

LAW OFFICES
MESSER, CAPARELLO & SELF
A PROFESSIONAL ASSOCIATION

215 SOUTH MONROE STREET, SUITE 701
POST OFFICE BOX 1876
TALLAHASSEE, FLORIDA 32302-1876
TELEPHONE: (850) 222-0720
TELECOPIER: (850) 224-4359
INTERNET: www.lawfla.com

April 30, 2002

BY HAND DELIVERY

Ms. Blanca Bayó, Director
The Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 020327-EI

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Public Utilities Company are an original and fifteen copies of Florida Public Utilities Company's Petition for Waiver of Rule in the above referenced docket.

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,


Norman H. Horton, Jr.

NHH/amb
Enclosures
cc: Cochran Keating, Esq.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Public Utilities Company)
for waiver of portions of Rule 25-6.0436, Florida) Docket No.: 020327-EI
Administrative Code, as applicable to filing) Dated: April 30, 2002
dates of depreciation study)
_____)

PETITION FOR WAIVER OF RULE

Comes now, Florida Public Utilities Company (“FPUC”) through undersigned counsel and pursuant to section 120.542, Florida Statutes and Rule 28-104.002, Florida Administrative Code, and requests a waiver of portions of Rule 25-6.0436, Florida Administrative Code, and as basis would state:

1. The name and address of Petitioner is:

Florida Public Utilities Company
401 South Dixie Highway
West Palm Beach, FL 33401

2. The name and address of the person authorized to receive notices and communications with respect to this Petition are:

Norman H. Horton, Jr.
Messer, Caparello & Self, P. A.
Suite 701, First Florida Bank Building
Post Office Box 1876
Tallahassee, FL 32302-1876

3. FPUC requests that the Commission grant an extension of time within which FPUC is required to file a depreciation study. To this end FPUC is requesting a waiver of Rule 25-6.0436(8) which requires:

(e)ach company shall file a study for each category of depreciable property for Commission review at least once every four years from the submission date of the previous study unless otherwise required by the Commission.

This rule implements the provisions of sections 350.115 and 366.06(1), Florida Statutes. Section 350.115, in part, authorizes the Commission to approve or establish adequate, fair and reasonable depreciation rates and charges. Section 366.06(1), Florida Statutes, permits the commission to investigate and determine the “actual, legitimate costs of the property of each utility company . . .” and use the honest and prudent investment in such property “less accrued depreciation” for the purposes of establishing rates.

4. The most recent depreciation study filed by FPUC for the Fernandina Beach division was filed on April 27, 1998. The Commission reviewed the submission and on May 11, 1999, issued Order No. PSC-99-0954-PAA, approving revised depreciation rates for FPUC. Under the current rule requiring the submission of a study four years from the submission date of the most recent study, a filing would be due by April 28, 2002, “unless otherwise required by the Commission.” By letter dated April 8, 2002, FPUC initially requested an extension of the filing date for the study to July 26, 2002, and this Petition formalizes that filing submission.

5. FPUC requests this extension because of unique circumstances which have increased the demands on personnel and resources of the Petitioner. On December 14, 2001, FPUC concluded its acquisition of the assets of Atlantic Utilities (South Florida Natural Gas). As a result of the acquisition, there was an increase in the work associated with end of year reports while there were reports associated with the acquisition as well. In addition, subsequent to the acquisition, FPUC has


initiated efforts to consolidate the former customers of South Florida Natural Gas with FPUCP. There have been a variety of internal accounting and operational changes necessary to complete the consolidation as well as petitions and requests with the Commission to consolidate and/or extend rates and services to the former South Florida Natural Gas customers. In some instances additional schedules and reports to support these requests have been prepared but all of these activities have imposed additional demands on the employees and resources of FPUC, thus necessitating this request for an extension of time. With an extension FPUC would be able to prepare and submit the required schedules and studies in a more efficient manner. Without the extension, FPUC would incur additional expense to prepare the studies because of the increased demand placed on personnel and resources.

6. Since FPUC is only seeking an extension of the time to submit the studies, and not a waiver of the requirement to file a study, the purposes of the underlying statute and rule will be served because the Commission will receive the data and schedules required and will have the opportunity to review the proposed depreciation rates. The waiver of the time for submitting the studies permits FPUC to utilize its personnel and resources on a cost effective basis yet still satisfy the requirements of the Commission rule.

7. FPUC would request that the Commission grant the requested waiver and that the depreciation study be due not later than July 26, 2002. FPUC further requests that subsequent filings be calculated from the extended filing dates.

Respectfully submitted,

MESSER, CAPARELLO & SELF, P.A.
215 S. Monroe Street, Suite 701
Post Office Box 1876
Tallahassee, FL 32302-1876
(850) 222-0720


NORMAN H. HORTON, JR., ESQ.
FLOYD R. SELF, ESQ.

Attorneys for Florida Public Utilities Company