

MESSER CAPARELLO & SELF, P.A.

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June 13, 2007

**BY HAND DELIVERY**

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

Re: Docket No. 070304-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Public Utilities Company are an original and 15 copies of Florida Public Utilities Company's Petition for Waiver of Portions of Rule 25-6.043, Florida Administrative Code.

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.

- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPC \_\_\_\_\_
- RCA \_\_\_\_\_
- SCR \_\_\_\_\_
- SGA \_\_\_\_\_
- SEC \_\_\_\_\_
- OTH Pena

NHH/amb  
Enclosures

cc: Joint Administrative Procedures Committee  
Ms. Cheryl M. Martin  
Parties of Record

Sincerely yours,

Norman H. Horton, Jr.

DOCUMENT NUMBER-DATE

04738 JUN 13 06

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Florida Public Utilities Company's )	
Petition for Rate Increase — Waiver of )	Docket No. 070304-EI
Portions of Rule 25-6.043, Florida )	Date Filed: June 13, 2007
Administrative Code )	
_____ )	

**PETITION FOR WAIVER OF PORTIONS OF  
RULE 25-6.043, FLORIDA ADMINISTRATIVE CODE**

COMES NOW Florida Public Utilities Company (“FPUC”), pursuant to section 120.542, Florida Statutes, and Rule 28.104.002, Florida Administrative Code, and requests a waiver of portions of the Minimum Filing Requirements incorporated in Rule 25-6.043(1), Florida Administrative Code. As basis, FPUC would show:

1. The name and address of Petitioner is:

Florida Public Utilities Company  
 Post Office Box 3395  
 West Palm Beach, Florida 33402-3395

2. The name and address of those authorized to receive notices and communications

with respect to this Petition are:

Norman H. Horton, Jr. Messer, Caparello & Self, P. A. 2618 Centennial Place Post Office Box 15579 Tallahassee, FL 32317-5579	Ms. Cheryl Martin Controller Florida Public Utilities Company P.O. Box 3395 West Palm Beach, Florida 33402-3395
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3. Rule 25-6.043, Florida Administrative Code, Investor-Owned Electric Utility Minimum Filing Requirements (“MFR”), which implements Sections 366.04, 366.06, and 366.071, Florida Statutes, describes the general filing instructions for utilities when submitting a petition for rate relief. Among the accompanying information required by the rule are MFR

schedules which include substantial accounting, engineering, rate, cost of capital and other data which the PSC staff and parties use in analyzing the rate request. These schedules are very detailed, several are cross-referenced to other schedules, and are a substantial element of a request for a rate increase by a utility.

4. On April 27, 2007, FPUC submitted a test year letter to the Commission informing the Commission that the Company intended to file a petition for rate relief. The Commission has identified the planned request as Docket No. 070304-EI. With this Petition, the Company is seeking a waiver/variance of some of the schedules in the MFRs. The specific schedules for which a waiver or variance is sought are shown on Attachment "A" hereto. In some instances, FPUC seeks a modification of the required schedule rather than a waiver and that information is also provided. Also included in the Attachment is the reason for the waiver or modification request.

5. Granting the requested waivers/variances will not impair the ability of the Staff or other parties to review and analyze the underlying data associated with the requested rate increase, nor will it hinder the Commission in reaching a decision on the request for rate relief. In some instances, the same or substantially the same information is provided in other schedules. As noted, the preparation of the MFRs is a significant part of the initial submission, both in preparation time and costs. The waivers/variances which FPUC requests will result in reduced costs, better use of personnel time and result in schedules which are useful and facilitate review by the Staff and parties.

6. FPUC is seeking a waiver of the specified schedules of the MFRs for the purpose of this planned petition for rate relief and is not seeking a permanent waiver of these schedules.

For the reasons cited, FPUC requests the Commission to grant the requested variances/modifications to the MFRs. FPUC also requests that the grant be made on an expedited basis so that the schedules can be prepared and submitted with the petition.

Respectfully submitted,

MESSER, CAPARELLO & SELF, P. A.  
Post Office Box 15579  
Tallahassee, FL 32317-5579  
(850) 222-0720

  
NORMAN H. HORTON, JR., ESQ.

Attorneys for Florida Public Utilities Company

## ATTACHMENT "A"

1. All Affected Schedules – Several schedules direct that they be prepared in thousands and FPUC would seek a waiver of those and in lieu thereof provide the schedules in whole dollars. Many schedules are cross-referenced and it is more efficient to prepare and use the schedules if the dollars are shown in the same format on each schedule. Granting this waiver would not reduce or eliminate any information submitted to the Commission but would simply modify the format.
2. Proposed H Schedules – FPUC is submitting this petition using a projected test year and proposes to create a section designate Schedule H which would include those Schedules in existing Schedules B, C and D that relate to the projected test years. The corresponding existing schedule would be indicated as H (B-X). The information required by the current MFRs would be provided but would simply be contained in a common schedule rather than spread among the other MFRs. This would facilitate preparation and review .
3. C-6 and proposed H(C-6) (Budget v. Actual Operating Revenues and Expenses) – FPUC requests a modification to this schedule to delete the inclusion of budget figures for all years except 2006. Changes to the budgeting process implemented by FPUC over the years result in misleading variances when one year is compared to another. It is neither cost effective or efficient to recreate the information so that comparisons are useful nor is it of value, efficient or effective to provide information which does not provide a valid comparison.
4. C-9. Five Year Analysis – Change in Cost – FPUC requests that this schedule be modified by deleting the requirement for showing changes from the 2001 – 2002 period. The Company's last rate case was based on the 2002 historical period and the proposal would be to provide data for five (5) years but include the change information for four (4) years. The information to be provided will enable Staff and parties to analyze the changes without impairing the overall review.
5. C-35 – 41 – FPUC requests that the following schedules be deleted from the MFRs for this petition:
  - C-35 Payroll And Fringe Benefit Increases Compared To CPI
  - C-36 Non-Fuel Operation And Maintenance Expense Compared To CPI
  - C-37 O & M Benchmark Comparison By Function
  - C-38 O & M Adjustments By Function
  - C-39 Benchmark Year Recoverable O & M Expenses By Function
  - C-40 O & M Compound Multiplier Calculation
  - C-41 O & M Benchmark Variance By Function

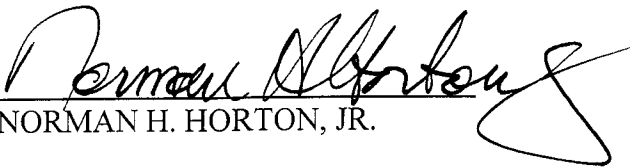
These schedules require a comparison of expenses to calculated expenses expanded by the CPI. The cost of preparing these schedules is significant and does not produce information that is necessary for a review of this requests. The expenses included in these schedules is available in other schedules.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that true and correct copies of the foregoing have been served by U. S. Mail this 13<sup>th</sup> day of June, 2007 upon the following:

Katherine Fleming  
Martha Brown  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

Patricia A. Christensen, Esq.  
Office of the Public Counsel  
c/o The Florida Legislature  
111 West Madison St., Rm 812  
Tallahassee, FL 32399-1400

  
NORMAN H. HORTON, JR.