), and Pace Global, a Siemens Industry, Inc.

  17 Company ("Pace") (all jointly referred to herein as "Consultants"), for services directly related to fuel costs and fuel cost reductions for the feasibility research and analysis, of projects/programs designed to protect current fuel savings, and to possibly further reduce fuel costs to its customers.

Specifically, Christensen performed a due diligence review and cost analysis of the pricing under the current Purchased Power Agreements between FPUC and its power

suppliers (JEA, Rayonier and Rock-Tenn) with the goal of determining whether there are further avenues for achieving cost reductions.

Additionally, the Consultants provided services related to reviewing and evaluating the impact of the new Generation facility at Rayonier on our purchased power costs, and the impact from the loss of the purchased power from Rayonier. The Consultants also assisted the Company in its evaluation of alternatives on what could be done to protect fuel savings to our customers, and what can be done to further reduce the Company's costs for purchased power.

The specified legal and consulting costs were not included in expenses during the last FPUC consolidated electric rate base proceeding and are not being recovered through base rates. While the cogeneration project has not yet been finalized, the Company's efforts in this regard are moving forward. The Company fully expects that the cogeneration project, with which these legal and consulting expenses are associated, will come to fruition and ultimately produce significant fuel savings for customers, as well as increased reliability, for customers in the Northeast Division. As such, consistent with past Commission precedent, these fuel-related costs should be deemed appropriately recoverable through the fuel clause.

- Q. Does this conclude your direct testimony?
- A. Yes, it does.

### Schedule A

# FLORIDA PUBLIC UTILITIES FINAL FUEL AND PURCHASED POWER OVER/(UNDER) RECOVERY FOR THE PERIOD JANUARY 2013 THROUGH DECEMBER 2013

10 FINAL FUEL OVER/(UNDER) RECOVERY (LINE 8 - LINE 9)		(1,777,389)
9 PROJECTED UNDER-RECOVERY PER PROJECTION FILED 10/31/13	-	(755,373)
8 ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (LINE 3 + LINE4 + LINE5 + LINE6 + LINE7)		(2,532,762)
7 PRIOR PERIOD TRUE-UP (ACTUAL ENDING 12/13)		(2,596,293)
6 TRUE-UP COLLECTED		1,477,604
5 INTEREST		(2,054)
4 ADJUSTMENTS (INCL. REVENUE REFUND TRUE-UP ADJUSTMENT)		(1,477,604)
3 ACTUAL OVER/(UNDER) RECOVERED FUEL COSTS FOR THE PERIOD		65,585
2 JURISDICTIONAL FUEL REVENUES APPLICABLE TO THE PERIOD		28,368,579
1 JURISDICTIONAL FUEL COSTS (INCL. ALL ADJUSTMENTS)	\$	28,302,994

### Schedule B

# FLORIDA PUBLIC UTILITIES FINAL FUEL AND PURCHASED POWER OVER/(UNDER) RECOVERY FOR THE PERIOD JANUARY 2013 THROUGH DECEMBER 2013

NORTHEAST FLORIDA DIVISION  1 JURISDICTIONAL FUEL COSTS (NET OF GSLD1 / STAND BY FUEL COSTS)	\$	28,802,545
2 JURISDICTIONAL FUEL REVENUES APPLICABLE TO THE PERIOD (NET OF GSLD1 /STANDBY FUEL REVENUES)		30,697,713
3 ACTUAL OVER/(UNDER) RECOVERED FUEL COSTS FOR THE PERIOD		1,895,168
4 ADJUSTMENTS (INCL. REVENUE REFUND TRUE-UP ADJUSTMENT)		258,636
5 INTEREST		2,021
6 TRUE-UP COLLECTED		(258,636)
7 PRIOR PERIOD TRUE-UP (ACTUAL ENDING 12/13)		2,044,109
8 ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (LINE 3 + LINE4 + LINE5 + LINE6 + LINE7)		3,941,298
9 PROJECTED UNDER-RECOVERY PER PROJECTION FILED 10/31/13	W-W-70-00-00-00-00-00-00-00-00-00-00-00-00-	2,685,677
## FINAL FUEL OVER/(UNDER) RECOVERY (LINE 8 - LINE 9)		1,255,621

### FLORIDA PUBLIC UTILITIES COMPANY

# CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION ESTIMATED FOR THE PERIOD: JANUARY 2013 - DECEMBER 2013 BASED ON TWELVE MONTHS ACTUAL

MARIANNA DIVISION			ACTUAL	ACTUAL	ACTUAL	ACTUAL.	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUALS	ACTUALS	
			JANUARY	FEBRUARY	MARCH	APRIL.	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total
T.1.0.1.0.1.1011			2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	
Total System Sales - KWH Total System Purchases - KWH			24,966,141 24,917,444	21,844,248 22,515,414	22,368,813 24,361,046	21,185,114 21,950,706	23,271,501 25,381,308	26,281,188 29,535,698	28,718,720 29,550,909	28,806,776	27,988,763	24,655,584	20,449,337	23,414,659	293,950,844
System Billing Demand - KW			97,944	97,944	97,944	91,000	91,000	91,000	91,000	30,742,395 91,000	28,268,462 91,000	23,925,987 91,000	23,090,567 91,000	25,616,104 91,000	309,856,040 1,112,832
Peak Billing Demand-KW			58,600	57,108	55,639	55,119	56,630	55,599	55,207	55,338	55,100	54,730	54,648	55,539	669,257
Purchased Power Rates:			00,000	01,100	00,000	00,110	00,000	00,000	00,201	00,000	00,100	04,700	04,040	00,000	003,237
Energy/Environmental - \$/KWH	Loss Factor	0.974	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0,04937	0.04937	0.04937	
Demand and Non-Fuel:										-,			0.0 1001	0,01001	
Capacity Charge \$/KW			9.50000	9.50000	9.50000	9,50000	9.50000	9.50000	9,50000	9.50000	9.50000	9.50000	9,50000	9.50000	
Transmission and Interconnect	ion - \$/KW		2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	
Distribution Charge			39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	476,832
Purchased Power Costs:															
Base Fuel Costs			1,263,013	1,141,259	1,234,810	1,112,635	1,286,525	1,497,102	1,497,873	1,558,267	1,432,869	1,212,758	1,170,412	1,298,426	15,705,949
Subtotal Fuel Costs			1,263,013	1,141,259	1,234,810	1,112,635	1,286,525	1,497,102	1,497,873	1,558,267	1,432,869	1,212,758	1,170,412	1,298,426	15,705,949
Demand and Non-Fuel Costs:											<b>-</b>				
Capacity Charge			930,468	930,468	930,468	864,500	864,500	864,500	864,500	864,500	864,500	864,500	864,500	864,500	10,571,904
Transmission and Interconection			141,671 41,494	138,064 41,441	134,513 41,276	133,256 41,077	136,909	134,416	133,468	36,545	133,210	132,315	132,117	134,271	1,520,755
Distribution Facilities Charge (incl. I Meter Reading and Processing Char		g)	41,494 775	775	775	41,077 775	41,237 775	41,472 775	41,757 775	41,757 775	41,839 775	41,670 775	41,342 775	41,286 775	497,648 9,300
Subtotal Demand & Non-Fuel	-		1,114,408	1,110,748	1,107,032	1,039,608	1,043,421	1,041,163	1,040,500	943,577	1,040,324	1,039,260	1,038,734	1.040.832	12,599,607
Total System Purchased Power Costs	00313	,	2,377,421	2,252,007	2,341,842	2,152,243	2,329,946	2,538,265	2,538,373	2,501,844	2,473,193	2,252,018	2,209,146	2,339,258	28,305,556
Special Costs			315	259	838	(286)	2,023,348	2,000,200	193	(5,531)	2,475,195	310	2,203,140	2,559,256	(2,562)
Total Costs and Charges			2,377,736	2,252,266	2,342,680	2,151,957	2,330,183	2,538,545	2,538,566	2.496.313	2.473.481	2,252,328	2,209,426	2,339,513	28,302,994
Sales Revenues - Fuel Adjustment Reve	nues'									-111-1-1-1					2010021001
Residential<	.09876	.09876	745,459	707,787	719,204	659,211	647,277	745,888	757,794	770,131	763,505	699,386	631,140	727,153	8,573,935
Residential>	.10875	.10875	394,100	237,446	275,334	143,191	168,909	369,427	392,762	442,408	410,586	242,025	114,591	305,243	3,496,022
Commercial, Small	.09847	.09847	214,315	196,210	200,245	188,608	213,525	255,507	260,553	269,519	262,416	240,364	189,252	202,176	2,692,690
Commercial, Large	.09301	.09301	580,696	548,924	543,211	535,886	689,292	708,118	735,120	776,790	751,100	701,270	564,281	570,798	7,705,486
Commercial, Large Demand	.08912	:08912	437,664	368,999	375,926	450,323	457,283	415,908	571,980	478,480	469,927	436,948	406,439	409,486	5,279,363
Outside Lighting Private	.07405	.07405	25,326	25,079	24,794	25,241	24,983	25,031	25,058	25,035	25,133	25,160	25,079	25,110	301,029
Street Lighting-Public	.07468	.07468	7,770	7,770	7,775	7,785	7,805	7,805	7,805	7,805	7,804	7,808	7,808	7,808	93,548
Unbilled Fuel Revenues			101,520	(205,607)	196,775	(168,866)	219,810	73,938	(19, 122)	63,187	(104,893)	(119,811)	55,166	134,410	226,506
Total Fuel Revenues			2,506,850	1,886,608	2,343,264	1,841,379	2,428,884	2,601,622	2,731,950	2,833,355	2,585,578	2,233,150	1,993,756	2,382,184	28,368,579
Non-Fuel Revenues			948,551	868,681	888,817	834,631	860,744	966,273	1,017,404	1,020,597	1,009,669	928,106	818,148	917,258	11,078,880
Total Sales Revenue		,	3,455,401	2,755,289	3,232,081	2,676,010	3,289,628	3,567,895	3,749,354	3,853,952	3,595,247	3,161,256	2,811,904	3,299,442	39,447,459
KWH Sales:															
Residential<	RS		7,547,116	7,165,811	7,283,589	6,676,580	6,553,498	7,554,878	7,672,054	7,801,947	7,730,553	7,082,472	6,391,478	7,363,881	86,823,857
Residential>	RS		3,626,066	2,185,023	2,531,775	1,315,649	1,554,563	3,396,095	3,613,479	4,070,309	3,777,254	2,225,479	1,053,699	2,806,786	32,156,177
Commercial, Small	GS		2,176,473	1,992,605	2,033,584	1,915,401	2,168,449	2,594,686	2,646,036	2,737,096	2,664,961	2,441,006	1,921,938	2,053,196	27,345,431
Commercial, Large Industrial	GSD		6,259,027	5,917,326	5,862,447	5,779,032	7,421,683	7,625,833	7,925,641	8,385,230	8,098,764	7,559,047	6,078,109	6,152,063	83,064,202
	GSLD		4,911,176 342,233	4,140,672 338,761	4,218,392 334,913	5,053,236 340,951	5,131,332	4,667,052	6,418,392	5,369,188	5,273,212	4,903,152	4,560,792	4,594,984	59,241,580
Outside Lighting-Private Street Lighting-Public	OL,OL-2 SL-1, 2, 3		104.050	104,050	104,113	104,265	337,462 104.514	338,130 104,514	338,604 104,514	338,492 104,514	339,505 104,514	339,873 104,555	338,769 104,552	339,197 104,552	4,066,890 1,252,707
Total KWH Sales	SL-1, Z, 3		24,966,141	21,844,248	22,368,813	21,185,114	23,271,501	26,281,188	28,718,720	28,806,776	27,988,763	24,655,584	20,449,337	23,414,659	293,950,844
True-up Calculation:			24,300,141	21,044,240	22,000,010	21,100,114	20,271,001	20,201,100	20,710,720	20,000,770	27,300,703	24,000,004	20,443,557	20,414,009	to Date
Fuel Revenues			2,506,850	1,886,608	2,343,264	1,841,379	2,428,884	2,601,622	2,731,950	2,833,355	2,585,578	2,233,150	1,993,756	2,382,184	28,368,579
True-up Provision for the Period - c	ollect/(refun	d)	123,130	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	1,477,604
Gross Receipts Tax Refund	0000(101411	۵,	0.23,	0	0.20,101	0	120,.04	0	0	120,104	120,104	720,104	0	0	1,417,004 N
Fuel Revenue			2,383,720	1,763,474	2,220,130	1,718,245	2,305,750	2,478,488	2,608,816	2,710,221	2,462,444	2,110,016	1,870,622	2,259,050	26,890,975
Total Purchased Power Costs			2,377,736	2,252,266	2,342,680	2,151,957	2,330,183	2.538.545	2.538.566	2,496,313	2,473,481	2.252,328	2,209,426	2,339,513	28,302,994
True-up Provision for the Period			5,984	(488,792)	(122,550)	(433,712)	(24,433)	(60,057)	70,250	213,908	(11,037)	(142,312)	(338,804)	(80,463)	(1,412,019)
Interest Provision for the Period			(263)	(321)		(224)	(179)	(163)	(156)	(110)	(79)	(89)	(114)		(2,054)
True-up and Interest Provision									, ,		• •	. ,	, ,	` '	, , ,
Beginning of Period			(2,596,293)	(2,467,442)	(2,833,421)	(2,833,109)	(3,143,911)	(3,045,389)	(2,982,475)	(2,789,247)	(2,452,315)	(2,340,298)	(2,359,565)	(2,575,348)	(2,596,293)
True-up Collected or (Refunded)			123,130	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	1,477,604
End of Period, Net True-up			(2,467,442)	(2,833,421)	(2,833,109)	(3,143,911)	(3,045,389)	(2,982,475)	(2,789,247)	(2,452,315)	(2,340,298)	(2,359,565)	(2,575,348)	(2,532,761)	(2,532,762)
10% Rule - Interest Provision:															-8.95%
Beginning True-up Amount			(2,596,293)	(2,467,442)		(2,833,109)			(2,982,475)	(2,789,247)	(2,452,315)	(2,340,298)	(2,359,565)		
Ending True-up Amount Before Inte			(2,467,179)	(2,833,100)		(3,143,687)	(3,045,210)	(2,982,313)	(2,789,091)	(2,452,205)	(2,340,219)	(2,359,476)	(2,575,234)		
Total Beginning and Ending True-u	p		(5,063,472)	(5,300,542)		(5,976,796)	(6,189,122)	(6,027,702)	(5,771,566)	(5,241,452)	(4,792,534)	(4,699,773)	(4,934,799)		
Average True-up Amount			(2,531,736)	(2,650,271)		(2,988,398)	(3,094,561)	(3,013,851)	(2,885,783)	(2,620,726)	(2,396,267)	(2,349,887)	(2,467,399)		
Average Annual Interest Rate			0.1250%	0.1450%	0.1150%	0.0900%	0.0700%	0.0650%	0.0650%	0.0500%	0.0400%	0.0450%	0.0550%		
Monthly Average Interest Rate			0.0104%	0.0121%	0.0096%	0.0075%	0.0058%	0.0054%	0.0054%	0.0042%	0.0033%	0.0038%	0.0046%		
Interest Provision			(263)	(321)	(272)	(224)	(179)	(163)	(156)	(110)	(79)	(89)	(114)	(84)	

### FLORIDA PUBLIC UTILITIES COMPANY

# CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION-EXCLUDING GSLD1 ACTUAL/ESTIMATED FOR THE PERIOD: JANUARY 2013 THROUGH DECEMBER 2013 (EXCLUDES LINE LOSS , EXCLUDES TAXES)

BASED ON TWELVE MONTHS ACTUAL

FERNANDINA BEACH

FERNANDINA BEACH														
		ACTUAL Jan 2013	ACTUAL Feb 2013	ACTUAL Mar 2013	ACTUAL Apr 2013	ACTUAL May 2013	ACTUAL Jun 2013	ACTUAL Jul 2013	ACTUAL Aug 2013	ACTUAL Sep 2013	ACTUAL Oct 2013	ACTUAL Nov 2013	ACTUAL Dec 2013	Total
		26,579,202	23,542,693	28,606,082	23,192,791	25,326,295	30,372,979	33.912.847	34,880,178	33,990,122	28,650,438	23,865,697	23,807,884	336,727,208
Total System Sales - KWH		873,871	686,578	1.078,805	639,052	947,823	717,953	621,421	822,970	907,333	888,710	258,327	3,092,375	11,535,218
CCA Purchases - KWH	D. d.	727,244	328,328	392,673	396.848	527,104	698,783	512.543	505,768	479,197	471,661	607,742	371,730	6,019,621
Rayonier Purchases - KWH - Or		1,003,083	539,216	759,721	801,135	1,136,125	1,479,937	1,348,470	1,127,684	1,460,652	1,255,911	911,973	755,591	12,579,498
Rayonier Purchases - KWH - Of	T Peak			29,830,181	21,423,671	25,499,052		34,921,745	35,832,685	29,303,339	25,087,971	22,809,879	21,769,084	323,107,446
JEA Purchases - KWH		70,246	78,714	80,326	51,654	58,195	73,920	66,976	77,737	76,877	61,286	48,429	56,896	801,256
System Billing Demand - KW DEMAND-KW-(network load)		86,197	105,903	102,389	78,286	85,308	103,691	98,493	99,540	79,471	86,922	74,619	96,374	1,097,193
		00,157	100,000	102,000	10,200	00,000	100,001	50,455	55,546	10,411	00,022	74,013	00,074	1,007,100
Purchased Power Rates: CCA Fuel Costs - \$/KWH		0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	
Rayonier -Energy Charge-	On Book SWAN	0.09047	0.04563	0.09047	0.09958	0.09958	0.09958	0.09958	0.09958	0.09958	0.10478	0.09097	0.04563	
Rayonier - Energy Charge -		0.05822	0.04563	0.05822	0.05822	0.05822	0.05822	0.05822	0.05822	0.05822	0.05460	0.05460	0.04563	
Rayonier- Energy Charge - Base Fuel Costs - \$/KWH	- Oll Peak - WAVVII	0.03022	0.04360	0.03822	0.03822	0.03022	0.03022	0.03022	0.03022	0.03322	0.04360	0.04360	0.04360	
# #·····		0.04360	0.04360	0.04300	0,01643	0.04300	0.04360	0.04300	0.04500	0.04360	0.04300	0.04300	0.04300	
Energy Charge - \$/KWH Demand and Non-Fuel;		0.01043	0.01043	0.01043	0,01043	0.01043	0.01043	0,01045	0.01043	0.01043	0.01102	0.01102	0.01102	
Demand Charge - \$/K	14/	11.38	11.38	11.38	11.38	11.38	11.38	11.38	11,38	11.38	14.31	14.31	14.31	
Distribution Facilities (		39,736.00	39.736.00	39,736.00	39,736,00	39.736.00	39,736,00	39,736.00	39,736,00	39,736,00	39,736.00	39,736,00	39,736,00	
Transmission Charge		1,51000	1.51000	1.51000	1,51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	
Purchased Power Costs:	CCA Fuel Costs	38,678	30,388	47,748	28,284	41,951	31,777	27,504	36,425	40,159	39,334	11,433	136,868	510,549
Fulchased Fower Costs.	Rayonier Standby Costs	142,757	39,586	79,756	86,160	118,634	155,746	129,547	116,018	132,757	117,994	105,080	51,440	1,275,475
	JEA Base Fuel Costs	1,013,835	994,653	1,300,596	934,072	143,200	1,332,573	1,522,587	1,562,305	1,277,626	1,093,836	994,511	949,132	13,118,926
	JEA Fuel Adjustment	382,048	374,820	490,110	351,991	418,949	502,160	573,764	588,731	481,454	286,771	265,051	252,957	4,968,806
	Subtotal Fuel Costs	1,577,318	1,439,447	1,918,210	1,400,507	722,734	2,022,256	2,253,402	2,303,479	1,931,996	1,537,935	1,376,075	1,390,397	19,873,756
Demand and Non-Fuel Costs:	Demand Charge	799,399	895,765	914,110	587,822	662,259	841,210	762,188	884,647	874,860	877,003	693,018	814,181	9,606,462
Comunic and Horri del Costs.	Distribution Facilities Charg		39,736	39,736	39,736	39,736	39,737	39,737	39,736	39,736	39,736	39,736	39,736	476,834
	Transmission Charge	130,158	159,914	154,607	118,212	128,815	156,573	148,724	150,305	120,002	131,252	112,675	145,525	1,656,762
Subtotal Demand & N		969,293	1,095,415	1,108,453	745,770	830,810	1,037,520	950,649	1,074,688	1,034,598	1,047,991	845,429	999,442	11,740,058
Total System Purchased Power		2,546,611	2,534,862	3,026,663	2,146,277	1,553,544	3,059,776	3,204,051	3,378,167	2,966,594	2,585,926	2,221,504	2,389,839	31,613,814
Less Direct Billing To GSLD1 CI		372,221	133,824	261,366	52,793	56,637	47,776	68,523	60,787	275,280	52,260	47,853	49,180	1,478,500
2000 Billion Billing To GOZD TO	Commodity	183,802	152,090	355,136	100,352	135,107	108,294	126,553	75,614	125,009	159,430	183,576	109,435	1,814,398
Net Purchased Power Costs		1,990,588	2,248,948	2,410,161	1,993,132	1,361,800	2,903,706	3,008,975	3,241,766	2,566,305	2,374,236	1,990,075	2,231,224	28,320,916
	Special Costs	16,197	17,040	51,516	15,707	39,981	75,998	48,931	131,098	28,896	34,026	29,085	(6,846)	481,629
Total Costs and Charges	,	2,006,785	2,265,988	2,461,677	2,008,839	1,401,781	2,979,704	3,057,906	3,372,864	2,595,201	2,408,262	2,019,160	2,224,378	28,802,545
Sales Revenues - Fuel Adjustme	ent Revenues:													
RS< 1,000 kwh	.09779	962,565	926,269	970,561	907,587	890,396	1,048,397	1,123,271	1,121,012	1,100,084	970,469	815,525	892,914	11,729,050
RS> 1,000 kwh	.10778	429,116	304,897	364,796	254,549	310,572	586,390	800,736	802,418	719,363	402,775	195,054	305,488	5,476,154
GS	.09823	216,202	192,353	207,358	204,629	227,038	267,290	287,946	305,147	292,467	251,613	204,556	205,630	2,862,229
GSD	.09370	501,049	456,954	494,316	516,351	593,238	655,077	688,905	721,887	776,568	651,593	550,588	538,677	7,145,203
GSLD	.09045	185,963	152,687	177,737	187,768	210,780	230,779	224,800	238,238	235,658	226,736	183,683	198,608	2,453,437
OL	.06733	7,603	7,620	7,245	7,584	7,598	7,668	7,630	7,634	7,637	7,627	7,621	7,643	91,110
SL,CSL	.06713	4,828	4,828	4,845	4,957	4,969	4,973	4,973	4,973	4,973	4,973	4,973	4,774	59,039
Unbilled Fuel Revenue	es	140,850	(195,621)	342,734	(349,352)	531,505	(117,346)	391,966	(185,870)	13,537	(147,258)	(413,423)	869,769	881,490
Total Fuel Revenue	es (Excl. GSLD1)	2,448,176	1,849,987	2,569,592	1,734,073	2,776,096	2,683,228	3,530,227	3,015,439	3,150,287	2,368,528	1,548,577	3,023,503	30,697,713
GSLD1 Fuel Revenue	s .00000	556,023	285,914	616,502	153,145	191,744	156,070	195,076	136,401	400,289	211,690	231,429	158,615	3,292,898
Non-Fuel Revenues		955,049	863,007	957,773	901,078	885,378	972,945	1,103,649	1,117,797	1,126,885	964,358	823,192	869,594	11,540,705
Total Sales Reven		3,959,248	2,998,908	4,143,867	2,788,296	3,853,218	3,812,243	4,828,952	4,269,637	4,677,461	3,544,576	2,603,198	4,051,712	45,531,316
KWH Sales:	RS< 1,000 kwh	9,843,458	9,472,061	9,925,485	9,290,382	9,105,219	10,720,944	11,487,490	11,463,510	11,249,496	9,924,055	8,339,580	9,130,986	119,952,666
	RS> 1,000 kwh	3,981,444	2,828,827	3,384,562	2,366,718	2,881,477	5,440,487	7,429,188	7,444,796	6,674,213	3,736,930	1,809,704	2,834,302	50,812,648
	GS	2,203,160	1,991,950	2,110,953	2,085,158	2,311,302	2,721,087	2,931,363	3,106,481	2,977,395	2,561,490	2,082,435	2,093,367	29,176,141
	GSD	5,350,031	4,876,640	5,275,378	5,568,082	6,331,079	6,991,040	7,352,047	7,704,033	8,276,127	6,953,843	5,875,918	5,748,803	76,303,021
	GSLD	2,055,860	1,688,000	1,964,920	2,075,840	2,330,220	2,551,320	2,485,220	2,633,780	2,605,260	2,506,620	2,030,660	2,195,660	27,123,360
	GSLD1	2,960,000	2,500,000	5,760,000	1,620,000	2,180,000	1,760,000	2,040,000	2,340,000	2,020,000	2,780,000	3,540,000	1,620,000	31,120,000
	OL	113,333	113,299	112,609	112,769	112,974	114,028	113,466	113,503	113,558	113,427	113,327	113,654	1,359,947
	SL,CSL	71,916	71,916	72,175	73,842	74,024	74,073	74,073	74,075	74,073	74,073	74,073	71,112	879,425
	Total KWH Sales	26,579,202	23,542,693	28,606,082	23,192,791	25,326,295	30,372,979	33,912,847	34,880,178	33,990,122	28,650,438	23,865,697	23,807,884	336,727,208
True-up Calculation (Excl. GSLD1):		0.440.470	4 040 007	2,569,592	4 724 072	2,776,096	2,683,228	3,530,227	3,015,439	3,150,287	2,368,528	1,548,577	3,023,503	30,697,713
Fuel Revenues		2,448,176	1,849,987		1,734,073									
True-up Provision - collect	- ( )	(21,553) 0	(21,553) 0	(21,553) 0	(21,553) 0	(21,553)	(21,553) 0	(21,553) 0	(21,553)	(21,553) 0	(21,553)	(21,553)	(21,553)	(258,636) 0
Gross Receipts Tax Refun	nd.	2,469,729		2,591,145	1,755,626	2,797,649	2,704,781	3,551,780	3,036,992	3,171,840	2,390,081	1,570,130	3,045,056	30,956,349
Fuel Revenue	T 10 1		1,871,540	2,591,145	2,008,839	1,401,781	2,704,781	3,057,906	3,036,992	2,595,201	2,408,262	2.019,160	2,224,378	28,802,545
Net Purchased Power and Other Fuel Costs		2,006,785	2,265,988										820,678	
True-up Provision for the Period		462,944 236	(394,448) 276	129,468 204	(253,213) 153	1,395,868 150	(274,923) 169	493,874 174	(335,872) 138	576,639 111	(18,181) 138	(449,030) 155	117	2,153,804 2,021
Interest Provision for the Period		2.044,109	2,485,736	2,070,011	2,178,130	1,903,517	3,277,982	2,981,675	3,454,170	3,096,883	3,652,080	3,612,484	3,142,056	2,044,109
Beginning of Period True-up and Interest Provision		(21,553)	(21,553)	(21,553)		(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(258,636)
True-up Collected or (Refunded) End of Period, Net True-up and Int. Prov.		2.485.736	2.070.011	2,178,130	1,903,517	3,277,982	2,981,675	3,454,170	3,096,883	3,652,080	3,612,484	3,142,056	3,941,298	3,941,298
Beginning True-up Amoun		2,465,736	2,485,736	2,170,130	2,178,130	1,903,517	3,277,982	2,981,675	3,454,170	3,096,883	3,652,080	3,612,484	3,142,056	0,071,200
Ending True-up Amount B		2,485,500	2,465,736	2,177,926	1,903,364	3,277,832	2,981,507	3,453,995	3,434,170	3,651,969	3,612,346	3,141,901	3,941,181	100/ Dule 1:1
Total Beginning and Endir		4,529,609	4,555,471	4,247,937	4,081,494	5,181,349	6,259,489	6,435,670	6,550,915	6,748,852	7,264,427	6,754,385	7,083,237	10% Rule Interest Provision:
Average True-up Amount	ig true-up	2,264,804	2,277,735	2,123,969	2,040,747	2,590,674	3,129,744	3,217,835	3,275,458	3,374,426	3,632,213	3,377,193	3,541,618	12.47%
Average True-up Amount Average Annual Interest R	2nto	0.1250%	0.1450%			0.0700%	0.0650%	0.0650%	0.0500%	0.0400%	0.0450%	0.0550%	0.0400%	12. 11 /0
Average Annual Interest R Interest Provision	vare.	0.1250%	0.1450%	204	153	150	169	174	. 138	111	138	155	117	
interest Provision		230	210	204	100	100	109	174	. 150	111	100	100	117	Evhibit No.

Exhibit No.\_\_\_\_\_ DOCKET NO. 140001-EI Florida Public Utilities Company (CDY-1)

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# FLORIDA PUBLIC UTILITIES COMPANY CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION revised 8/30/2013

### ACTUAL/ESTIMATED FOR THE PERIOD: JANUARY 2013 - DECEMBER 2013

BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

MARIANNA DIVISION			ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	
			JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total
			2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	010.750.005
Total System Sales - KWH			24,966,141 24,917,444	21,844,248 22,515,414	22,368,813 24,361,046	21,185,114 21,950,706	23,271,501 25,381,308	26,281,188 29,535,698	30,440,000 33,120,681	30,068,000 33,477,525	30,610,000 32,093,915	29,829,000 29,566,500	27,292,000 24,623,100	28,596,000 26,977,780	316,752,005 328,521,117
Total System Purchases - KWH System Billing Demand - KW			97.944	97,944	97,944	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	1,112,832
Peak Billing Demand-KW			58,600	57,108	55,639	55,119	56,630	55,599	65,7.61	67,679	63,290	52,589	46,174	61,606	695,794
Purchased Power Rates:			33,000	37,100	00,000	00,110	50,000	00,000	00,1.01	010,10	00,200	02,000	40, 11 4	01,000	. 000,104
Energy/Environmental - \$/KWH	Loss Factor	0.974	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	0.04937	
Demand and Non-Fuel:															
Capacity Charge - \$/KWH			9.50000	9.500000	9,500000	9,500000	9.500000	9.500000	9.500000	9.500000	9.500000	9.500000	9.500000	9.500000	
Transmission and Interconnect	ction - \$/KWH		2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2.41760	2,41760	2.41760	
Distribution Charge			39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	39,736	476,832
Purchased Power Costs:															
Base Fuel Costs			1,263,013	1,141,259	1,234,810	1,112,635	1,286,525	1,497,102	1,678,817	1,696,905	1,626,773	1,498,663	1,248,093	1,367,447	16,652,042
Subtotal Fuel Costs			1,263,013	1,141,259	1,234,810	1,112,635	1,286,525	1,497,102	1,678,817	1,696,905	1,626,773	1,498,663	1,248,093	1,367,447	16,652,042
Demand and Non-Fuel Costs:															
Capacity Charge			930,468	930,468	930,468	864,500	864,500	864,500	864,500	864,500	864,500	864,500	864,500	864,500	10,571,904
Transmission and Interconection			141,671	138,064	134,513	133,256	136,909	134,416	(17,310)	163,621	153,010	127,139	111,630	148,939	1,505,858
Distribution Facilities Charge (incl.	-	3)	41,494	41,441	41,276	41,077	41,237	41,472	42,237	42,264	42,159 775	41,968 775	41,595	41,773	499,993 9,300
Meter Reading and Processing Cl			775 1,114,408	775 1,110,748	775 1,107,032	775 1,039,608	775 1,043,421	775 1.041.163	775 890.202	775 1,071,160	1.060,444	1,034,382	775 1,018,500	775 1,055,987	12.587,055
Subtotal Demand & Non-Fuel Total System Purchased Power Costs	COSIS		2,377,421	2,252,007	2,341,842	2,152,243	2,329,946	2,538,265	2,569,019	2,768,065	2,687,217	2.533.045	2,266,593	2,423,434	29.239.097
Special Costs			315	2,232,007	838	(286)	2,323,340	2,000,200	300	300	300	300	300	300	3,443
Total Costs and Charges			2,377,736	2,252,266	2,342,680	2,151,957	2,330,183	2,538,545	2,569,319	2,768,365	2,687,517	2,533,345	2,266,893	2,423,734	29,242,540
Sales Revenues - Fuel Adjustment Reve	enues:														
Residential<	.09876	.09876	745,459	707,787	719,204	659,211	647,277	745,888	636,106	622,971	752,839	710,274	742,963	811,107	8,501,086
Residential>	.10875	.10875	394,100	237,446	275,334	143,191	168,909	369,427	543,215	606,617	563,769	579,212	540,931	612,598	5,034,749
Commercial, Small	.09847	.09847	214,315	196,210	200,245	188,608	213,525	255,507	317,366	301,709	283,985	271,085	221,359	226,479	2,890,393
Commercial, Large	.09301	.09301	580,696	548,924	543,211	535,886	689,292	708,118	866,323	829,025	816,933	791,448	652,486	644,580	8,206,922
Industrial	.08912	.08912	437,664	368,999	375,926	450,323	457,283	415,908	538,171	515,090	509,208	501,544	455,204	454,134	5,479,454
Outside Lighting Private	.07405 .07468	.07405	25,326	25,079 7,770	24,794 7,775	25,241 7,785	24,983 7,805	25,031 7,805	24,658 7,094	24,435 7,094	24,213 7,094	24,213 7,020	24,287 7,169	24,361 7,094	296,621 89,275
Street Lighting-Public Unbilled Fuel Revenues	.07468	.07468	7,770 101,520	(205,607)	196,775	(168,866)	219,810	73,938	7,094	7,094	7,094	7,020	150,000	220,000	587,569
Total Fuel Revenues			2,506,850	1,886,608	2.343,264	1,841,379	2,428,884	2,601,622	2,932,933	2,906,941	2,958,041	2,884,796	2,794,399	3,000,353	31,086,069
Non-Fuel Revenues			948,551	868,681	888,817	834,631	860,744	966,273	943,867	1,368,409	1,175,438	1,255,289	1,191,429	890,097	12,192,227
Total Sales Revenue			3,455,401	2,755,289	3,232,081	2,676,010	3,289,628	3,567,895	3,876,800	4,275,350	4,133,479	4,140,085	3,985,828	3,890,450	43,278,296
KWH Sales:															
Residential<	RS		7,547,116	7,165,811	7,283,589	6,676,580	6,553,498	7,554,878	6,441,000	6,308,000	7,623,000	7,192,000	7,523,000	8,213,000	86,081,472
Residential>	RS		3,626,066	2,185,023	2,531,775	1,315,649	1,554,563	3,396,095	4,995,000	5,578,000	5,184,000	5,326,000	4,974,000	5,633,000	46,299,171
Commercial, Small	GS		2,176,473	1,992,605	2,033,584	1,915,401	2,168,449	2,594,686	3,223,000	3,064,000	2,884,000	2,753,000	2,248,000	2,300,000	29,353,198
Commercial, Large	GSD		6,259,027	5,917,326	5,862,447	5,779,032	7,421,683	7,625,833	9,314,000	8,913,000	8,783,000	8,509,000	7,015,000	6,930,000	88,329,348
Industrial	GSLD		4,911,176	4,140,672	4,218,392	5,053,236	5,131,332	4,667,052	6,039,000	5,780,000	5,714,000	5,628,000 327,000	5,108,000 328,000	5,096,000	61,486,860
Outside Lighting-Private	OL,OL-2		342,233 104,050	338,761 104,050	334,913 104,113	340,951 104,265	337,462 104,514	338,130 104,514	333,000 95,000	330,000 95,000	327,000 95,000	94,000	96,000	329,000 95,000	4,006,450 1,195,506
Street Lighting-Public Total KWH Sales	SL-1, 2, 3		24,966,141	21,844,248	22,368,813	21,185,114	23,271,501	26,281,188	30,440,000	30,068,000	30,610,000	29,829,000	27,292,000	28,596,000	316,752,005
True-up Calculation:			24,300,141	21,044,240	22,000,010	21,100,114	20,211,001	20,201,100	00,440,000	00,000,000	00,010,000	23,020,000	27,202,000	20,000,000	to Date
Fuel Revenues			2,506,850	1,886,608	2,343,264	1,841,379	2,428,884	2,601,622	2,932,933	2,906,941	2,958,041	2,884,796	2,794,399	3,000,353	31,086,069
True-up Provision for the Period -	collect/(refund	d)	123,130	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	123,134	1,477,604
Gross Receipts Tax Refund	•	,	0	. 0	. 0	. 0	. 0	0	0	0	0	0	0	0	0
Fuel Revenue			2,383,720	1,763,474	2,220,130	1,718,245	2,305,750	2,478,488	. 2,809,799	2,783,807	2,834,907	2,761,662	2,671,265	2,877,219	29,608,465
Total Purchased Power Costs			2,377,736	2,252,266	2,342,680	2,151,957	2,330,183	2,538,545	2,569,319	2,768,365	2,687,517	2,533,345	2,266,893	2,423,734	29,242,540
True-up Provision for the Period			5,984	(488,792)	(122,550)	(433,712)	(24,433)	(60,057)	240,480	15,442	147,390	228,317	404,372	453,485	365,925
Interest Provision for the Period			(263)	(321)	(272)	(224)	(179)	(163)	(269)	(245)	(225)	(195)	(153)	(100)	(2,609)
True-up and Interest Provision			(0.500.000)	(0.407.440)	(0.000,404)	(0.000.400)	(2.442.044)	(2.045.200)	(2,982,475)	(2.640.420)	(2,480,799)	(2.210.500)	(1,859,244)	(1,331,891)	(2.596,293)
Beginning of Period True-up Collected or (Refunded)			(2,596,293) 123,130	(2,467,442) 123,134	(2,833,421) 123,134	(2,833,109) 123,134	(3,143,911) 123,134	(3,045,389) 123,134	123,134	(2,619,130) 123,134	123,134	123,134	123,134	123,134	(2,596,293) 1,477,604
End of Period, Net True-up			(2,467,442)	(2,833,421)	(2,833,109)	(3,143,911)	(3,045,389)	(2,982,475)	(2,619,130)	(2,480,799)	(2,210,500)	(1,859,244)	(1,331,891)	(755,372)	(755,373)
10% Rule - Interest Provision:			(2, 101, 112)	(=,000,721)	(2,220,100)	(=,0,0 11)	(=,= .0,000)	,=,===,5)	\=,=,=,0,,00)	(=, :==,; ==)	(=,=.0,000)	, .,, -, 1)	.,	· · · · · · · · · · · · · · · · · · ·	-2.58%
Beginning True-up Amount			(2,596,293)	(2,467,442)	(2,833,421)	(2,833,109)	(3,143,911)	(3,045,389)	(2,982,475)	(2,619,130)	(2,480,799)	(2,210,500)	(1,859,244)	(1,331,891)	2.0070
Ending True-up Amount Before In	terest		(2,467,179)	(2,833,100)	(2,832,837)	(3,143,687)	(3,045,210)	(2,982,313)	(2,618,861)	(2,480,554)	(2,210,275)	(1,859,049)	(1,331,738)	(755,272)	
Total Beginning and Ending True-			(5,063,472)	(5,300,542)	(5,666,258)	(5,976,796)	(6,189,122)	(6,027,702)	(5,601,335)	(5,099,683)	(4,691,073)	(4,069,548)	(3,190,981)	(2,087,162)	
Average True-up Amount			(2,531,736)	(2,650,271)	(2,833,129)	(2,988,398)	(3,094,561)	(3,013,851)	(2,800,668)	(2,549,842)	(2,345,537)	(2,034,774)	(1,595,491)	(1,043,581)	
Average Annual Interest Rate			0.1250%	0.1450%	0.1150%	0.0900%	0.0700%	0.0650%	0.1150%	0.1150%	0.1150%	0.1150%	0.1150%	0.1150%	
Monthly Average Interest Rate			0.0104%	0.0121%	0.0096%	0.0075%	0.0058%	0.0054%	0.0096%	0.0096%	0.0096%	0.0096%	0.0096%	0.0096%	
Interest Provision			(263)	(321)	(272)	(224)	(179)	(163)	(269)	(245)	(225)	(195)	(153)	(100)	manage sta

Exhibit No.\_\_\_\_\_\_ DOCKET NO. 140001-EI Florida Public Utilities Company (CDY-1) Page 5 of 6

# FLORIDA PUBLIC UTILITIES COMPANY CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION-EXCLUDING GSLD1 revised 8/30/2013

### ACTUAL/ESTIMATED FOR THE PERIOD: JANUARY 2013 THROUGH DECEMBER 2013

BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED (EXCLUDES LINE LOSS, EXCLUDES TAXES)

NORTHEAST FLORIDA DIVISION
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NORTHEAST FLORIDA D	IVISION													
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	
		Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	Jul 2013	Aug 2013	Sep 2013	Oct 2013	Nov 2013	Dec 2013	Total
Total System Sales - KWH		26,579,202	23,542,693	28,606,082	23,192,791	25,326,295	30,372,979	36,508,000	36,058,000	34,244,000	31,588,000	26,020,000	25,116,000	347,154,042
CCA Purchases - KWH		873,871	686,578	1,078,805	639,052	947,823	717,953	800,000 420,000	800,000 420,000	800,000 420,000	800,000 420,000	800,000 420,000	800,000 420,000	9,744,082 5,590,980
Rayonier Purchases - KWH - O		727,244	328,328 539,216	392,673 759,721	396,848 801,135	527,104 1,136,125	698,783 1,479,937	980,000	980,000	980,000	980,000	980,000	980,000	11,599,217
Rayonier Purchases - KWH - O JEA Purchases - KWH	ff Peak	1,003,083 23,253,095	22,813,142	29,830,181	21,423,671	25,499,052	30,563,602	38,240,860	36,725,610	34,829,980	31,009,460	25,190,900	24,246,220	343,625,773
System Billing Demand - KW		70,246	78,714	80,326	51,654	58,195	73,920	89,900	90,600	82,300	74,300	65,600	80,200	895,955
DEMAND-KW-(network load)		86,197	105,903	102,389	78,286	85,308	103,691	106,200	108,400	95,600	89,300	75,100	97,300	1,133,674
Purchased Power Rates:			,	,			,					<del></del>		
CCA Fuel Costs - \$/KWH		0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	0.04426	
Rayonier -Energy Charge-	- On Peak - \$/KWH	0.09047	0.04563	0.09047	0.09958	0.09958	0.09958	0.09958	0.09958	0.09958	0.09958	0.08812	0.09047	
Rayonier- Energy Charge		0.05822	0.04563	0.05822	0.05822	0.05822	0.05822	0.05822	0.05822	0.05822	0.05822	0.05822	0.05822	
Base Fuel Costs - \$/KWH		0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	0.04360	
Energy Charge - \$/KWH		0.01643	0.01643	0.01643	0.01643	0.01643	0.01643	0.01643	0.01643	0.01643	0.01162	0.01162	0.01162	
Demand and Non-Fuel:		44.00	44.00	44.00	44.00	11,38	44.00	11.38	11.38	11.38	14.31	14.31	14.31	
Demand Charge - \$/K		11.38	11.38	11.38 39,736.00	11.38 39,736.00	39,736.00	11.38 39,736.00	39,736.00	39,736,00	39,736.00	39,736.00	39,736,00	39,736,00	
Customer Charge - \$		39,736.00 1.51000	39,736.00 1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1,51000	1.51000	1.51000	1.51000	1,51000	
Transmission Charge Purchased Power Costs:	CCA Fuel Costs	38,678	30,388	47,748	28,284	41,951	31,777	35,408	35,408	35,408	35,408	35,408	35,408	431,274
Pulchased Power Costs.	Rayonier Standby Costs	142,757	39,586	79,756	86,160	118,634	155,746	98,879	98,879	98,879	98,879	94,066	95,053	1,207,274
	JEA Base Fuel Costs	1,013,835	994,653	1,300,596	934,072	143,200	1,332,573	1,667,301	1,601,237	1,518,587	1,352,012	1,098,323	1,057,135	14,013,524
	JEA Fuel Adjustment	382,048	374,820	490,110	351,991	418,949	502,160	628,297	603,402	572,257	360,330	292,718	281,741	5,258,823
	Subtotal Fuel Costs	1,577,318	1,439,447	1,918,210	1,400,507	722,734	2,022,256	2,429,885	2,338,926	2,225,131	1,846,629	1,520,515	1,469,337	20,910,895
Demand and Non-Fuel Costs:	Demand Charge	799,399	895,765	914,110	587,822	662,259	841,210	1,023,062	1,031,028	936,574	1,063,233	938,736	1,147,662	10,840,860
	Customer Charge	39,736	39,736	39,736	39,736	39,736	39,737	39,736	39,736	39,736	39,736	39,736	39,736	476,833
	Transmission Charge	130,158	159,914	154,607	118,212	128,815	156,573	160,362	163,684	144,356	134,843	113,401	146,923	1,711,848
Subtotal Demand & N		969,293	1,095,415	1,108,453	745,770	830,810	1,037,520	1,223,160	1,234,448	1,120,666	1,237,812	1,091,873	1,334,321	13,029,541
Total System Purchased Power		2,546,611	2,534,862	3,026,663	2,146,277	1,553,544	3,059,776	3,653,045	3,573,374	3,345,797	3,084,441	2,612,388	2,803,658	33,940,436
Less Direct Billing To GSLD1 C		372,221	133,824	261,366	52,793	56,637	47,776	130,264	130,264	130,264	130,264	130,264 128,230	130,264 128,472	1,706,201 1,731,150
	Commodity	183,802	152,090 2,248,948	355,136 2,410,161	30,870 2,062,614	135,107	108,294 2,903,706	126,995 3,395,786	127,125 3,315,985	127,304 3,088,229	127,725 2,826,452	2.353.894	2.544.922	30,503,085
Net Purchased Power Costs	Special Costs	1,990,588 16,197	2,240,940 17,040	51,516	15,707	1,361,800 39,981	75,998	20,000	20,000	20,000	20,000	20,000	20,000	336,439
Total Costs and Charges	Special Costs	2,006,785	2,265,988	2,461,677	2,078,321	1,401,781	2,979,704	3,415,786	3,335,985	3,108,229	2,846,452	2,373,894	2,564,922	30,839,524
Sales Revenues - Fuel Adjustm	ant Deventies:	2,000,100	2,200,000	2,101,011	2,010,021	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	2,010,10	0,110,100		-111			,,	
RS<	.09779	962,565	926,269	970,561	907,587	890,396	1,048,397	1,188,144	1,210,146	1,103,556	1,024,737	757,283	758,945	11,748,586
RS>	.10778	429,116	304,897	364,796	254,549	310,572	586,390	837,146	799,853	747,363	660,383	528,780	529,535	6,353,380
GS	.09823	216,202	192,353	207,358	204,629	227,038	267,290	298,813	295,474	275,631	267,184	220,426	201,075	2,873,473
GSD	.09370	501,049	456,954	494,316	516,351	593,238	655,077	839,950	813,900	811,464	749,058	636,709	577,864	7,645,930
GSLD	.09045	185,963	152,687	177,737	187,768	210,780	230,779	214,378	212,931	212,388	186,337	191,583	181,905	2,345,236
OL	.06733	7,603	7,620	7,245	7,584	7,598	7,668	8,080	8,012	7,743	7,608	7,945	8,282	92,988
SL,CSL	.06713	4,828	4,828	4,845	4,957	4,969	4,973	6,378	6,378	6,445	6,378	6,378	6,310	67,667
Unbilled Fuel Revenu		140,850	(195,621)	342,734	(349,352)	531,505	(117,346)	0 200 000	0 3,346,694	0 3,164,590	0 2,901,685	0 2.349.104	0 2.263.916	352,770 - 31,480,030
Total Fuel Revenu		2,448,176 556,023	1,849,987 285,914	2,569,592 616,502	1,734,073 83,663	2,776,096 191,744	2,683,228 156,070	3,392,889 257,259	257,389	257,568	257,989	258.494	258,736	3,437,351
GSLD1 Fuel Revenue Non-Fuel Revenues	es	955,049	863,007	957,773	901,078	885,378	972,945	1,631,527	1,336,262	1,437,113	910,176	848,011	1.259.070	12,957,388
Total Sales Reven	sue.	3,959,248	2,998,908	4,143,867	2,718,814	3,853,218	3,812,243	5.281.675	4,940,345	4,859,271	4,069,850	3,455,609	3,781,722	47,874,770
KWH Sales:	RS<	9,843,458	9,472,061	9,925,485	9,290,382	9,105,219	10,720,944	12,150,000	12,375,000	11,285,000	10,479,000	7,744,000	7,761,000	120,151,549
	RS>	3,981,444	2,828,827	3,384,562	2,366,718	2,881,477	5,440,487	7,767,000	7,421,000	6,934,000	6,127,000	4,906,000	4,913,000	58,951,515
	GS	2,203,160	1,991,950	2,110,953	2,085,158	2,311,302	2,721,087	3,042,000	3,008,000	2,806,000	2,720,000	2,244,000	2,047,000	29,290,610
	GSD	5,350,031	4,876,640	5,275,378	5,568,082	6,331,079	6,991,040	8,964,000	8,686,000	8,660,000	7,994,000	6,795,000	6,167,000	81,658,250
	GSLD	2,055,860	1,688,000	1,964,920	2,075,840	2,330,220	2,551,320	2,370,000	2,354,000	2,348,000	2,060,000	2,118,000	2,011,000	25,927,160
	GSLD1	2,960,000	2,500,000	5,760,000	1,620,000	2,180,000	1,760,000	2,000,000	2,000,000 119,000	2,000,000 115,000	2,000,000 113,000	2,000,000 118,000	2,000,000 123,000	28,780,000 1,387,012
	OL	113,333	113,299	112,609	112,769	112,974	114,028	120,000		96,000	95,000	95,000	94,000	1,367,012
	SL,CSL	71,916 26,579,202	71,916 23,542,693	72,175 28,606,082	73,842 23,192,791	74,024 25,326,295	74,073 30,372,979	95,000 36,508,000	95,000 36,058,000	34,244,000	31,588,000	26,020,000	25,116,000	347,154,042
True-up Calculation (Excl. GSLD1):	Total KWH Sales	20,373,202	23,342,093	20,000,002	20,102,701	20,020,290	30,372,373	30,000,000	00,000,000	04,244,000	01,000,000	20,020,000	20,110,000	011,101,01
Fuel Revenues		2,448,176	1,849,987	2,569,592	1,734,073	2,776,096	2,683,228	3,392,889	3,346,694	3,164,590	2,901,685	2,349,104	2,263,916	31,480,030
True-up Provision - collec	et//refund)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(21,553)	(258,636)
Gross Receipts Tax Refu		(/	(=-,,,	(,,	(,	( , , ,	,	• , ,						0
Fuel Revenue		2,469,729	1,871,540	2,591,145	1,755,626	2,797,649	2,704,781	3,414,442	3,368,247	3,186,143	2,923,238	2,370,657	2,285,469	31,738,666
Net Purchased Power and Othe	er Fuel Costs	2,006,785	2,265,988	2,461,677	2,078,321	1,401,781	2,979,704	3,415,786	3,335,985	3,108,229	2,846,452	2,373,894	2,564,922	30,839,524
True-up Provision for the Period		462,944	(394,448)	129,468	(322,695)	1,395,868	(274,923)	(1,344)	32,262	77,914	76,786	(3,237)	(279,453)	899,142
Interest Provision for the Period		235	275	204	150	146	165	278	278	281	286	288	272	2,858
Beginning of Period True-up and Interest Provision		2,042,313	2,483,939	2,068,212	2,176,332	1,832,233	3,206,695	2,910,384	2,887,765	2,898,752	2,955,394	3,010,913	2,986,411	2,042,313 (258,636)
True-up Collected or (Refunded)		(21,553)	(21,553)	(21,553)	(21,553) 1,832,233	(21,553) 3,206,695	(21,553) 2,910,384	(21,553) 2,887,765	(21,553) 2.898.752	(21,553) 2,955,394	(21,553) 3,010,913	(21,553) 2,986,411	(21,553) 2,685,677	2,685,677
End of Period, Net True-up and		2,483,939 2,042,313	2,068,212 2,483,939	2,176,332 2,068,212	2,176,332	1,832,233	3,206,695	2,910,384	2,887,765	2,898,752	2,955,394	3,010,913	2,986,411	2,000,077
Beginning True-up Amount Ending True-up Amount 6		2,483,704	2,463,939	2,176,128	1,832,083	3,206,549	2,910,219	2,887,487	2,898,474	2,955,113	3,010,627	2.986.123	2,685,405	10% Rule Interest
Ending True-up Amount to Total Beginning and Endi		4,526,017	4,551,876	4,244,340	4,008,415	5,038,782	6,116,914	5,797,871	5,786,239	5,853,865	5,966,021	5,997,036	5,671,816	Provision:
Average True-up Amount		2,263,008	2,275,938	2,122,170	2,004,207	2,519,391	3,058,457	2,898,936	2,893,120	2,926,933	2,983,011	2,998,518	2,835,908	7.91%
Average Annual Interest F		0.1250%	0.1450%	0.1150%	0.0900%	0.0700%	0,0650%	0,1150%	0.1150%	0.1150%	0.1150%	0.1150%	0.1150%	
Interest Provision		235	275	204	150	146	165	278	278	281	286	288	272	
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