

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition for modification of transportation cost recovery factors by Florida Public Utilities Company. | DOCKET NO. 040017-GU  
ORDER NO. PSC-04-0250-TRF-GU  
ISSUED: March 8, 2004

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman  
J. TERRY DEASON  
LILA A. JABER  
RUDOLPH "RUDY" BRADLEY  
CHARLES M. DAVIDSON

ORDER APPROVING MODIFICATION OF  
TRANSPORTATION COST RECOVERY FACTORS

BY THE COMMISSION:

By Order No. PSC-01-0073-TRF-GU, issued January 9, 2001, in Docket No. 000795-GU, In re: Petition of Florida Public Utilities Company for approval of unbundled transportation service, we approved Florida Public Utilities Company's (FPUC or the Company) initial transportation service tariffs, including a Non-monitored Transportation Administration Charge (NTAC). Customers subject to the NTAC are not required to have electronic measurement equipment for the monitoring of their gas usage. The function of the NTAC is to allow the recovery of the Company's incremental expenses in providing unbundled transportation service.

By Order No. PSC-01-1963-TRF-GU, issued October 1, 2001, in Docket No. 010846-GU, In re: Petition for approval of initial transportation cost recovery factors by Florida Public Utilities Company, we approved the Company's projected NTAC incremental expense of \$58,500 associated with making transportation service available to all non-residential customers for the period August 1, 2001, through December 31, 2002 (thereafter the period will be January through December). In accordance with its approved tariff, FPUC proposed to recover those expenses for the period on a cents-per-therm basis applied to the customer's actual consumption, with any over or underrecovery trued up at the end of the period. We approved initial cost recovery factors to be applied during the October 2001 through December 2002 period.

By Order No. PSC-02-0654-TRF-GU, issued May 13, 2002, in Docket No. 020163-GU, In re: Petition by Florida Public Utilities Company for approval of modification of transportation cost recovery factors, these factors were modified to reflect the effect of FPUC's acquisition of the assets of South Florida Natural Gas.

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On January 7, 2004, FPUC filed a petition for modification of its NTAC cost recovery factors. We have jurisdiction pursuant to Chapter 366 Florida Statutes, including Sections 366.04, 366.05, and 366.06 Florida Statutes.

Modification of NTAC cost recovery factors

Based on the Company's calculations, the total revenue for the period January 1, 2003 through December 31, 2003, is \$75,633 with a corresponding expense of \$34,780. This results in a \$40,853 overrecovery. The Company proposed to modify its NTAC factors for the period January 2004 through December 2004. For that period FPUC projected ongoing program costs of \$32,975. The prior period true-up is a \$40,853 overrecovery, resulting in a net refund of \$7,878 (\$32,975 - \$40,853). FPUC proposed to refund this amount to its customers through the NTAC factors during the period March 2004 through December 2004.

The appropriate NTAC factors for the recovery period March 2004 through December 2004 are:

General Service and GS Transportation	(\$0.00031)
Large Volume Service and LV Transportation	(\$0.00020)
Interruptible Service	(\$0.00009)

The Company used its 2004 annualized budget data regarding the number of bills and term sales to allocate the annualized costs to the different rate schedules using the same methodology as the natural gas conservation cost recovery clause.

Based on the Company's petition, we find that FPUC's modified NTAC cost recovery factors, which represent the overrecovery refund, are appropriate and are hereby approved effective March 1, 2004 through December 2004.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Public Utilities Company's request for modification of its Non-monitored Transportation Administration Charge is hereby approved as set forth in the body of this order. It is further

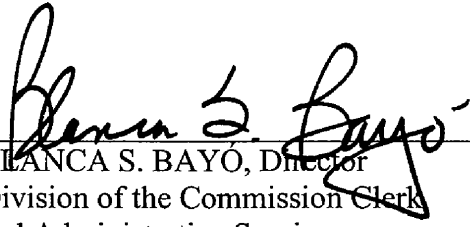
ORDERED that the modified Non-monitored Transportation Administration Charge is effective March 1, 2004 through December 2004 as set forth in the body of this order. It is further

ORDERED that if a protest is filed within 21 days of the issuance of this Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

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ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 8th day of March, 2004.

  
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BLANCA S. BAYO, Director  
Division of the Commission Clerk  
and Administrative Services

( S E A L )

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NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on March 29, 2004.

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In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.