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COMMISSION CLERK

P.O. Box 3395  
West Palm Beach, Florida 33402-3395

August 13, 2004

Ms. Blanca S. Bayo, Director  
Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0950

**Re: Docket No. 040001-EI**  
**CONTINUING SURVEILLANCE AND REVIEW OF FUEL COST**  
**RECOVERY CLAUSES OF ELECTRIC UTILITIES**

Dear Ms. Bayo:

We are enclosing ten (10) copies of July 2004 Fuel Schedules for our Marianna and Fernandina Beach divisions.

The under-recovery in our Marianna division is lower than expected primarily due to fuel revenues being higher than projected. The under-recovery in our Fernandina Beach division is primarily due to fuel costs being higher than projected.

- CMP \_\_\_\_\_
- COM 5
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPC \_\_\_\_\_
- MMS \_\_\_\_\_
- RCA \_\_\_\_\_
- SCR \_\_\_\_\_
- SEC 1
- OTH \_\_\_\_\_

Sincerely,

Cheryl Martin  
Controller

Enclosure

Cc: Kathy Welch/ FPSC  
Doc Horton  
George Bachman (no enclosure)  
Mark Cutshaw (no enclosure)  
Mario Lacaci (no enclosure)  
Jack English (no enclosure)  
Chuck Stein (no enclosure)  
SJ 80-441

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DOCUMENT NUMBER-DATE  
DISTRIBUTION CENTER

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Fuel Monthly.doc

COMPARISON OF ESTIMATED AND ACTUAL  
FUEL AND PURCHASED POWER COST RECOVERY FACTOR  
MONTH: July 2004

	DOLLARS				MWH				CENTS/KWH			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%
1 Fuel Cost of System Net Generation (A3)					0	0	0	0.00%	0	0	0	0.00%
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	0.00%	0	0	0	0.00%	0	0	0	0.00%
6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8)	753,654	675,070	78,584	11.64%	34,571	30,965	3,606	11.65%	2.18002	2.18011	-9E-05	0.00%
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)	476,297	460,934	15,363	3.33%	34,571	30,965	3,606	11.65%	1.37774	1.48856	-0.11082	-7.44%
11 Energy Payments to Qualifying Facilities (A8a)												
12 TOTAL COST OF PURCHASED POWER	<u>1,229,951</u>	<u>1,136,004</u>	<u>93,947</u>	8.27%	34,571	30,965	3,606	11.65%	3.55775	3.66867	-0.11092	-3.02%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					34,571	30,965	3,606	11.65%				
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)												
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	0	0	0	0.00%	0	0	0	0.00%	0	0	0	0.00%
19 NET INADVERTENT INTERCHANGE (A10)												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	<u>1,229,951</u>	<u>1,136,004</u>	<u>93,947</u>	8.27%	34,571	30,965	3,606	11.65%	3.55775	3.66867	-0.11092	-3.02%
21 Net Unbilled Sales (A4)	80,289 *	164,466 *	(84,177)	-51.18%	2,257	4,483	(2,226)	-49.66%	0.25978	0.65205	-0.39227	-60.16%
22 Company Use (A4)	869 *	734 *	155	21.12%	25	20	5	25.00%	0.00288	0.00291	-3E-05	-1.03%
23 T & D Losses (A4)	49,204 *	45,455 *	3,749	8.25%	1,383	1,239	144	11.62%	0.1592	0.18021	-0.02101	-11.66%
24 SYSTEM KWH SALES	1,229,951	1,136,004	93,947	8.27%	30,906	25,223	5,683	22.53%	3.97961	4.50384	-0.52423	-11.64%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	1,229,951	1,136,004	93,947	8.27%	30,906	25,223	5,683	22.53%	3.97961	4.50384	-0.52423	-11.64%
26a Jurisdictional Loss Multiplier	1.000	1.000	0.000	0.00%	1.000	1.000	0.000	0.00%	1.000	1.000	0.000	0.00%
27 Jurisdictional KWH Sales Adjusted for Line Losses	1,229,951	1,136,004	93,947	8.27%	30,906	25,223	5,683	22.53%	3.97961	4.50384	-0.52423	-11.64%
28 GPIF**												
29 TRUE-UP**	<u>52,030</u>	<u>52,030</u>	<u>0</u>	0.00%	30,906	25,223	5,683	22.53%	0.16835	0.20628	-0.03793	-18.39%
30 TOTAL JURISDICTIONAL FUEL COST	<u>1,281,981</u>	<u>1,188,034</u>	<u>93,947</u>	7.91%	<u>30,906</u>	<u>25,223</u>	<u>5,683</u>	<u>22.53%</u>	4.148	4.71012	-0.56212	-11.93%
31 Revenue Tax Factor									1.00072	1.00072	0	0.00%
32 Fuel Factor Adjusted for Taxes									4.15099	4.71351	-0.56252	-11.93%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									4.151	4.714	-0.563	-11.94%

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

COMPARISON OF ESTIMATED AND ACTUAL  
FUEL AND PURCHASED POWER COST RECOVERY FACTOR  
MONTH: July 2004

	PERIOD TO DATE DOLLARS				PERIOD TO DATE MWH				CENTS/KWH			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%
1 Fuel Cost of System Net Generation (A3)					0	0	0	0.00%	0	0	0	0.00%
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	0.00%	0	0	0	0.00%	0	0	0	0.00%
6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8)	4,203,993	3,786,117	417,876	11.04%	192,844	173,669	19,175	11.04%	2.18	2.18008	-8E-05	0.00%
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)	2,912,945	2,743,718	169,227	6.17%	192,844	173,669	19,175	11.04%	1.51052	1.57985	-0.06933	-4.39%
11 Energy Payments to Qualifying Facilities (A8a)												
12 TOTAL COST OF PURCHASED POWER	<u>7,116,938</u>	<u>6,529,835</u>	<u>587,103</u>	8.99%	192,844	173,669	19,175	11.04%	3.69052	3.75993	-0.06941	-1.85%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					192,844	173,669	19,175	11.04%				
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)												
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	0	0	0	0.00%	0	0	0	0.00%	0	0	0	0.00%
19 NET INADVERTENT INTERCHANGE (A10)												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	<u>7,116,938</u>	<u>6,529,835</u>	<u>587,103</u>	8.99%	192,844	173,669	19,175	11.04%	3.69052	3.75993	-0.06941	-1.85%
21 Net Unbilled Sales (A4)	177,022 *	(359,261) *	536,283	-149.27%	4,797	(9,555)	14,352	-150.20%	0.09826	-0.20398	0.30224	-148.17%
22 Company Use (A4)	6,754 *	5,565 **	1,189	21.37%	183	148	35	23.65%	0.00375	0.00316	0.00059	18.67%
23 T & D Losses (A4)	284,687 *	261,202 *	23,485	8.99%	7,714	6,947	767	11.04%	0.15803	0.1483	0.00973	6.56%
24 SYSTEM KWH SALES	7,116,938	6,529,835	587,103	8.99%	180,150	176,129	4,021	2.28%	3.95056	3.70741	0.24315	6.56%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	7,116,938	6,529,835	587,103	8.99%	180,150	176,129	4,021	2.28%	3.95056	3.70741	0.24315	6.56%
26a Jurisdictional Loss Multiplier	1.000	1.000	0.000	0.00%	1.000	1.000	0.000	0.00%	1.000	1.000	0.000	0.00%
27 Jurisdictional KWH Sales Adjusted for Line Losses	7,116,938	6,529,835	587,103	8.99%	180,150	176,129	4,021	2.28%	3.95056	3.70741	0.24315	6.56%
28 GPIF**												
29 TRUE-UP**	<u>364,202</u>	<u>364,202</u>	<u>0</u>	0.00%	180,150	176,129	4,021	2.28%	0.20217	0.20678	-0.00461	-2.23%
30 TOTAL JURISDICTIONAL FUEL COST	7,481,140	6,894,037	587,103	8.52%	180,150	176,129	4,021	2.28%	4.15273	3.9142	0.23853	6.09%
31 Revenue Tax Factor									1.00072	1.00072	0	0.00%
32 Fuel Factor Adjusted for Taxes									4.15572	3.91702	0.2387	6.09%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									4.156	3.917	0.239	6.10%

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

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: July 2004

	CURRENT MONTH				PERIOD TO DATE			
	ACTUAL	ESTIMATED	AMOUNT	DIFFERENCE %	ACTUAL	ESTIMATED	AMOUNT	DIFFERENCE %
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	753,654	675,070	78,584	11.64%	4,203,993	3,786,117	417,876	11.04%
3a. Demand & Non Fuel Cost of Purchased Power	476,297	460,934	15,363	3.33%	2,912,945	2,743,718	169,227	6.17%
3b. Energy Payments to Qualifying Facilities								
4. Energy Cost of Economy Purchases								
5. Total Fuel & Net Power Transactions	1,229,951	1,136,004	93,947	8.27%	7,116,938	6,529,835	587,103	8.99%
6. Adjustments to Fuel Cost (Describe Items)								
7. Adjusted Total Fuel & Net Power Transactions	1,229,951	\$ 1,136,004	\$ 93,947	8.27%	7,116,938	\$ 6,529,835	\$ 587,103	8.99%

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

	CURRENT MONTH				PERIOD TO DATE			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%
<b>B. Sales Revenues (Exclude Revenue Taxes &amp; Franchise Taxes)</b>								
1. Jurisdictional Sales Revenue	\$	\$			\$	\$	\$	
a. Base Fuel Revenue								
b. Fuel Recovery Revenue	1,195,730	976,318	219,412	22.47%	6,968,574	6,820,033	148,541	2.18%
c. Jurisdictional Fuel Revenue	1,195,730	976,318	219,412	22.47%	6,968,574	6,820,033	148,541	2.18%
d. Non Fuel Revenue	707,384	629,032	78,352	12.46%	<b>4,178,302</b>	<b>3,926,347</b>	<b>251,955</b>	6.42%
e. Total Jurisdictional Sales Revenue	1,903,114	1,605,350	297,764	18.55%	11,146,876	10,746,380	400,496	3.73%
2. Non Jurisdictional Sales Revenue	0	0	0	0.00%	0	0	0	0.00%
3. Total Sales Revenue	\$ 1,903,114	\$ 1,605,350	\$ 297,764	18.55%	\$ 11,146,876	\$ 10,746,380	\$ 400,496	3.73%
<b>C. KWH Sales</b>								
1. Jurisdictional Sales								
2. Non Jurisdictional Sales								
3. Total Sales								
4. Jurisdictional Sales % of Total KWH Sales								
	30,906,261	25,222,653	5,683,608	22.53%	180,150,336	176,129,439	4,020,897	2.28%
	0	0	0	0.00%	0	0	0	0.00%
	30,906,261	25,222,653	5,683,608	22.53%	180,150,336	176,129,439	4,020,897	2.28%
	100.00%	100.00%	0.00%	0.00%	100.00%	100.00%	0.00%	0.00%

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: July 2004

	CURRENT MONTH				PERIOD TO DATE			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%
<b>D. True-up Calculation</b>								
1. Jurisdictional Fuel Rev. (line B-1c)	1,195,730 \$	976,318 \$	219,412	22.47%	6,968,574 \$	6,820,033 \$	148,541	2.18%
2. Fuel Adjustment Not Applicable								
a. True-up Provision	52,030	52,030	0	0.00%	364,202	364,202	0	0.00%
b. Incentive Provision								
c. Transition Adjustment (Regulatory Tax Refund)	0	0	0	0.00%	0	0	0	0.00%
3. Jurisdictional Fuel Revenue Applicable to Period	1,143,700	924,288	219,412	23.74%	6,604,372	6,455,831	148,541	2.30%
4. Adjusted Total Fuel & Net Power Transaction (Line A-7)	1,229,951	1,136,004	93,947	8.27%	7,116,938	6,529,835	587,103	8.99%
5. Jurisdictional Sales % of Total KWH Sales (Line C-4)	100%	100%	0.00%	0.00%	N/A	N/A		
6. Jurisdictional Total Fuel & Net Power Transactions (Line D-4 x Line D-5 x *)	1,229,951	1,136,004	93,947	8.27%	7,116,938	6,529,835	587,103	8.99%
7. True-up Provision for the Month Over/Under Collection (Line D-3 - Line D-6)	(86,251)	(211,716)	125,465	-59.26%	(512,566)	(74,004)	(438,562)	592.62%
8. Interest Provision for the Month	(885)		(885)	0.00%	(4,057)		(4,057)	0.00%
9. True-up & Inst. Provision Beg. of Month	(741,667)	201,172	(942,839)	-468.67%	(624,352)	(248,712)	(375,640)	151.03%
9a. Deferred True-up Beginning of Period								
10. True-up Collected (Refunded)	52,030	52,030	0	0.00%	364,202	364,202	0	0.00%
11. End of Period - Total Net True-up (Lines D7 through D10)	(776,773) \$	41,486 \$	(818,259)	-1972.37%	(776,773) \$	41,486 \$	(818,259)	-1972.37%

\* Jurisdictional Loss Multiplier

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: MARIANNA DIVISION

Month of: July 2004

	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)	\$ (741,667)	\$ 201,172	\$ (942,839)	-468.67%	N/A	N/A	--	--
2. Ending True-up Amount Before Interest (line D-7 + Lines D-9 + 9a + D-10)	(775,888)	41,486	(817,374)	-1970.24%	N/A	N/A	--	--
3. Total of Beginning & Ending True-up Amount	(1,517,555)	242,658	(1,760,213)	-725.39%	N/A	N/A	--	--
4. Average True-up Amount (50% of Line E-3)	\$ (758,778)	\$ 121,329	\$ (880,107)	-725.39%	N/A	N/A	--	--
5. Interest Rate - First Day Reporting Business Month	1.3300%	N/A	--	--	N/A	N/A	--	--
6. Interest Rate - First Day Subsequent Business Month	1.4700%	N/A	--	--	N/A	N/A	--	--
7. Total (Line E-5 + Line E-6)	2.8000%	N/A	--	--	N/A	N/A	--	--
8. Average Interest Rate (50% of Line E-7)	1.4000%	N/A	--	--	N/A	N/A	--	--
9. Monthly Average Interest Rate (Line E-8 / 12)	0.1167%	N/A	--	--	N/A	N/A	--	--
10. Interest Provision (Line E-4 x Line E-9)	(885)	N/A	--	--	N/A	N/A	--	--

ELECTRIC ENERGY ACCOUNT  
Month of: July 2004

	CURRENT MONTH				PERIOD TO DATE			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%
(MWH)								
1 System Net Generation	0	0	0	0.00%				0.00%
2 Power Sold								
3 Inadvertent Interchange Delivered - NET								
4 Purchased Power	34,571	30,965	3,606	11.65%	192,844	173,669	19,175	11.04%
4a Energy Purchased For Qualifying Facilities								
5 Economy Purchases								
6 Inadvertent Interchange Received - NET								
7 Net Energy for Load	34,571	30,965	3,606	11.65%	192,844	173,669	19,175	11.04%
8 Sales (Billed)	30,906	25,223	5,683	22.53%	180,150	176,129	4,021	2.28%
8a Unbilled Sales Prior Month (Period)								
8b Unbilled Sales Current Month (Period)								
9 Company Use	25	20	5	25.00%	183	148	35	23.65%
10 T&D Losses Estimated 0.04	1,383	1,239	144	11.62%	7,714	6,947	767	11.04%
11 Unaccounted for Energy (estimated)	2,257	4,483	(2,226)	-49.66%	4,797	(9,555)	14,352	-150.20%
12								
13 % Company Use to NEL	0.07%	0.06%	0.01%	16.67%	0.09%	0.09%	0.00%	0.00%
14 % T&D Losses to NEL	4.00%	4.00%	0.00%	0.00%	4.00%	4.00%	0.00%	0.00%
15 % Unaccounted for Energy to NEL	6.53%	14.48%	-7.95%	-54.90%	2.49%	-5.50%	7.99%	-145.27%
16 Fuel Cost of Sys Net Gen								
16a Fuel Related Transactions								
16b Adjustments to Fuel Cost								
17 Fuel Cost of Power Sold								
18 Fuel Cost of Purchased Power	753,654	675,070	78,584	11.64%	4,203,993	3,786,117	417,876	11.04%
18a Demand & Non Fuel Cost of Pur Power	476,297	460,934	15,363	3.33%	2,912,945	2,743,718	169,227	6.17%
18b Energy Payments To Qualifying Facilities								
19 Energy Cost of Economy Purch.								
20 Total Fuel & Net Power Transactions	1,229,951	1,136,004	93,947	8.27%	7,116,938	6,529,835	587,103	8.99%
21 Fuel Cost of Sys Net Gen								
21a Fuel Related Transactions								
22 Fuel Cost of Power Sold								
23 Fuel Cost of Purchased Power	2.1800	2.1800	-	0.00%	2.1800	2.1800	-	0.00%
23a Demand & Non Fuel Cost of Pur Power	1.3780	1.4890	(0.1110)	-7.45%	1.5110	1.5800	(0.0690)	-4.37%
23b Energy Payments To Qualifying Facilities								
24 Energy Cost of Economy Purch.								
25 Total Fuel & Net Power Transactions	3.5580	3.6690	(0.1110)	-3.03%	3.6910	3.7600	(0.0690)	-1.84%

**PURCHASED POWER**

(Exclusive of Economy Energy Purchases)  
For the Period/Month of: July 2004

(1) PURCHASED FROM	(2) TYPE & SCHEDUL	(3) KWH PURCHASED (000)	(4) KWH FOR OTHER UTILITIES (000)	(5) KWH FOR INTERRUP- TIBLE (000)	(6) KWH FOR FIRM (000)	(7) CENTS/KWH		(8) TOTAL \$ FOR FUEL ADJ.  (6)X(7)(a) \$
						(a) FUEL COST	(b) TOTAL COST	
GULF POWER COMPANY	RE	30,965			30,965	2.180107	3.668671	675,070
TOTAL		30,965	0	0	30,965	2.180107	3.668671	675,070
GULF POWER COMPANY	RE	34,571			34,571	2.180018	3.557754	753,654
TOTAL		34,571	0	0	34,571	2.180018	3.557754	753,654
CURRENT MONTH: DIFFERENCE		3,606	0	0	3,606		-0.110917	78,584
DIFFERENCE (%)		11.60%	0.00%	0.00%	11.60%	0.000000	-3.00%	11.60%
PERIOD TO DATE: ACTUAL	RE	192,844			192,844	2.179997	3.690516	4,203,993
ESTIMATED	RE	173,669			173,669	2.180076	3.759931	3,786,117
DIFFERENCE		19,175	0	0	19,175	-0.000079	-0.069415	417,876
DIFFERENCE (%)		11.00%	0.00%	0.00%	11.00%	0.00%	-1.80%	11.00%

ECONOMY ENERGY PURCHASES

INCLUDING LONG TERM PURCHASES  
For the Period/Month of: July 2004

(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 SAVINGS  (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 476.297

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

COMPARISON OF ESTIMATED AND ACTUAL  
 FUEL AND PURCHASED POWER COST RECOVERY FACTOR  
 MONTH: July 2004

	DOLLARS				MWH				CENTS/KWH			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	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)			0	0.0%								
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)	846,727	683,147	163,580	24.0%	47,409	37,027	10,382	28.0%	1.78600	1.84500	(0.05900)	-3.2%
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)	729,012	599,340	129,672	21.6%	47,409	37,027	10,382	28.0%	1.53771	1.61866	(0.08095)	-5.0%
11 Energy Payments to Qualifying Facilities (A8a)	5,423	7,480	(2,057)	-27.5%	290	400	(110)	-27.5%	1.87000	1.87000	0.00000	0.0%
12 TOTAL COST OF PURCHASED POWER	1,581,162	1,289,967	291,195	22.6%	47,699	37,427	10,272	27.5%	3.31487	3.44662	(0.13175)	-3.8%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					47,699	37,427	10,272	27.5%				
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)												
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
19 NET INADVERTENT INTERCHANGE (A10)												
20 LESS GSLD APPORTIONMENT OF FUEL COST	288,810	344,949	(56,139)	40.7%	0	0	0	0.0%				
20a TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	1,292,352	945,018	347,334	36.8%	47,699	37,427	10,272	27.5%	2.70939	2.52496	0.18443	7.3%
21 Net Unbilled Sales (A4)	9,320 *	(57,771) *	67,091	-116.1%	344	(2,288)	2,632	-115.0%	0.02097	(0.15436)	0.17533	113.6%
22 Company Use (A4)	1,301 *	1,060 *	241	22.7%	48	42	6	14.3%	0.00293	0.00283	0.00010	3.5%
23 T & D Losses (A4)	77,543 *	56,711 *	20,832	36.7%	2,862	2,246	616	27.4%	0.17447	0.15152	0.02295	15.2%
24 SYSTEM KWH SALES	1,292,352	945,018	347,334	36.8%	44,445	37,427	7,018	18.8%	2.90776	2.52495	0.38281	15.2%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	1,292,352	945,018	347,334	36.8%	44,445	37,427	7,018	18.8%	2.90776	2.52495	0.38281	15.2%
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	1,292,352	945,018	347,334	36.8%	44,445	37,427	7,018	18.8%	2.90776	2.52495	0.38281	15.2%
28 GPIF**												
29 TRUE-UP**	(153,164)	(153,164)	0	0.0%	44,445	37,427	7,018	18.8%	(0.34461)	(0.40923)	0.06462	-15.8%
30 TOTAL JURISDICTIONAL FUEL COST (Excluding GSLD Apportionment)	1,139,188	791,854	347,334	43.9%	44,445	37,427	7,018	18.8%	2.56314	2.11573	0.44741	21.2%
31 Revenue Tax Factor									1.01609	1.01609	0.00000	0.0%
32 Fuel Factor Adjusted for Taxes									2.60438	2.14977	0.45461	21.2%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									2.604	2.150	0.454	21.1%

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

Company: FLORIDA PUBLIC UTILITIES COMPANY

FERNANDINA BEACH DIVISION

	PERIOD TO DATE DOLLARS				PERIOD TO DATE MWH				CENTS/KWH			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	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)	0	0	0	0.0%								
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)	4,882,724	4,976,381	(93,657)	-1.9%	273,389	269,723	3,666	1.4%	1.78600	1.84500	(0.05900)	-3.2%
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)	3,836,285	3,844,469	(8,184)	-0.2%	273,389	269,723	3,666	1.4%	1.40323	1.42534	(0.02211)	-1.6%
11 Energy Payments to Qualifying Facilities (A8a)	46,483	52,360	(5,877)	-11.2%	2,486	2,800	(314)	-11.2%	1.86966	1.87000	(0.00034)	0.0%
12 TOTAL COST OF PURCHASED POWER	8,765,493	8,873,210	(107,717)	-1.2%	275,875	272,523	3,352	1.2%	3.17734	3.25595	(0.07861)	-2.4%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					275,875	272,523	3,352	1.2%				
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)												
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
19 NET INADVERTENT INTERCHANGE (A10)												
20 LESS GSLD APPORTIONMENT OF FUEL COST	1,652,889	2,414,640	(761,751)	-31.6%	0	0	0	0.0%				
20a TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	7,112,604	6,458,570	654,034	10.1%	275,875	272,523	3,352	1.2%	2.57820	2.36992	0.20828	8.8%
21 Net Unbilled Sales (A4)	(28,200) *	(245,084) *	216,884	-88.5%	(1,094)	(10,341)	9,248	-89.4%	(0.01084)	(0.09204)	0.08120	-88.2%
22 Company Use (A4)	7,219 *	5,840 *	1,379	23.6%	280	246	34	13.6%	0.00278	0.00219	0.00059	26.9%
23 T & D Losses (A4)	426,769 *	387,506 *	39,263	10.1%	16,553	16,351	202	1.2%	0.16406	0.14553	0.01853	12.7%
24 SYSTEM KWH SALES	7,112,604	6,458,570	654,034	10.1%	260,136	266,267	(6,131)	-2.3%	2.73420	2.42560	0.30860	12.7%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	7,112,604	6,458,570	654,034	10.1%	260,136	266,267	(6,131)	-2.3%	2.73420	2.42560	0.30860	12.7%
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	7,112,604	6,458,570	654,034	10.1%	260,136	266,267	(6,131)	-2.3%	2.73420	2.42560	0.30860	12.7%
28 GPIF**												
29 TRUE-UP**	(1,072,153)	(1,072,153)	0	0.0%	260,136	266,267	(6,131)	-2.3%	(0.41215)	(0.40266)	(0.00949)	2.4%
30 TOTAL JURISDICTIONAL FUEL COST	6,040,451	5,386,417	654,034	12.1%	260,136	266,267	(6,131)	-2.3%	2.32204	2.02294	0.29910	14.8%
31 Revenue Tax Factor									1.01609	1.01609	0.00000	0.0%
32 Fuel Factor Adjusted for Taxes									2.35940	2.05549	0.30391	14.8%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									2.359	2.055	0.304	14.8%

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

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

	CURRENT MONTH				PERIOD TO DATE			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE 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	846,727	683,147	163,580	24.0%	4,882,724	4,976,381	(93,657)	-1.9%
3a. Demand & Non Fuel Cost of Purchased Power	729,012	599,340	129,672	21.6%	3,836,285	3,844,469	(8,184)	-0.2%
3b. Energy Payments to Qualifying Facilities	5,423	7,480	(2,057)	-27.5%	46,483	52,360	(5,877)	-11.2%
4. Energy Cost of Economy Purchases								
5. Total Fuel & Net Power Transactions	1,581,162	1,289,967	291,195	22.6%	8,765,493	8,873,210	(107,717)	-1.2%
6. Adjustments to Fuel Cost (Describe Items)								
7. Adjusted Total Fuel & Net Power Transactions	1,581,162	1,289,967	291,195	22.6%	8,765,493	8,873,210	(107,717)	-1.2%
8. Less Apportionment To GSLD Customers	288,810	344,949	(56,139)	-16.3%	1,652,889	2,414,640	(761,751)	-31.6%
9. Net Total Fuel & Power Transactions To Other Classes	1,292,352 \$	945,018 \$	347,334	36.8%	7,112,604 \$	6,458,570 \$	654,034	10.1%



CALCULATION OF TRUE-UP AND INTEREST PROVISION

	CURRENT MONTH				PERIOD TO DATE			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%
D. True-up Calculation (Excluding GSLD)								
1. Jurisdictional Fuel Rev. (line B-1c)	961,781 \$	814,665 \$	147,116	18.1%	5,568,127 \$	5,811,608 \$	(243,481)	-4.2%
2. Fuel Adjustment Not Applicable								
a. True-up Provision	(153,164)	(153,164)	0	0.0%	(1,072,153)	(1,072,153)	0	0.0%
b. Incentive Provision								
c. Transition Adjustment (Regulatory Tax Refund)							0	0.0%
3. Jurisdictional Fuel Revenue Applicable to Period	1,114,945	967,829	147,116	15.2%	6,640,280	6,883,761	(243,481)	-3.5%
4. Adjusted Total Fuel & Net Power Transaction (Line A-7)	1,292,352	945,018	347,334	36.8%	7,112,604	6,458,570	654,034	10.1%
5. Jurisdictional Sales % of Total KWH Sales (Line C-4)	100.00%	100.00%	0.00%	0.0%	N/A	N/A		
6. Jurisdictional Total Fuel & Net Power Transactions (Line D-4 x Line D-5 x *)	1,292,352	945,018	347,334	36.8%	7,112,604	6,458,570	654,034	10.1%
7. True-up Provision for the Month Over/Under Collection (Line D-3 - Line D-6)	(177,407)	22,811	(200,218)	-877.7%	(472,324)	425,191	(897,515)	-211.1%
8. Interest Provision for the Month	543		543	0.0%	7,165		7,165	0.0%
9. True-up & Inst. Provision Beg. of Month	630,689	(1,892,238)	2,522,927	-133.3%	1,837,973	(1,375,629)	3,213,602	-233.6%
9a. Deferred True-up Beginning of Period								
10. True-up Collected (Refunded)	(153,164)	(153,164)	0	0.0%	(1,072,153)	(1,072,153)	0	0.0%
11. End of Period - Total Net True-up (Lines D7 through D10)	300,661 \$	(2,022,591) \$	2,323,252	-114.9%	300,661 \$	(2,022,591) \$	2,323,252	-114.9%

\* Jurisdictional Loss Multiplier

CALCULATION OF TRUE-UP AND INTEREST PROVISION

Company: FLORIDA PUBLIC UTILITIES COMPANY

Division: FERNANDINA BEACH DIVISION

Month of: July 2004

	CURRENT MONTH				PERIOD TO DATE			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%
E. Interest Provision (Excluding GSLED)							--	--
1. Beginning True-up Amount (lines D-9 + 9a)	630,689 \$	(1,892,238) \$	2,522,927	-133.3%	N/A	N/A	--	--
2. Ending True-up Amount Before Interest (line D-7 + Lines D-9 + 9a + D-10)	300,118	(2,022,591)	2,322,709	-114.8%	N/A	N/A	--	--
3. Total of Beginning & Ending True-up Amount	930,807	(3,914,829)	4,845,636	-123.8%	N/A	N/A	--	--
4. Average True-up Amount (50% of Line E-3)	465,404 \$	(1,957,415) \$	2,422,819	-123.8%	N/A	N/A	--	--
5. Interest Rate - First Day Reporting Business Month	1.3300%	N/A	--	--	N/A	N/A	--	--
6. Interest Rate - First Day Subsequent Business Month	1.4700%	N/A	--	--	N/A	N/A	--	--
7. Total (Line E-5 + Line E-6)	2.8000%	N/A	--	--	N/A	N/A	--	--
8. Average Interest Rate (50% of Line E-7)	1.4000%	N/A	--	--	N/A	N/A	--	--
9. Monthly Average Interest Rate (Line E-8 / 12)	0.1167%	N/A	--	--	N/A	N/A	--	--
10. Interest Provision (Line E-4 x Line E-9)	543	N/A	--	--	N/A	N/A	--	--

Company: FLORIDA PUBLIC UTILITIES COMPANY  
 FERNANDINA BEACH DIVISION

CURRENT MONTH					PERIOD TO DATE			
ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	

(MWH)

1	System Net Generation	0	0	0	0.00%	0	0	0	0.00%	
2	Power Sold									
3	Inadvertent Interchange Delivered - NET									
4	Purchased Power	47,409	37,027	10,382	28.04%	273,389	269,723	3,666	1.36%	
4a	Energy Purchased For Qualifying Facilities	290	400	(110)	-27.50%	2,486	2,800	(314)	-11.21%	
5	Economy Purchases									
6	Inadvertent Interchange Received - NET									
7	Net Energy for Load	47,699	37,427	10,272	27.45%	275,875	272,523	3,352	1.23%	
8	Sales (Billed)	44,445	37,427	7,018	18.75%	260,136	266,267	(6,131)	-2.30%	
8a	Unbilled Sales Prior Month (Period)									
8b	Unbilled Sales Current Month (Period)									
9	Company Use	48	42	6	14.29%	280	246	34	13.62%	
10	T&D Losses Estimated @	0.0%	2,862	2,246	616	27.43%	16,553	16,351	202	1.24%
11	Unaccounted for Energy (estimated)	344	(2,288)	2,632	-115.03%	(1,094)	(10,341)	9,248	-89.42%	
12										
13	% Company Use to NEL	0.10%	0.11%	-0.01%	-9.09%	0.10%	0.09%	0.01%	11.11%	
14	% T&D Losses to NEL	6.00%	6.00%	0.00%	0.00%	6.00%	6.00%	0.00%	0.00%	
15	% Unaccounted for Energy to NEL	0.72%	-6.11%	6.83%	-111.78%	-0.40%	-3.79%	3.39%	-89.45%	

(\$)

16	Fuel Cost of Sys Net Gen								
16a	Fuel Related Transactions								
16b	Adjustments to Fuel Cost								
17	Fuel Cost of Power Sold								
18	Fuel Cost of Purchased Power	846,727	683,147	163,580	23.95%	4,882,724	4,976,381	(93,657)	-1.88%
18a	Demand & Non Fuel Cost of Pur Power	729,012	599,340	129,672	21.64%	3,836,285	3,844,469	(8,184)	-0.21%
18b	Energy Payments To Qualifying Facilities	5,423	7,480	(2,057)	-27.50%	46,483	52,360	(5,877)	-11.22%
19	Energy Cost of Economy Purch.								
20	Total Fuel & Net Power Transactions	1,581,162	1,289,967	291,195	22.57%	8,765,493	8,873,210	(107,717)	-1.21%

21	Fuel Cost of Sys Net Gen								
21a	Fuel Related Transactions								
22	Fuel Cost of Power Sold								
23	Fuel Cost of Purchased Power	1.786	1.845	(0.059)	-3.20%	1.786	1.845	(0.059)	-3.20%
23a	Demand & Non Fuel Cost of Pur Power	1.538	1.619	(0.081)	-5.00%	1.403	1.425	(0.022)	-1.54%
23b	Energy Payments To Qualifying Facilities	1.870	1.870	0.000	0.00%	1.870	1.870	0.000	0.00%
24	Energy Cost of Economy Purch.								
25	Total Fuel & Net Power Transactions	3.315	3.447	(0.132)	-3.83%	3.177	3.256	(0.079)	-2.43%

**PURCHASED POWER**

(Exclusive of Economy Energy Purchases)  
 For the Period/Month of: **July 2004**

(1) PURCHASED FROM	(2) TYPE & SCHEDULE	(3) TOTAL KWH PURCHASED (000)	(4) KWH FOR OTHER UTILITIES (000)	(5) KWH FOR INTERRUPTIBLE (000)	(6) KWH FOR FIRM (000)	(7) CENTS/KWH		(8) TOTAL \$ FOR FUEL ADJ. (6)X(7)(a) \$
						(a) FUEL COST	(b) TOTAL COST	
ESTIMATED:								
JACKSONVILLE ELECTRIC AUTHORITY	MS	37,027			37,027	1.844997	3.463654	683,147
TOTAL		37,027	0	0	37,027	1.844997	3.463654	683,147
ACTUAL:								
JACKSONVILLE ELECTRIC AUTHORITY	MS	47,409			47,409	1.786005	3.323713	846,727
TOTAL		47,409	0	0	47,409	1.786005	3.323713	846,727
CURRENT MONTH: DIFFERENCE		10,382	0	0	10,382	-0.058992	-0.139941	163,580
DIFFERENCE (%)		28.0%	0.0%	0.0%	28.0%	-3.2%	-4.0%	23.9%
PERIOD TO DATE: ACTUAL	MS	273,389			273,389	1.785999	3.189232	4,882,724
ESTIMATED	MS	269,723			269,723	1.844997	3.270337	4,976,381
DIFFERENCE		3,666	0	0	3,666	(0.058998)	-0.081105	(93,657)
DIFFERENCE (%)		1.4%	0.0%	0.0%	1.4%	-3.2%	-2.5%	-1.9%

ENERGY PAYMENT TO QUALIFYING FACILITIES

For the Period/Month of: July 2004

(1) PURCHASED FROM	(2) TYPE & SCHEDULE	(3) TOTAL KWH PURCHASED (000)	(4) KWH FOR OTHER UTILITIES (000)	(5) KWH FOR INTERRUPTIBLE (000)	(6) KWH FOR FIRM (000)	(7) CENTS/KWH		(8) TOTAL \$ FOR FUEL ADJ. (6)X(7)(a) \$
						(a) FUEL COST	(b) TOTAL COST	
ESTIMATED:								
JEFFERSON SMURFIT CORPORATION		400			400	1.870000	1.870000	7,480
TOTAL		400	0	0	400	1.870000	1.870000	7,480
ACTUAL:								
JEFFERSON SMURFIT CORPORATION		290			290	1.870000	1.870000	5,423
TOTAL		290	0	0	290	1.870000	1.870000	5,423
CURRENT MONTH: DIFFERENCE		(110)	0	0	(110)	0.000000	0.000000	(2,057)
DIFFERENCE (%)		-27.5%	0.0%	0.0%	-27.5%	0.0%	0.0%	-27.5%
PERIOD TO DATE: ACTUAL	MS	2,486			2,486	1.869658	1.869658	46,483
ESTIMATED	MS	2,800			2,800	1.870000	1.870000	52,360
DIFFERENCE		(314)	0	0	(314)	-0.000342	-0.000342	(5,877)
DIFFERENCE (%)		-11.2%	0.0%	0.0%	-11.2%	0.0%	0.0%	-11.2%

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

ESTIMATED:

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

ACTUAL

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

\$729,012

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