

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 100001-EI  
CONTINUING SURVEILLANCE AND REVIEW OF  
FUEL COST RECOVERY CLAUSES OF ELECTRIC UTILITIES

Direct Testimony of  
Curtis D. Young  
On Behalf of  
Florida Public Utilities Company

- 1 Q. Please state your name and business address.
- 2 A. Curtis D. Young, 401 South Dixie Highway, West Palm Beach, FL
- 3 33401.
- 4 Q. By whom are you employed?
- 5 A. I am employed by Florida Public Utilities.
- 6 Q. Have you previously testified in this Docket?
- 7 A. Yes.
- 8 Q. What is the purpose of your testimony at this time?
- 9 A. I will briefly describe the basis for our computations that were
- 10 made in preparation of the various schedules that we have submitted
- 11 to support our calculation of the levelized fuel adjustment factor
- 12 for January 2011 - December 2011.
- 13 Q. Were the schedules filed by your Company completed under your
- 14 direction?
- 15 A. Yes
- 16 Q. Which of the Staff's set of schedules has your company completed
- 17 and filed?
- 18 A. We have filed Schedules E1-A, E1-B, and E1-B1 for Marianna and E1-
- 19 A, E1-B, and E1-B1 for Fernandina Beach. They are included in
- 20 Composite Prehearing Identification Number CDY-1. Schedule E1-B
- 21 shows the Calculation of Purchased Power Costs and Calculation of
- 22 True-Up and Interest Provision for the period January 2010 -
- 23 December 2010 based on 6 Months Actual and 6 Months Estimated data.
- 24 Q. Please address the calculations of the total true-up amount to be

COM 5  
APA 1  
ECR 6  
GCL 1  
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FPSC-COMMISSION CLERK

1 collected or refunded during January 2011 - December 2011.

2 A. We have determined that at the end of December 2010 based on six  
3 months actual and six months estimated, we will under-recover  
4 \$1,463,053 in purchased power costs in our Marianna division. In  
5 Fernandina Beach we will have over-recovered \$2,413,962 in  
6 purchased power costs.

7 Q. What are the final remaining true-up amounts for the period January  
8 2009 - December 2009 for both divisions?

9 A. In Marianna, the final remaining true-up amount was an under-  
10 recovery of \$1,378,165. The final remaining true-up amount for  
11 Fernandina Beach was an over-recovery of \$2,241,870.

12 Q. What are the estimated true-up amounts for the period January 2010  
13 - December 2010?

14 A. In Marianna, there is an estimated under-recovery of \$84,888.  
15 Fernandina Beach has an estimated over-recovery of \$172,092.

16 Q. Are there any other issues relevant to this docket that you wish to  
17 present at this time?

18 A. Yes. On January 26, 2009, Smurfit-Stone Container Corporation filed  
19 for bankruptcy protection. Smurfit-Stone is a Florida Public  
20 Utilities Company customer in the Northeast Division and is billed  
21 under the General Service Large Demand 1 (GSLD1) rate. In order to  
22 capture the pre- and post-bankruptcy cost that resulted, two  
23 separate bills were generated based on the criteria set forth in  
24 the GSLD1 rate structure. Based on the demand components of the  
25 billing methodology, the sum of the two bills exceeded the fuel  
26 revenue amount that would have been billed if the bankruptcy had  
27 not occurred and only one bill was generated. The net amount of the  
28 GSLD1 excess fuel revenue adjustment is \$100,076 (see attached  
29 Exhibit 1 for this calculation).

1 Q. What effect, if any, has this adjustment had on the fuel cost  
2 recoveries of the other remaining customer classes.

3 A. None. The fuel costs allocated to the remaining customer classes  
4 and all over and under recoveries for these customers are  
5 appropriate and would be the same if the bankruptcy did not occur.

6 Q. What is the appropriate treatment for the GSLD1 fuel billing  
7 adjustment?

8 A. Since this adjustment is specific to one GSLD1 Customer and the  
9 tariff and fuel clause requires direct pass-through of fuel costs  
10 to this type of customer, no over or under recoveries should exist.  
11 It would be appropriate to apply the excess fuel revenue billed to  
12 this specific GSLD1 customer against the portion of their  
13 bankruptcy-related bad debt write-off that is related to fuel  
14 revenues. The net result of this adjustment would be a reduction to  
15 GSLD1 fuel revenue of \$100,148 (see attached Exhibit 1 for this  
16 calculation) and a reduction of the GSLD1 Accounts Receivable (pre-  
17 bankruptcy bad debt write-off) on the fuel revenue portion only.

18 Q. Does FPUC-Fernandina expect JEA to change its per kWh fuel cost,  
19 demand cost or true-up charged to FPUC-Fernandina during 2010?

20 A. Yes. The purchased power cost from JEA will change in October based  
21 on the recent decision approved by the JEA Board of Directors. Most  
22 of the increases were included in the purchased power contract and  
23 included in the determination of the 2010 fuel charges. However,  
24 the fuel cost included in the determination of the 2010 fuel  
25 charges was an estimate and was increased based on the JEA Board  
26 decision. FPUC has included within this Composite Prehearing  
27 Identification Number CDY-1 Exhibits 2, 3 and 4 as comparative  
28 Schedules E1-A, E1-B, and E1-B1 for Fernandina Beach inclusive of  
29 the fuel cost increases from JEA effective October 2010.

1 Q. Does this conclude your testimony?

2 A. Yes.

FLORIDA PUBLIC UTILITIES COMPANY  
CALCULATION OF TRUE-UP SURCHARGE  
APPLICABLE TO LEVELIZED FUEL ADJUSTMENT PERIOD  
JANUARY 2010 - DECEMBER 2010  
BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

**Marianna Division**

Under-recovery of purchased power costs for the period  
January 2010 - December 2010. (See Schedule E1-B, Calculation  
of Estimated Purchased Power Costs and Calculation of True-  
Up and Interest Provision for the Twelve Month Period ended  
December 2010)(Estimated)

\$ (1,463,053)

FLORIDA PUBLIC UTILITIES COMPANY  
 CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION  
 ACTUAL/ESTIMATED FOR THE PERIOD: JANUARY 2010 - DECEMBER 2010  
 BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

Schedule E1-B

MARIANNA DIVISION

	ACTUAL JANUARY 2010	ACTUAL FEBRUARY 2010	ACTUAL MARCH 2010	ACTUAL APRIL 2010	ACTUAL MAY 2010	ACTUAL JUNE 2010	Estimated JULY 2010	Estimated AUGUST 2010	Estimated SEPTEMBER 2010	Estimated OCTOBER 2010	Estimated NOVEMBER 2010	Estimated DECEMBER 2010	Total	
Total System Sales - KWH	31,339,186	27,648,549	26,597,414	20,826,499	21,865,912	26,411,545	32,636,000	31,750,000	30,376,000	27,387,000	22,341,000	24,875,000	324,054,105	
Total System Purchases - KWH	33,851,597	28,384,679	24,102,788	21,713,023	28,380,497	32,769,007	34,742,091	33,798,929	32,337,483	29,153,741	23,782,955	28,481,447	349,478,237	
System Billing Demand - KW	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	1,175,328	
Peak Billing Demand-KW	63,595	63,378	64,289	63,050	62,976	62,578	65,600	65,600	65,600	65,600	65,600	65,600	773,466	
<b>Purchased Power Rates:</b>														
Energy/Environmental - \$/KWH	0.07037	0.07037	0.07037	0.07037	0.07037	0.07037	0.07041	0.07041	0.07041	0.07041	0.07041	0.07041		
Demand and Non-Fuel:														
Capacity Charge - \$/KWH	8.450000	8.450000	8.450000	8.450000	8.450000	8.450000	8.450000	8.450000	8.450000	8.450000	8.450000	8.450000		
Transmission and Interconnection - \$/KWH	2.38323	2.38323	2.38323	2.38323	2.38323	2.38323	2.28060	2.28060	2.28060	2.28060	2.28060	2.28060		
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	
<b>Purchased Power Costs:</b>														
Base Fuel Costs	2,382,124	1,997,419	1,696,104	1,527,937	1,995,717	2,305,942	2,446,191	2,379,783	2,276,882	2,052,715	1,874,558	1,864,559	24,599,931	
Subtotal Fuel Costs	2,382,124	1,997,419	1,696,104	1,527,937	1,995,717	2,305,942	2,446,191	2,379,783	2,276,882	2,052,715	1,874,558	1,864,559	24,599,931	
Demand and Non-Fuel Costs:														
Capacity Charge	827,627	827,627	827,627	827,627	827,627	827,627	827,627	827,627	827,627	827,627	827,627	827,627	9,931,524	
Transmission and Interconnection	151,562	151,044	153,215	150,263	150,088	149,138	149,607	149,607	149,607	149,607	149,607	149,607	1,802,950	
Distribution Facilities Charge (incl. FERC Int chrg)	41,780	42,062	41,686	41,391	42,047	11,015	39,736	39,736	39,736	39,736	39,736	39,736	458,377	
Meter Reading and Processing Charge	775	775	775	775	775	775	775	775	775	775	775	775	9,300	
Subtotal Demand & Non-Fuel Costs	1,021,724	1,021,508	1,023,303	1,020,056	1,020,535	988,555	1,017,745	1,017,745	1,017,745	1,017,745	1,017,745	1,017,745	12,202,151	
<b>Total System Purchased Power Costs</b>	<b>3,403,848</b>	<b>3,018,927</b>	<b>2,719,407</b>	<b>2,547,993</b>	<b>3,016,252</b>	<b>3,294,497</b>	<b>3,463,936</b>	<b>3,397,528</b>	<b>3,294,627</b>	<b>3,070,460</b>	<b>2,692,303</b>	<b>2,882,304</b>	<b>36,802,082</b>	
Special Costs	3,947	10,366	4,440	28,453	(872)	20,416							66,750	
<b>Total Costs and Charges</b>	<b>3,407,795</b>	<b>3,029,293</b>	<b>2,723,847</b>	<b>2,576,446</b>	<b>3,015,380</b>	<b>3,314,913</b>	<b>3,463,936</b>	<b>3,397,528</b>	<b>3,294,627</b>	<b>3,070,460</b>	<b>2,692,303</b>	<b>2,882,304</b>	<b>36,868,832</b>	
<b>Sales Revenues - Fuel Adjustment Revenues:</b>														
Residential<	988,348	945,295	941,104	818,141	783,605	897,672	1,049,499	1,031,860	960,591	791,832	629,747	816,502	10,654,198	
Residential>	1,063,236	703,662	646,615	210,235	193,274	422,638	656,751	645,771	601,075	495,534	394,128	511,036	6,543,953	
Commercial, Small	295,338	271,271	267,351	213,761	225,718	275,836	353,171	344,546	328,144	303,846	237,634	248,382	3,362,998	
Commercial, Large	885,101	913,595	849,005	745,792	819,459	891,958	1,104,597	1,074,996	1,058,265	1,003,743	804,960	814,905	10,966,376	
Industrial	495,713	428,715	429,906	425,705	508,220	596,555	667,466	631,512	614,371	604,447	530,132	519,419	6,452,181	
Outside Lighting-Private	32,627	32,918	32,745	32,756	32,820	32,569	37,436	36,443	36,443	36,245	36,443	36,443	415,888	
Street Lighting-Public	9,504	9,509	9,582	9,565	9,570	9,570	10,211	10,211	10,211	10,211	10,211	10,211	118,566	
Total Fuel Revenues	3,769,867	3,304,965	3,176,308	2,455,955	2,572,666	3,126,796	3,879,151	3,775,339	3,609,100	3,245,858	2,643,255	2,954,898	38,514,158	
Non-Fuel Revenues	1,168,920	1,071,529	1,035,214	855,215	859,474	989,887	210,649	220,661	225,400	223,342	242,745	252,002	7,355,038	
<b>Total Sales Revenue</b>	<b>4,938,787</b>	<b>4,376,494</b>	<b>4,211,522</b>	<b>3,311,170</b>	<b>3,432,140</b>	<b>4,116,683</b>	<b>4,089,800</b>	<b>3,996,000</b>	<b>3,834,500</b>	<b>3,469,200</b>	<b>2,886,000</b>	<b>3,206,900</b>	<b>45,869,196</b>	
<b>KWH Sales:</b>														
Residential<	RS	8,292,954	7,931,382	7,896,204	6,864,503	6,574,733	7,531,799	8,806,000	8,658,000	8,060,000	6,844,000	5,284,000	6,851,000	89,394,575
Residential>	RS	8,230,668	5,447,269	5,005,644	1,627,497	1,496,196	3,271,762	5,084,000	4,999,000	4,653,000	3,838,000	3,051,000	3,956,000	50,658,036
Commercial, Small	GS	2,430,922	2,232,817	2,200,555	1,759,453	1,857,879	2,270,390	2,907,000	2,836,000	2,701,000	1,956,000	2,028,000	27,681,016	
Commercial, Large	GSD	7,565,250	7,808,785	7,256,718	6,374,524	7,004,176	7,623,846	9,441,000	9,188,000	9,045,000	8,579,000	6,880,000	6,965,000	93,731,299
Industrial	GSLD	4,395,832	3,801,728	3,812,284	3,775,020	4,506,736	5,290,076	5,919,000	5,600,000	5,448,000	5,380,000	4,701,000	4,606,000	57,215,676
Outside Lighting-Private	OLCL-2	328,617	331,584	330,295	329,962	330,801	328,081	377,000	367,000	367,000	365,000	367,000	4,189,140	
Street Lighting-Public	SL-1, 2, 3	94,943	94,984	95,714	95,540	95,591	95,591	102,000	102,000	102,000	102,000	102,000	1,184,363	
<b>Total KWH Sales</b>		<b>31,339,186</b>	<b>27,648,549</b>	<b>26,597,414</b>	<b>20,826,499</b>	<b>21,865,912</b>	<b>26,411,545</b>	<b>32,636,000</b>	<b>31,750,000</b>	<b>30,376,000</b>	<b>27,387,000</b>	<b>22,341,000</b>	<b>24,875,000</b>	<b>324,054,105</b>
<b>True-up Calculation:</b>													to Date	
Fuel Revenues		3,769,867	3,304,965	3,176,308	2,455,955	2,572,666	3,126,796	3,879,151	3,775,339	3,609,100	3,245,858	2,643,255	2,954,898	38,514,158
True-up Provision for the Period - collect/(refund)		143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,773	1,725,320
Gross Receipts Tax Refund		0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Revenue		3,626,090	3,161,188	3,032,531	2,312,178	2,428,889	2,983,019	3,735,374	3,631,562	3,465,323	3,102,081	2,499,478	2,811,125	36,788,838
Total Purchased Power Costs		3,407,795	3,029,293	2,723,847	2,576,446	3,015,380	3,314,913	3,463,936	3,397,528	3,294,627	3,070,460	2,692,303	2,882,304	36,868,832
True-up Provision for the Period		218,295	131,895	308,684	(264,268)	(588,491)	(331,894)	271,438	234,034	170,896	31,621	(192,825)	(71,179)	(79,994)
Interest Provision for the Period		(488)	(445)	(392)	(380)	(561)	(770)	(428)	(361)	(304)	(263)	(252)	(250)	(4,894)
True-up and Interest Provision		(269,713)	(313,500)	(83,708)	(644,268)	(949,652)	(701,462)	(156,590)	(132,165)	(132,165)	(231,184)	(444,077)	(321,429)	(871,418)
Beginning of Period		(3,103,485)	(2,741,901)	(2,466,674)	(2,014,605)	(2,135,476)	(2,578,751)	(2,767,638)	(2,352,851)	(1,975,401)	(1,661,232)	(1,486,097)	(1,535,397)	(3,103,485)
True-up Collected or (Refunded)		143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,777	143,773	1,725,320
End of Period, Net True-up		(2,741,901)	(2,466,674)	(2,014,605)	(2,135,476)	(2,578,751)	(2,767,638)	(2,352,851)	(1,975,401)	(1,661,232)	(1,486,097)	(1,535,397)	(1,483,053)	(1,463,053)
<b>10% Rule - Interest Provision:</b>														-3.98%
Beginning True-up Amount		(3,103,485)	(2,741,901)	(2,466,674)	(2,014,605)	(2,135,476)	(2,578,751)	(2,767,638)	(2,352,851)	(1,975,401)	(1,661,232)	(1,486,097)	(1,535,397)	
Ending True-up Amount Before Interest		(2,741,413)	(2,486,229)	(2,014,213)	(2,135,096)	(2,578,190)	(2,766,868)	(2,352,423)	(1,975,040)	(1,660,928)	(1,485,834)	(1,535,145)	(1,462,803)	
Total Beginning and Ending True-up		(5,844,898)	(5,208,130)	(4,480,887)	(4,149,701)	(4,713,666)	(5,345,619)	(5,120,061)	(4,327,891)	(3,638,329)	(3,147,066)	(3,021,242)	(2,998,200)	
Average True-up Amount		(2,922,449)	(2,604,065)	(2,240,444)	(2,074,851)	(2,356,833)	(2,672,810)	(2,560,031)	(2,163,946)	(1,818,165)	(1,573,533)	(1,510,621)	(1,499,100)	
Average Annual Interest Rate		0.2000%	0.2050%	0.2100%	0.2200%	0.2850%	0.3450%	0.2000%	0.2000%	0.2000%	0.2000%	0.2000%	0.2000%	
Monthly Average Interest Rate		0.0167%	0.0171%	0.0175%	0.0183%	0.0238%	0.0288%	0.0167%	0.0167%	0.0167%	0.0167%	0.0167%	0.0167%	
Interest Provision		(488)	(445)	(392)	(380)	(561)	(770)	(428)	(361)	(304)	(263)	(252)	(250)	

Exhibit No.  
 DOCKET NO. 100001-EI  
 Florida Public Utilities Cor  
 (CDY-1)  
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2010 Fuel 10 True-up Worksheet 1/20/2010 6:07 PM

**FLORIDA PUBLIC UTILITIES COMPANY**  
**MARIANNA DIVISION**  
 COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS  
 OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR  
 FOR THE PERIOD JANUARY 2010 - DECEMBER 2010

SCHEDULE E1-B1

	DOLLARS				MWH				CENTS/KWH			
	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%
1 Fuel Cost of System Net Generation (A3)					0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
2 Nuclear Fuel Disposal Cost												
3 Coal Car Investment												
4 Adjustments to Fuel Cost (A2, Page 1)												
5 TOTAL COST OF GENERATED POWER	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
6 Fuel Cost of Purchased Power (Exclusive of Economy) (A7)	24,599,931	23,834,239	765,692	3.2%	349,478	338,506	10,972	3.2%	7.03905	7.04101	(0.00196)	0.0%
7 Energy Cost of Sched C & X Econ Purch (Broker)(A9)												
8 Energy Cost of Other Econ Purch (Non-Broker)(A9)												
9 Energy Cost of Sched E Economy Purch (A9)												
10 Demand and Non Fuel Cost of Purchased Power (A9)	12,202,151	12,212,940	(10,789)	-0.1%	349,478	338,506	10,972	3.2%	3.49154	3.60789	(0.11635)	-3.2%
11 Energy Payments to Qualifying Facilities (A8a)												
12 TOTAL COST OF PURCHASED POWER	36,802,082	36,047,179	754,903	2.1%	349,478	338,506	10,972	3.2%	10.53059	10.64890	(0.11831)	-1.1%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					349,478	338,506	10,972	3.2%				
14 Fuel Cost of Economy Sales (A6)												
15 Gain on Economy Sales (A6)												
16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A6)												
17 Other Fuel Related Costs	66,750											
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	66,750	0	66,750	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
19 NET INADVERTENT INTERCHANGE												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	36,868,832	36,047,179	821,653	2.3%	349,478	338,506	10,972	3.2%	10.54969	10.64890	(0.09921)	-0.9%
21 Net Unbilled Sales	1,176,396	0	1,176,396	0.0%	11,151	0	11,151	0.0%	0.36302	0.00000	0.36302	0.0%
22 Company Use	31,016	36,419	(5,403)	-14.8%	294	342	(48)	-14.0%	0.00957	0.01145	(0.00188)	-16.4%
23 T & D Losses	1,474,741	2,149,055	(674,314)	-31.4%	13,979	20,181	(6,202)	-30.7%	0.45509	0.67584	(0.22075)	-32.7%
24 SYSTEM KWH SALES	36,868,832	36,047,179	821,653	2.3%	324,054	317,983	6,071	1.9%	11.37737	11.33619	0.04118	0.4%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	36,868,832	36,047,179	821,653	2.3%	324,054	317,983	6,071	1.9%	11.37737	11.33619	0.04118	0.4%
26a Jurisdictional Loss Multiplier	1.000	1.000	0.000	0.0%	1.000	1.000	0.000	0.0%	1.000	1.000	0.00000	0.0%
27 Jurisdictional KWH Sales Adjusted for Line Losses	36,868,832	36,047,179	821,653	2.3%	324,054	317,983	6,071	1.9%	11.37737	11.33619	0.04118	0.4%
28 GPIF**												
29 TRUE-UP**	1,725,320	1,725,320	0	0.0%	324,054	317,983	6,071	1.9%	0.53242	0.54258	(0.01016)	-1.9%
30 TOTAL JURISDICTIONAL FUEL COST	38,594,152	37,772,499	821,653	2.2%	324,054	317,983	6,071	1.9%	11.90979	11.87878	0.03101	0.3%
31 Revenue Tax Factor									1.00072	1.00072	0.00000	0.0%
32 Fuel Factor Adjusted for Taxes									11.91837	11.88733	0.03104	0.3%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									11.918	11.887	0.031	0.3%

\*Included for Informational Purposes Only  
 \*\*Calculation Based on Jurisdictional KWH Sales

**FLORIDA PUBLIC UTILITIES COMPANY**  
**CALCULATION OF TRUE-UP SURCHARGE**  
**APPLICABLE TO LEVELIZED FUEL ADJUSTMENT PERIOD**  
**JANUARY 2010 - DECEMBER 2010**  
**BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED OPERATIONS**

**Fernandina Beach Division**

Under-recovery of purchased power costs for the period  
January 2010 - December 2010. (See Schedule E1-B, Calculation  
of Estimated Purchased Power Costs and Calculation of True-  
Up and Interest Provision for the Twelve Month Period ended  
December 2010.)(Estimated) \$ 2,413,962



**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 2010 THROUGH DECEMBER 2010**  
**BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED**

Schedule E-1b

**FERNANDINA BEACH**

	ACTUAL Jan 2010	ACTUAL Feb 2010	ACTUAL Mar 2010	ACTUAL Apr 2010	ACTUAL May 2010	ACTUAL Jun 2010	Estimated Jul 2010	Estimated Aug 2010	Estimated Sep 2010	Estimated Oct 2010	Estimated Nov 2010	Estimated Dec 2010	Total
Total System Sales - KWH	36,254,975	34,334,976	34,713,767	33,386,526	26,982,600	34,339,033	44,723,000	44,111,000	40,263,000	37,863,000	29,991,000	30,817,000	427,779,876
CCA Purchases - KWH	502,425	184,914	214,470	65,363	237,667	413,030	600,000	600,000	600,000	600,000	600,000	600,000	5,217,889
JEA Purchases - KWH	38,403,724	34,690,387	33,573,859	33,512,315	30,457,828	43,251,566	46,216,979	45,580,267	41,543,478	38,892,277	30,645,710	31,515,121	448,283,511
System Billing Demand - KW	99,277	92,422	76,652	75,758	77,325	88,749	89,900	88,700	87,600	78,700	68,900	76,800	1,000,783
DEMAND-KW(network load)	127,006	108,020	96,944	81,299	83,361	108,293	115,072	113,536	112,128	100,736	88,192	98,304	1,232,891
<b>Purchased Power Rates:</b>													
CCA Fuel Costs - \$/KWH	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	
Base Fuel Costs - \$/KWH	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	
Energy Charge - \$/KWH	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	
<b>Demand and Non-Fuel:</b>													
Demand Charge - \$/KW	10.67	10.67	10.67	10.67	10.67	10.67	10.67	10.67	10.67	11.38	11.38	11.38	
Customer Charge - \$	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 \$/KW	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	
<b>Purchased Power Costs:</b>													
CCA Fuel Costs	22,523	8,290	9,614	2,931	10,654	18,516	26,898	26,898	26,898	26,898	26,898	26,898	233,916
JEA Base Fuel Costs	1,695,908	1,531,927	1,482,622	1,479,904	1,345,018	1,909,989	2,040,942	2,012,825	1,834,560	1,717,483	1,353,315	1,391,708	19,796,201
JEA Fuel Adjustment	584,889	528,335	511,329	510,393	463,872	658,721	703,885	694,187	632,707	605,553	477,154	490,690	6,861,715
Subtotal Fuel Costs	2,303,320	2,068,552	2,003,565	1,993,228	1,819,544	2,587,228	2,771,725	2,733,910	2,494,165	2,349,934	1,857,387	1,909,296	26,891,832
<b>Demand and Non-Fuel Costs:</b>													
Demand Charge	1,059,286	986,143	817,877	808,338	825,058	946,952	959,233	946,429	934,692	895,606	784,082	873,984	10,837,680
Customer 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
Transmission Charge	191,779	163,110	146,385	122,761	125,876	163,523	173,759	171,439	169,313	152,111	133,170	148,439	1,861,665
Subtotal Demand & Non-Fuel Costs	1,290,801	1,188,989	1,003,998	970,835	990,670	1,150,211	1,172,728	1,157,604	1,143,741	1,087,453	956,988	1,062,159	13,176,177
Total System Purchased Power Costs	3,594,121	3,257,541	3,007,563	2,964,063	2,810,214	3,737,437	3,944,453	3,891,514	3,637,906	3,437,387	2,814,355	2,971,455	40,068,009
<b>Less Direct Billing To GSLD1 Class:</b>													
Demand	110,220	254,897	200,542	451,724	287,832	242,465	152,642	152,642	241,640	159,591	159,591	254,511	2,668,098
Commodity	387,746	380,891	403,646	712,848	533,182	299,225	538,313	506,968	447,687	518,109	375,473	450,194	5,254,060
Net Purchased Power Costs	3,116,155	2,621,953	2,403,375	1,799,493	2,269,420	3,195,747	3,253,498	3,231,904	2,948,579	2,759,687	2,279,291	2,266,750	32,145,852
Special Costs	4,116	3,612	2	1,874	9,806	12,922							32,332
Total Costs and Charges	3,120,271	2,625,565	2,403,377	1,801,367	2,279,226	3,208,669	3,253,498	3,231,904	2,948,579	2,759,687	2,279,291	2,266,750	32,178,184
<b>Sales Revenues - Fuel Adjustment Revenues:</b>													
RS< .09608 .09608	1,026,449	1,014,056	1,033,560	879,789	864,362	1,021,722	1,303,280	1,280,273	1,172,952	983,996	754,621	781,974	12,127,034
RS> .10607 .10607	888,386	735,274	734,253	287,784	314,166	640,977	739,888	732,503	655,899	558,626	428,407	443,826	7,170,089
GS .09728 .09728	226,253	229,230	217,035	190,645	203,891	243,146	300,012	305,362	279,680	270,633	219,366	204,580	2,889,833
GSD .09259 .09259	606,885	558,651	562,080	533,578	593,630	711,613	886,549	869,420	827,014	793,033	681,370	620,631	8,244,454
GSLD .09334 .09334	193,561	188,273	178,323	179,412	202,080	219,821	243,057	263,499	235,030	230,083	210,108	210,482	2,553,729
OL .87045 .87045	8,300	8,251	8,279	8,267	8,306	8,287	8,306	8,287	8,524	9,018	9,018	8,947	103,182
SL,CSL .07107 .07107	6,759	6,762	6,759	6,727	6,734	6,742	6,325	7,249	7,249	7,249	7,249	7,249	83,053
Total Fuel Revenues (Excl. GSD1)	2,956,593	2,740,497	2,740,289	2,086,222	2,193,169	2,852,308	3,488,129	3,477,253	3,196,348	2,852,638	2,310,068	2,277,860	33,171,374
GSLD1 Fuel Revenues .00000	477,966	635,588	604,188	1,164,570	540,794	541,690	690,955	659,610	689,327	677,700	535,064	704,705	7,922,157
Non-Fuel Revenues	1,060,952	1,031,420	1,021,630	922,688	860,480	1,007,318	1,157,516	1,152,437	1,065,825	1,002,062	837,468	868,935	11,988,731
Total Sales Revenue	4,495,511	4,407,505	4,368,107	4,173,480	3,594,443	4,401,316	5,336,600	5,289,300	4,951,500	4,532,400	3,682,600	3,851,500	53,082,262
<b>KWH Sales:</b>													
RS<	10,683,237	10,554,204	10,757,194	9,156,757	8,996,195	10,633,987	13,564,534	13,429,153	12,208,080	10,241,421	7,854,090	8,138,784	126,217,636
RS>	8,375,214	6,931,723	6,922,102	2,713,050	2,961,769	6,042,755	6,975,466	6,905,847	6,277,920	5,266,579	4,038,910	4,185,216	67,596,551
GS	2,325,795	2,356,408	2,231,043	1,959,754	2,095,924	2,499,447	3,084,000	3,139,000	2,875,000	2,782,000	2,255,000	2,103,000	29,706,371
GSD	6,554,311	6,033,379	6,070,418	5,762,800	6,411,155	7,685,360	9,575,000	9,390,000	8,932,001	8,565,000	7,359,000	6,703,000	89,041,224
GSLD	2,073,660	2,017,000	1,910,400	1,922,080	2,164,920	2,354,980	2,604,000	2,823,000	2,518,000	2,465,000	2,251,000	2,255,000	27,359,040
GSLD1	6,030,000	6,230,000	6,610,000	11,660,000	4,140,000	4,910,000	8,703,000	8,195,000	7,229,000	8,313,000	6,004,000	7,202,000	85,226,000
OL	117,651	117,114	117,503	117,635	117,883	117,633	128,000	127,000	121,000	128,000	127,000	128,000	1,464,418
SL,CSL	95,107	95,148	95,107	94,650	94,754	94,871	89,000	102,000	102,000	102,000	102,000	102,000	1,188,637
Total KWH Sales	36,254,975	34,334,976	34,713,767	33,386,526	26,982,600	34,339,033	44,723,000	44,111,000	40,263,000	37,863,000	29,991,000	30,817,000	427,779,876
<b>True-up Calculation (Excl. GSD1):</b>													
Fuel Revenues	2,956,593	2,740,497	2,740,289	2,086,222	2,193,169	2,852,308	3,488,129	3,477,253	3,196,348	2,852,638	2,310,068	2,277,860	33,171,374
True-up Provision - collect/(refund)	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	825,258
Gross Receipts Tax Refund	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Revenue	2,887,821	2,671,725	2,671,517	2,017,450	2,124,397	2,783,536	3,419,357	3,408,481	3,127,576	2,783,866	2,241,296	2,209,094	32,346,116
Net Purchased Power and Other Fuel Costs	3,120,271	2,625,565	2,403,377	1,801,367	2,279,226	3,208,669	3,253,498	3,231,904	2,948,579	2,759,687	2,279,291	2,266,750	32,178,184
True-up Provision for the Period	(232,450)	46,160	268,140	216,083	(154,829)	(425,133)	165,859	176,577	178,997	24,179	(37,995)	(57,658)	167,932
Interest Provision for the Period	223	224	269	338	464	497	278	318	360	388	399	402	4,160
Beginning of Period True-up and Interest Provision	1,416,612	1,253,157	1,368,313	1,705,494	1,990,687	1,905,094	1,549,230	1,784,139	2,029,807	2,277,936	2,371,275	2,402,450	1,416,612
True-up Collected or (Refunded)	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	825,258
End of Period, Net True-up and Int. Prov.	1,253,157	1,368,313	1,705,494	1,990,687	1,905,094	1,549,230	1,784,139	2,029,807	2,277,936	2,371,275	2,402,450	2,413,962	2,413,962
Beginning True-up Amount	1,416,612	1,253,157	1,368,313	1,705,494	1,990,687	1,905,094	1,549,230	1,784,139	2,029,807	2,277,936	2,371,275	2,402,450	
Ending True-up Amount Before Interest	1,252,934	1,368,089	1,705,225	1,990,349	1,904,630	1,548,733	1,783,861	2,029,489	2,277,576	2,370,887	2,402,051	2,413,560	
Total Beginning and Ending True-up	2,669,546	2,621,246	3,073,538	3,695,843	3,895,317	3,453,827	3,333,091	3,813,628	4,307,383	4,648,823	4,773,326	4,816,011	
Average True-up Amount	1,334,773	1,310,623	1,536,769	1,847,922	1,947,659	1,726,914	1,666,546	1,906,814	2,153,691	2,324,411	2,386,663	2,408,005	
Average Annual Interest Rate	0.2000%	0.2050%	0.2100%	0.2200%	0.2850%	0.3450%	0.2000%	0.2000%	0.2000%	0.2000%	0.2000%	0.2000%	
Interest Provision	223	224	269</										

**FLORIDA PUBLIC UTILITIES COMPANY  
FERNANDINA BEACH DIVISION  
COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS  
OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR  
JANUARY 2010 - DECEMBER 2010**

	DOLLARS				MWH				CENTS/KWH			
	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%
1 Fuel Cost of System Net Generation (A3)					0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
2 Nuclear Fuel Disposal Cost (A13)												
3 Coal Car Investment												
4 Adjustments to Fuel Cost (A2, Page 1)												
5 TOTAL COST OF GENERATED POWER	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8)	26,657,916	19,351,191	7,306,725	37.8%	448,284	438,206	10,078	2.3%	5.94666	4.41600	1.53066	34.7%
7 Energy Cost of Sched C & X Econ Purch (Broker)(A9)												
8 Energy Cost of Other Econ Purch (Non-Broker)(A9)												
9 Energy Cost of Sched E Economy Purch (A9)												
10 Demand and Non Fuel Cost of Purchased Power (A9)	13,176,177	19,824,947	(6,648,770)	-33.5%	448,284	438,206	10,078	2.3%	2.93925	4.52412	(1.58487)	-35.0%
11 Energy Payments to Qualifying Facilities (A8a)	233,916	322,776	(88,860)	-27.5%	5,218	7,200	(1,982)	-27.5%	4.48287	4.48300	(0.00013)	0.0%
12 TOTAL COST OF PURCHASED POWER	<u>40,068,009</u>	<u>39,498,914</u>	<u>569,095</u>	1.4%	453,502	445,406	8,096	1.8%	8.83524	8.86807	(0.03283)	-0.4%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					453,502	445,406	8,096	1.8%				
14 Fuel Cost of Economy Sales (A7)												
15 Gain on Economy Sales (A7a)												
16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7)												
17 Fuel Cost of Other Power Sales (A7)	32,332											
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	32,332	0	32,332	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
19 NET INADVERTENT INTERCHANGE (A10)												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	<u>40,100,341</u>	<u>39,498,914</u>	<u>601,427</u>	1.5%	453,502	445,406	8,096	1.8%	8.84237	8.86807	(0.02570)	-0.3%
21 Net Unbilled Sales (A4)	(171,984) *	0 *	(171,984)	0.0%	(1,945)	0	(1,945)	0.0%	(0.04020)	0.00000	(0.04020)	0.0%
22 Company Use (A4)	40,410 *	44,872 *	(4,462)	-9.9%	457	506	(49)	-9.7%	0.00945	0.01052	(0.00107)	-10.2%
23 T & D Losses (A4)	2,406,009 *	1,637,755 *	768,254	46.9%	27,210	18,468	8,742	47.3%	0.56244	0.38406	0.17838	46.5%
24 SYSTEM KWH SALES	40,100,341	39,498,914	601,427	1.5%	427,780	426,432	1,348	0.3%	9.37406	9.26265	0.11141	1.2%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	40,100,341	39,498,914	601,427	1.5%	427,780	426,432	1,348	0.3%	9.37406	9.26265	0.11141	1.2%
26a Jurisdictional Loss Multiplier	1.000	1.000	0.000	0.0%	1.000	1.000	0.000	0.0%	1.000	1.000	0.00000	0.0%
27 Jurisdictional KWH Sales Adjusted for Line Losses	40,100,341	39,498,914	601,427	1.5%	427,780	426,432	1,348	0.3%	9.37406	9.26265	0.11141	1.2%
28 GPIF**												
29 TRUE-UP**	<u>825,258</u>	<u>825,258</u>	<u>0</u>	0.0%	427,780	426,432	1,348	0.3%	0.19292	0.19353	(0.00061)	-0.3%
30 TOTAL JURISDICTIONAL FUEL COST	40,925,599	40,324,172	601,427	1.5%	427,780	426,432	1,348	0.3%	9.56697	9.45618	0.11079	1.2%
31 Revenue Tax Factor									1.00072	1.00072	0.00000	0.0%
32 Fuel Factor Adjusted for Taxes									9.57386	9.46299	0.11087	1.2%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									9.574	9.463	0.111	1.2%

\*Included for Informational Purposes Only  
\*\*Calculation Based on Jurisdictional KWH Sales

SMURFIT-STONE January 2009 Bill Summary	Pre-Bankruptcy 12/31/08-1/26/09		Post-Bankruptcy 1/26/09-1/30/09		Total		Pro Forma		Variance (Excess Fuel Revenue)	
	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost
Purchased Electricity Charges										
CP Generation Demand Charge	6	\$ 43.32	9,579	\$ 69,160.38	9,585	\$ 69,203.70	6	\$ 43.32	9,579	\$ 69,160.38
Transmission Contract Demand Charge	20,000	\$ 31,000.00	20,000	\$ 31,000.00	40,000	\$ 62,000.00	20,000	\$ 31,000.00	20,000	\$ 31,000.00
Energy charge	1,830,000	\$109,598.70	300,000	\$ 17,976.00	2,130,000	\$127,574.70	2,130,000	\$127,587.00	-	\$ (12.30)
Total Purchased Electricity		<u>\$140,642.02</u>		<u>\$118,136.38</u>		<u>\$258,778.40</u>		<u>\$158,630.32</u>		<u>\$100,148.08</u>

Note: Net revenue adjustment is \$100,076. (Excess revenues \$100,148 divided by tax factor 1.00072)

**FLORIDA PUBLIC UTILITIES COMPANY**  
**CALCULATION OF TRUE-UP SURCHARGE**  
**APPLICABLE TO LEVELIZED FUEL ADJUSTMENT PERIOD**  
**JANUARY 2010 - DECEMBER 2010**  
**BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED OPERATIONS**

**Fernandina Beach Division**

Under-recovery of purchased power costs for the period  
January 2010 - December 2010. (See Schedule E1-B, Calculation  
of Estimated Purchased Power Costs and Calculation of True-  
Up and Interest Provision for the Twelve Month Period ended  
December 2010.)(Estimated) \$ 1,747,119

FLORIDA PUBLIC UTILITIES COMPANY

CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION-EXCLUDING GSLD1

EXHIBIT 3

ACTUAL/ESTIMATED FOR THE PERIOD: JANUARY 2010 THROUGH DECEMBER 2010

BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

FERNANDINA BEACH

	ACTUAL Jan 2010	ACTUAL Feb 2010	ACTUAL Mar 2010	ACTUAL Apr 2010	ACTUAL May 2010	ACTUAL Jun 2010	Estimated Jul 2010	Estimated Aug 2010	Estimated Sep 2010	Estimated Oct 2010	Estimated Nov 2010	Estimated Dec 2010	Total
Total System Sales - KWH	36,254,975	34,334,976	34,713,767	33,386,526	26,982,600	34,339,033	44,723,000	44,111,000	40,263,000	37,863,000	29,991,000	30,817,000	427,779,876
CCA Purchases - KWH	502,425	184,914	214,470	65,363	237,667	413,030	600,000	600,000	600,000	600,000	600,000	600,000	5,217,869
JEA Purchases - KWH	38,403,724	34,690,387	33,573,859	33,512,315	30,457,828	43,251,566	46,216,979	45,580,267	41,543,478	38,892,277	30,645,710	31,515,121	448,283,511
System Billing Demand - KW	99,277	92,422	76,522	75,758	77,325	88,749	89,900	88,700	87,600	88,700	78,700	68,900	1,000,783
DEMAND-KW(network load)	127,006	108,020	96,944	81,299	83,361	108,293	115,072	113,536	112,128	100,736	88,192	98,304	1,232,891
<b>Purchased Power Rates:</b>													
CCA Fuel Costs - \$/KWH	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.04483	0.05141	0.05141	0.05141	
Base Fuel Costs - \$/KWH	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.04416	0.05064	0.05064	0.05064	
Energy Charge - \$/KWH	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01523	0.01557	0.01557	0.01557	
<b>Demand and Non-Fuel:</b>													
Demand Charge - \$/KW	10.67	10.67	10.67	10.67	10.67	10.67	10.67	10.67	10.67	11.38	11.38	11.38	
Customer Charge - \$	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 \$/KW	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	1.51000	
<b>Purchased Power Costs:</b>													
CCA Fuel Costs	22,523	8,290	9,814	2,931	10,654	18,516	28,898	26,898	26,898	30,846	30,846	30,846	245,760
JEA Base Fuel Costs	1,695,908	1,531,927	1,482,622	1,479,904	1,345,018	1,909,989	2,040,942	2,012,825	1,834,560	1,969,505	1,551,899	1,595,926	20,451,025
JEA Fuel Adjustment	584,889	528,335	511,329	510,393	463,872	658,727	703,885	694,187	632,707	605,553	477,154	490,690	6,861,715
Subtotal Fuel Costs	2,303,320	2,068,552	2,003,565	1,993,228	1,819,544	2,587,226	2,771,725	2,733,910	2,494,165	2,605,904	2,059,899	2,117,462	27,558,500
<b>Demand and Non-Fuel Costs:</b>													
Demand Charge	1,059,286	986,143	817,877	808,338	825,058	946,952	959,233	946,429	934,692	895,606	784,082	873,984	10,837,680
Customer 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
Transmission Charge	191,779	163,110	146,385	122,761	125,876	163,523	173,759	171,439	169,313	152,111	133,170	148,439	1,861,665
Subtotal Demand & Non-Fuel Costs	1,290,801	1,188,989	1,003,998	970,835	990,670	1,150,211	1,172,728	1,157,604	1,143,741	1,087,453	956,988	1,062,159	13,176,177
<b>Total System Purchased Power Costs</b>	<b>3,594,121</b>	<b>3,257,541</b>	<b>3,007,563</b>	<b>2,964,063</b>	<b>2,810,214</b>	<b>3,737,437</b>	<b>3,944,453</b>	<b>3,891,514</b>	<b>3,637,906</b>	<b>3,693,357</b>	<b>3,016,887</b>	<b>3,179,621</b>	<b>40,734,677</b>
<b>Less Direct Billing To GSLD1 Class:</b>													
Demand	110,220	254,897	200,542	451,724	287,832	242,465	152,642	152,642	241,640	159,591	159,591	254,511	2,668,098
Commodity	367,746	380,691	403,646	712,846	253,162	299,225	538,313	506,968	447,687	518,109	375,473	450,194	5,254,060
<b>Net Purchased Power Costs</b>	<b>3,116,155</b>	<b>2,621,953</b>	<b>2,403,375</b>	<b>1,799,493</b>	<b>2,269,420</b>	<b>3,195,744</b>	<b>3,253,498</b>	<b>3,231,904</b>	<b>2,948,579</b>	<b>3,015,657</b>	<b>2,481,823</b>	<b>2,474,916</b>	<b>32,812,520</b>
Special Costs	4,116	3,612	2	1,874	9,806	12,922							32,332
<b>Total Costs and Charges</b>	<b>3,120,271</b>	<b>2,625,565</b>	<b>2,403,377</b>	<b>1,801,367</b>	<b>2,279,226</b>	<b>3,208,669</b>	<b>3,253,498</b>	<b>3,231,904</b>	<b>2,948,579</b>	<b>3,015,657</b>	<b>2,481,823</b>	<b>2,474,916</b>	<b>32,844,852</b>
<b>Sales Revenues - Fuel Adjustment Revenues:</b>													
RS< .09608 .09608	1,026,449	1,014,056	1,033,560	879,789	864,362	1,021,722	1,303,280	1,290,273	1,172,952	983,996	754,621	781,974	12,127,034
RS> .10807 .10807	888,386	735,274	734,253	287,784	314,166	640,977	739,888	732,503	665,899	558,626	428,407	443,926	7,170,089
GS .09728 .09728	226,253	229,230	217,035	190,645	203,891	243,140	300,012	305,362	279,680	270,633	219,366	204,580	2,889,833
GSD .09259 .09259	606,885	558,651	562,080	533,578	593,630	711,613	896,549	869,420	827,014	793,033	681,370	620,631	8,244,454
GSLD .09334 .09334	193,561	188,273	178,323	179,412	202,080	219,821	243,057	263,499	235,000	230,083	210,108	210,482	2,553,729
OL .07045 .07045	8,300	8,251	8,279	8,287	8,306	8,287	9,018	8,947	8,524	9,018	8,947	9,018	103,182
SL,CSL .07107 .07107	6,759	6,762	6,759	6,727	6,734	6,742	6,325	7,249	7,249	7,249	7,249	7,249	83,053
<b>Total Fuel Revenues (Excl. GSLD1)</b>	<b>2,956,593</b>	<b>2,740,497</b>	<b>2,740,289</b>	<b>2,086,222</b>	<b>2,193,169</b>	<b>2,852,308</b>	<b>3,488,129</b>	<b>3,477,253</b>	<b>3,196,348</b>	<b>2,852,638</b>	<b>2,310,068</b>	<b>2,277,860</b>	<b>33,171,374</b>
GSLD1 Fuel Revenues .00000	477,966	635,588	604,188	1,164,570	540,794	541,690	690,925	659,610	689,327	677,700	535,064	704,705	7,922,157
<b>Non-Fuel Revenues</b>	<b>1,060,952</b>	<b>1,031,420</b>	<b>1,021,630</b>	<b>922,688</b>	<b>860,480</b>	<b>1,007,318</b>	<b>1,157,516</b>	<b>1,152,437</b>	<b>1,065,825</b>	<b>1,002,062</b>	<b>837,468</b>	<b>868,935</b>	<b>11,988,731</b>
<b>Total Sales Revenue</b>	<b>4,495,511</b>	<b>4,407,505</b>	<b>4,366,107</b>	<b>4,173,480</b>	<b>3,594,443</b>	<b>4,401,316</b>	<b>5,336,600</b>	<b>5,289,300</b>	<b>4,951,500</b>	<b>4,532,400</b>	<b>3,682,600</b>	<b>3,851,500</b>	<b>53,082,262</b>
<b>KWH Sales:</b>													
RS<	10,883,237	10,554,204	10,757,194	9,156,757	8,996,195	10,633,987	13,584,534	13,429,153	12,208,080	10,241,421	7,854,090	8,138,784	126,217,636
RS>	8,375,214	6,931,723	6,922,102	2,713,050	2,961,769	6,042,755	6,975,466	6,905,847	6,277,920	5,266,579	4,038,910	4,185,216	67,596,551
GS	2,325,795	2,356,408	2,231,043	1,959,754	2,095,924	2,499,447	3,084,000	3,139,000	2,875,000	2,782,000	2,255,000	2,103,000	29,706,371
GSD	6,554,311	6,033,379	6,070,418	5,762,600	6,411,155	7,685,360	9,575,000	9,390,000	8,932,001	8,565,000	7,359,000	6,703,000	89,041,224
GSLD	2,073,660	2,017,000	1,910,400	1,922,080	2,164,920	2,354,980	2,604,000	2,823,000	2,518,000	2,465,000	2,251,000	2,255,000	27,359,040
GSLD1	6,030,000	6,230,000	6,610,000	11,680,000	4,140,000	4,910,000	8,703,000	8,195,000	7,229,000	8,313,000	6,004,000	7,202,000	85,226,000
OL	117,851	117,114	117,503	117,635	117,883	117,633	128,000	127,000	121,000	128,000	127,000	128,000	1,464,418
SL,CSL	95,107	95,148	95,107	94,650	94,754	94,871	89,000	102,000	102,000	102,000	102,000	102,000	1,168,637
<b>Total KWH Sales</b>	<b>36,254,975</b>	<b>34,334,976</b>	<b>34,713,767</b>	<b>33,386,526</b>	<b>26,982,600</b>	<b>34,339,033</b>	<b>44,723,000</b>	<b>44,111,000</b>	<b>40,263,000</b>	<b>37,863,000</b>	<b>29,991,000</b>	<b>30,817,000</b>	<b>427,779,876</b>
<b>True-up Calculation (Excl. GSLD1):</b>													
Fuel Revenues	2,956,593	2,740,497	2,740,289	2,086,222	2,193,169	2,852,308	3,488,129	3,477,253	3,196,348	2,852,638	2,310,068	2,277,860	33,171,374
True-up Provision - collect/(refund)	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	825,258
Gross Receipts Tax Refund	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Revenue	2,887,821	2,671,725	2,671,517	2,017,450	2,124,397	2,783,536	3,419,357	3,408,481	3,127,576	2,783,866	2,241,296	2,209,094	32,346,116
<b>Net Purchased Power and Other Fuel Costs</b>	<b>3,120,271</b>	<b>2,625,565</b>	<b>2,403,377</b>	<b>1,801,367</b>	<b>2,279,226</b>	<b>3,208,669</b>	<b>3,253,498</b>	<b>3,231,904</b>	<b>2,948,579</b>	<b>3,015,657</b>	<b>2,481,823</b>	<b>2,474,916</b>	<b>32,844,852</b>
True-up Provision for the Period	(232,450)	46,160	268,140	216,083	(154,829)	(425,133)	165,859	178,997	178,997	(231,791)	(240,527)	(265,822)	(498,736)
Interest Provision for the Period	223	224	269	338	464	497	278	318	360	367	339	308	3,985
Beginning of Period True-up and Interest Provision	1,416,612	1,253,157	1,368,313	1,705,494	1,990,687	1,905,094	1,549,230	1,784,139	2,029,807	2,277,936	2,115,284	1,943,867	1,416,612
True-up Collected or (Refunded)	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	68,772	825,258
<b>End of Period, Net True-up and Int. Prov.</b>	<b>1,253,157</b>	<b>1,368,313</b>	<b>1,705,494</b>	<b>1,990,687</b>	<b>1,905,094</b>	<b>1,549,230</b>	<b>1,784,139</b>	<b>2,029,807</b>	<b>2,277,936</b>	<b>2,115,284</b>	<b>1</b>		

**FLORIDA PUBLIC UTILITIES COMPANY  
FERNANDINA BEACH DIVISION**  
COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS  
OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR  
JANUARY 2010 - DECEMBER 2010

	DOLLARS				MWH				CENTS/KWH			
	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%
1 Fuel Cost of System Net Generation (A3)					0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
2 Nuclear Fuel Disposal Cost (A13)												
3 Coal Car Investment												
4 Adjustments to Fuel Cost (A2, Page 1)												
5 TOTAL COST OF GENERATED POWER	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8)	27,312,740	19,351,191	7,961,549	41.1%	448,284	438,206	10,078	2.3%	6.09273	4.41600	1.67673	38.0%
7 Energy Cost of Sched C & X Econ Purch (Broker)(A9)												
8 Energy Cost of Other Econ Purch (Non-Broker)(A9)												
9 Energy Cost of Sched E Economy Purch (A9)												
10 Demand and Non Fuel Cost of Purchased Power (A9)	13,176,177	19,824,947	(6,648,770)	-33.5%	448,284	438,206	10,078	2.3%	2.93925	4.52412	(1.58487)	-35.0%
11 Energy Payments to Qualifying Facilities (A8a)	245,760	322,776	(77,016)	-23.9%	5,218	7,200	(1,982)	-27.5%	4.70985	4.48300	0.22685	5.1%
12 TOTAL COST OF PURCHASED POWER	<u>40,734,677</u>	<u>39,498,914</u>	<u>1,235,763</u>	3.1%	453,502	445,406	8,096	1.8%	8.98225	8.86807	0.11418	1.3%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					453,502	445,406	8,096	1.8%				
14 Fuel Cost of Economy Sales (A7)												
15 Gain on Economy Sales (A7a)												
16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7)												
17 Fuel Cost of Other Power Sales (A7)	32,332											
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	32,332	0	32,332	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
19 NET INADVERTENT INTERCHANGE (A10)												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	<u>40,767,009</u>	<u>39,498,914</u>	<u>1,268,095</u>	3.2%	453,502	445,406	8,096	1.8%	8.98938	8.86807	0.12131	1.4%
21 Net Unbilled Sales (A4)	(174,843) *	0 *	(174,843)	0.0%	(1,945)	0	(1,945)	0.0%	(0.04087)	0.00000	(0.04087)	0.0%
22 Company Use (A4)	41,081 *	44,872 *	(3,791)	-8.5%	457	506	(49)	-9.7%	0.00960	0.01052	(0.00092)	-8.8%
23 T & D Losses (A4)	2,446,010 *	1,637,755 *	808,255	49.4%	27,210	18,468	8,742	47.3%	0.57179	0.38406	0.18773	48.9%
24 SYSTEM KWH SALES	40,767,009	39,498,914	1,268,095	3.2%	427,780	426,432	1,348	0.3%	9.52990	9.26265	0.26725	2.9%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	40,767,009	39,498,914	1,268,095	3.2%	427,780	426,432	1,348	0.3%	9.52990	9.26265	0.26725	2.9%
26a Jurisdictional Loss Multiplier	1.000	1.000	0.000	0.0%	1.000	1.000	0.000	0.0%	1.000	1.000	0.00000	0.0%
27 Jurisdictional KWH Sales Adjusted for Line Losses	40,767,009	39,498,914	1,268,095	3.2%	427,780	426,432	1,348	0.3%	9.52990	9.26265	0.26725	2.9%
28 GPIF**												
29 TRUE-UP**	825,258	825,258	0	0.0%	427,780	426,432	1,348	0.3%	0.19292	0.19353	(0.00061)	-0.3%
30 TOTAL JURISDICTIONAL FUEL COST	<u>41,592,267</u>	<u>40,324,172</u>	<u>1,268,095</u>	3.1%	427,780	426,432	1,348	0.3%	9.72282	9.45618	0.26664	2.8%
31 Revenue Tax Factor									1.00072	1.00072	0.00000	0.0%
32 Fuel Factor Adjusted for Taxes									9.72982	9.46299	0.26683	2.8%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									9.730	9.463	0.267	2.8%

\*Included for Informational Purposes Only  
\*\*Calculation Based on Jurisdictional KWH Sales