



**Florida
Public
Utilities
Company**

ORIGINAL

P O Box 3395
West Palm Beach,
FL 33402-3395

September 17, 1998

Ms Blanca S Bayo, Director
Florida Public Service Commission
2540 Shumard Blvd
Tallahassee FL 32399-0950

**RE: DOCKET NO. 980001-EI CONTINUING
SURVEILLANCE AND REVIEW OF FUEL COST
RECOVERY CLAUSES OF ELECTRIC UTILITIES**

Dear Ms Bayo:

We are enclosing ten (10) copies of August 1998 Fuel Schedules for our Marianna and Fernandina Beach Divisions.

The over-recovery in our Marianna division is lower than estimated due to fuel costs being higher than projected. The over-recovery in our Fernandina Beach division is lower than estimated due to fuel costs being higher than projected.

Sincerely,

Cheryl Martin

Cheryl Martin
Manager of Corporate Accounting

Enclosure

cc: Welch, Kathy-FPSC
Ken Hoffman-Atty
FPU:
Bachman, GM (no enc)
Cutshaw, PM
English, JT
Foster, PM
Troy, DT (no enc)
SJ 80-441/Disk-Fuel 1/97/ FPSC fuel OVER RECOVERY

- ACK _____
- AFA *Udover* _____
- APP _____
- CAF _____
- GMU _____
- OTB _____
- LEG 1 _____
- LIN 3 _____
- OPC _____
- RCH _____
- SEC 1 _____
- WAS _____
- OTH _____

Bohmann

MAIL ROOM

RECEIVED
SEP 18 1998
MARIANNA

Marianna DOCUMENT NUMBER-DATE
Fernandina DOCUMENT NUMBER-DATE
10329 SEP 18 98 **10330 SEP 18 98**
FPSC-RECORDS/REPORTING

COMPARISON OF ESTIMATED AND ACTUAL
FUEL AND PURCHASED POWER COST RECOVERY FACTOR
MONTH: AUGUST 1998

Company: FLORIDA PUBLIC UTILITIES COMPANY
MARIANNA DIVISION
CFUELVAC
08/14/98
CP

	DOLLARS		DIFFERENCE		MWH		DIFFERENCE		CENTS/KWH	
	ACTUAL	ESTIMATED	AMOUNT	%	ACTUAL	ESTIMATED	AMOUNT	%	ACTUAL	ESTIMATED
689,937	687,802	22,135	3.35%	32,060	31,051	1,009	3.35%	2,18001	2,18002	-1,00E-05
479,583	459,540	20,043	4.48%	32,060	31,051	1,009	3.35%	1,48452	1,47834	0,01618
1,169,520	1,126,842	42,678	3.81%	32,060	31,051	1,009	3.35%	3,64453	3,62836	0,01617
1,189,530	1,126,842	62,688	5.31%	32,060	31,051	1,009	3.35%	3,64453	3,62836	0,01617
84,189	40,874	43,315	106.08%	2,310	1,121	1,189	106.07%	0,29665	0,14187	0,15478
729	689	40	5.81%	20	19	1	5.25%	0,00258	0,0024	0,00018
46,796	45,064	1,732	3.84%	1,294	1,242	42	3.38%	0,19433	0,18719	0,00714
1,169,530	1,126,842	42,688	3.81%	28,478	28,669	(191)	-0.67%	4,10707	3,92962	0,17725
1,189,530	1,126,842	62,688	5.51%	28,478	28,669	(191)	-0.67%	4,10707	3,92962	0,17725
1,000	1,000	0	0.00%	1,000	1,000	0	0.00%	1,000	1,000	0
1,189,530	1,126,842	62,688	5.51%	28,478	28,669	(191)	-0.67%	4,10707	3,92962	0,17725
(42,721)	(42,721)	0	0.00%	28,478	28,669	(191)	-0.67%	-0,18002	-0,14801	-0,00101
1,126,809	1,083,921	42,888	3.96%	28,478	28,669	(191)	-0.67%	3,95705	3,79581	0,17824
								1,00083	1,00083	0
								3,96033	3,79336	0,17628
								3,960	3,794	0,176

- 1 Fuel Cost of System Net Generation (A3)
- 2 Nuclear Fuel Disposal Cost (A13)
- 3 Coal Cost Investment
- 4 Adjustments to Fuel Cost (A2, Page 1)
- 5 TOTAL COST OF GENERATED POWER
- 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8)
- 7 Energy Cost of Served C & X Econ Purch (Brook/A8)
- 8 Energy Cost of Other Econ Purch (Non-Brook/A8)
- 9 Energy Cost of Served E Economy Purch (A9)
- 10 Demand and Non Fuel Cost of Purchased Power (A9)
- 11 Energy Payments to Qualifying Facilities (A9a)
- 12 TOTAL COST OF PURCHASED POWER
- 13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)
- 14 Fuel Cost of Economy Sales (A7)
- 15 Gain on Economy Sales (A7a)
- 16 Fuel Cost of Unit Power Sales (SL2 Paragraph A7)
- 17 Fuel Cost of Other Power Sales (A7)
- 18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)
- 19 NET INTERVENT INTERCHANGE (A10)
- 20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 17 + 18 + 19)
- 21 Net Unbilled Sales (A4)
- 22 Company Loss (A4)
- 23 T & D Losses (A4)
- 24 SYSTEM KWH SALES
- 25 Wholesale KWH Sales
- 26 Jurisdictional KWH Sales
- 27a Jurisdictional Loss Multiplier
- 27 Jurisdictional KWH Sales Adjusted for Line Losses
- 28 CFM**
- 29 TRUE-UP**
- 30 TOTAL JURISDICTIONAL FUEL COST
- 31 Revenue Tax Factor
- 32 Fuel Factor Adjusted for Taxes
- 33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)

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

	PERIOD TO DATE DOLLARS		PERIOD TO DATE MWH		CENTS/MWH							
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%				
1 Fuel Cost of System Net Generation (A3)	3,096,508	2,870,661	228,854	7.9%	144,164	131,870	12,294	9.3%	2,14668	2,17688	-2,020	-0.9%
2 Nuclear Fuel Disposal Cost (A13)												
3 Coal Car Investment												
4 Adjustments to Fuel Cost (A2, Page 1)												
5 TOTAL COST OF GENERATED POWER	3,096,508	2,870,661	228,854	7.9%	144,164	131,870	12,294	9.3%	2,14668	2,17688	-2,020	-0.9%
6 Fuel Cost of Purchased Power (Exclusive of Economy) (A4)	2,136,790	2,112,410	24,380	1.2%	144,164	131,870	12,294	9.3%	1,48208	1,80189	-2,118	-1.2%
7 Energy Cost of Sched C & X Econ Purch (Broker) (A5)												
8 Energy Cost of Other Econ Purch (Non-Broker) (A6)												
9 Energy Cost of Sched E Economy Purch (A8)												
10 Demand and Non Fuel Cost of Purchased Power (A9)												
11 Energy Payments to Qualifying Facilities (A5a)												
12 TOTAL COST OF PURCHASED POWER	2,136,790	2,112,410	24,380	1.2%	144,164	131,870	12,294	9.3%	1,48208	1,80189	-2,118	-1.2%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)	5,233,298	4,983,071	250,224	5.1%	144,164	131,870	12,294	9.3%	3,63357	3,77877	-1,442	-3.8%
14 Fuel Cost of Economy Sales (A7)												
15 Gain on Economy Sales (A7a)												
16 Fuel Cost of Unit Power Sales (SL2 Purcs) (A7)	304,130	273,325	30,805	11.3%	8,370	6,910	1,460	21.1%	0,23686	0,18619	0,05067	27.2%
17 Fuel Cost of Other Power Sales (A7)	3,825	3,514	311	8.0%	97	83	14	16.9%	0,00273	0,00291	-0,00018	-6.1%
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	278,343	198,330	80,013	20.0%	6,567	6,275	292	4.7%	0,18629	0,18629	0,00000	0.0%
19 NET INADVERTENT INTERCHANGE (A10)												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	5,233,298	4,983,071	250,224	5.1%	144,164	131,870	12,294	9.3%	3,63357	3,77877	-1,442	-3.8%
21 Net Unrolled Sales (A4)												
22 Company Line (A4)												
23 T & D Losses (A4)												
24 SYSTEM KWH SALES	5,238,206	4,983,061	255,234	5.1%	129,110	120,592	8,518	7.0%	4,05724	4,13216	-7,492	-1.8%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	5,238,206	4,983,061	255,234	5.1%	129,110	120,592	8,518	7.0%	4,05724	4,13216	-7,492	-1.8%
27a Jurisdictional Loss Multiplier	1,000	1,000			1,000	1,000			1,000	1,000		
27 Jurisdictional KWH Sales Adjusted for Line Losses												
28 Other**												
29 TRUE-UP**	(213,605)	(213,605)			129,110	120,592	8,518	7.0%	4,05724	4,13216	-7,492	-1.8%
30 TOTAL JURISDICTIONAL FUEL COST	5,024,601	4,769,456	255,224	5.3%	129,110	120,592	8,518	7.0%	3,89179	3,96504	-7,325	-1.8%
31 Revenue Tax Factor												
32 Fuel Factor Adjusted for Taxes												
33 FUEL FAC ADJUSTED TO NEAREST 001 (CENTS/MWH)												

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

CFUELV2C
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CALCULATION OF TRUE-UP AND INTEREST PROVISION

SCHEDULE A2
Page 1 of 4

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: AUGUST 1998

	CURRENT MONTH				PERIOD TO DATE			
	ACTUAL	ESTIMATED	DIFFERENCE		ACTUAL	ESTIMATED	DIFFERENCE	
			AMOUNT	%			AMOUNT	%
A. Fuel Cost & Net Power Transactions								
1. Fuel Cost of System Net Generation	\$	\$	\$		\$	\$	\$	
1a. Fuel Related Transactions (Nuclear Fuel Disposal)								
2. Fuel Cost of Power Sold								
3. Fuel Cost of Purchased Power	689,937	667,602	22,335	3.35%	3,099,505	2,870,651	228,854	7.97%
3a. Demand & Non Fuel Cost of Purchased Power	479,593	459,040	20,553	4.48%	2,138,790	2,112,410	26,380	1.25%
3b. Energy Payments to Qualifying Facilities								
4. Energy Cost of Economy Purchases								
5. Total Fuel & Net Power Transactions	1,169,530	1,126,642	42,888	3.81%	5,238,295	4,983,061	255,234	5.12%
6. Adjustments to Fuel Cost (Describe Items)								
7. Adjusted Total Fuel & Net Power Transactions	\$ 1,169,530	\$ 1,126,642	\$ 42,888	3.81%	\$ 5,238,295	\$ 4,983,061	\$ 255,234	5.12%

CALCULATION OF TRUE-UP AND INTEREST PROVISION
Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION
Month of: AUGUST 1998

	CURRENT MONTH			PERIOD TO DATE		
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT %	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT %
B. Sales Revenues (Exclude Revenue Taxes & Franchise Taxes)	\$	\$	\$	\$	\$	\$
1. Jurisdictional Sales Revenue						
a. Base Fuel Revenue	1,128,717	1,134,976	(6,259) -0.55%	5,112,870	4,757,633	355,237 7.47%
b. Fuel Recovery Revenue	1,128,717	1,134,976	(6,259) -0.55%	5,112,870	4,757,633	355,237 7.47%
c. Jurisdictional F. J. Revenue	543,469	530,844	12,645 2.38%	2,547,751	2,339,057	208,694 8.92%
d. Non Fuel Revenue	1,872,206	1,665,820	6,386 0.38%	7,660,621	7,096,690	563,931 7.50%
e. Total Jurisdictional Sales Revenue						
2. Non Jurisdictional Sales Revenue						
3. Total Sales Revenue	\$ 1,872,206	\$ 1,665,820	\$ 6,386 0.38%	\$ 7,660,621	\$ 7,096,690	\$ 563,931 7.50%
C. KWH Sales						
1. Jurisdictional Sales	28,475,881	28,609,268	(193,387) -0.67%	129,108,936	120,592,227	8,516,709 7.06%
2. Non Jurisdictional Sales						
3. Total Sales	28,475,881	28,609,268	(193,387) -0.67%	129,108,936	120,592,227	8,516,709 7.06%
4. Jurisdictional Sales % of Total KWH Sales	100.00%	100.00%		100.00%	100.00%	

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: AUGUST 1998

	CURRENT MONTH			PERIOD TO DATE		
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT %	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT %
D. True-up Calculation						
1. Jurisdictional Fuel Rev. (line B-1c)	\$ 1,128,717	\$ 1,134,976	(6,259) -0.55%	\$ 5,112,670	\$ 4,787,633	\$ 355,237 7.47%
2. Fuel Adjustment Not Applicable	(42,721)	(42,721)		(213,605)	(213,605)	
a. True-up Provision						
b. Incentive Provision						
c. Transition Adjustment (Regulatory Tax Refund)						
3. Jurisdictional Fuel Revenue Applicable to Period	1,171,438	1,177,697	(6,259) -0.53%	5,326,475	4,971,236	355,237 7.15%
4. Adjusted Total Fuel & Net Power Transaction (Line A-7)	1,169,530	1,126,642	42,888 3.81%	5,238,295	4,983,061	255,234 5.12%
5. Jurisdictional Sales % of Total KWH Sales (Line C-4)	100.00%	100.00%		N/A	N/A	
6. Jurisdictional Total Fuel & Net Power Transactions (Line D-4 x Line D-5 x ¹)	1,169,530	1,126,642	42,888 3.81%	5,238,295	4,983,061	255,234 5.12%
7. True-up Provision for the Month Over/Under Collection (Line D-3 - Line D-6)	1,908	51,055	(49,147) -96.26%	88,180	(11,823)	100,003 -845.83%
8. Interest Provision for the Month	712		712	3,686		3,686
9. True-up & Int. Provision Beg. of Month	174,686	(354,472)	529,156 -149.28%	256,324	(120,710)	377,034 -312.35%
9a. Deferred True-up Beginning of Period						
10. True-up Collected (Refunded)	(42,721)	(42,721)		(213,605)	(213,605)	
11. End of Period - Total Net True-up (Lines D7 through D10)	\$ 134,585	\$ (346,136)	\$ 480,723 -138.88%	\$ 134,585	\$ (346,136)	\$ 480,723 -138.88%

* Jurisdictional Loss Multiplier

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: AUGUST 1998

	CURRENT MONTH			PERIOD TO DATE		
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT %	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT %
E. Interest Provision						
1. Beginning True-up Amount (lines D-9 + 9a)	\$ 174,686	(354,472)	522,158 -149.28%	N/A	N/A	-
2. Ending True-up Amount Before Interest (line D-7 + Lines D-9 + 9a + D-10)	133,873	(346,136)	480,011 -138.68%	N/A	N/A	-
3. Total of Beginning & Ending True-up Amount	308,559	(700,612)	1,009,169 -144.04%	N/A	N/A	-
4. Average True-up Amount (50% of Line E-3)	154,280	(350,306)	504,585 -144.04%	N/A	N/A	-
5. Interest Rate - First Day Reporting Business Month	5.5600%	N/A	-	N/A	N/A	-
6. Interest Rate - First Day Subsequent Business Month	5.5200%	N/A	-	N/A	N/A	-
7. Total (Line E-5 + Line E-6)	11.0800%	N/A	-	N/A	N/A	-
8. Average Interest Rate (50% of Line E-7)	5.5400%	N/A	-	N/A	N/A	-
9. Monthly Average Interest Rate (Line E-8 / 12)	0.4617%	N/A	-	N/A	N/A	-
10. Interest Provision (Line E-4 x Line E-9)	712	N/A	-	N/A	N/A	-

Company: FLORIDA PUBLIC UTILITIES COMPANY
 MARIANNA DIVISION
 C/FUEL/8C
 09/14/98
 CP

SCHEDULE A8

PURCHASED POWER

(Exclusive of Economy Energy Purchases)
 For the Period/Month of: AUGUST 1998

(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)
						(a)	(b)	
PURCHASED FROM	TYPE & SCHEDULE	TOTAL KWH PURCHASED (000)	KWH FOR OTHER UTILITIES (000)	KWH FOR INTERRUPTIBLE (000)	KWH FOR FIRM (000)	CENTS/KWH		TOTAL \$ FOR FUEL ADJ.
						FUEL COST	TOTAL COST	(5)X(7)(a) \$
ESTIMATED:								
GULF POWER COMPANY	RE	31,051			31,051	2.150018	3.628360	667,602
TOTAL		31,051			31,051	2.150018	3.628360	667,602
ACTUAL:								
GULF POWER COMPANY	RE	32,090			32,090	2.150006	3.644531	689,937
TOTAL		32,090			32,090	2.150006	3.644531	689,937
CURRENT MONTH:								
DIFFERENCE		1,039			1,039	-0.000012	0.016171	22,335
DIFFERENCE (%)		3.30%			3.30%		0.40%	3.30%
PERIOD TO DATE:								
ACTUAL	RE	144,164			144,164	2.149985	3.633567	3,099,505
ESTIMATED	RE	131,870			131,870	2.176680	3.778768	2,870,651
DIFFERENCE		12,294			12,294	-0.026695	-0.145201	228,854
DIFFERENCE (%)		9.30%			9.30%	-1.20%	-3.80%	8.00%

Company: FLORIDA PUBLIC UTILITIES COMPANY
 MARIANNA DIVISION
 CF JELVAGC
 09/14/98
 CP

SCHEDULE AG

ECONOMY ENERGY PURCHASES
 INCLUDING LONG TERM PURCHASES
 For the Period/Month of: AUGUST 1998

(1) PURCHASED FROM	(2) TYPE & SCHEDULE	(3) TOTAL KWH PURCHASED (000)	(4) TRANS. COST CENTS/KWH	(5) TOTAL \$ FOR FUEL ADJ. (3) X (4) \$	(6) COST IF GENERATED		(7) FUEL SAVIN GS (6)(b)-(5) \$
					(a) CENTS/KWH	(b) TOTAL COST \$	

ESTIMATED:

TOTAL							
-------	--	--	--	--	--	--	--

ACTUAL:

TOTAL							
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FOOTNOTE: PURCHASED POWER COSTS INCLUDE CUSTOMER, DEMAND & ENERGY CHARGES TOTALING 479,593

CURRENT MONTH: DIFFERENCE DIFFERENCE (%)							
PERIOD TO DATE: ACTUAL ESTIMATED DIFFERENCE DIFFERENCE (%)							