

LAW OFFICES

MESSER, VICKERS, CAPARELLO, MADSEN, LEWIS, GOLDMAN & METZ
A PROFESSIONAL ASSOCIATION

SUITE 701
215 SOUTH MONROE STREET
POST OFFICE BOX 1876
TALLAHASSEE, FLORIDA 32302-1876
TELEPHONE (904) 222-0720
TELECOPIER (904) 224-4359

SUITE 900
2000 PALM BEACH LAKES BOULEVARD
WEST PALM BEACH, FLORIDA 33409
TELEPHONE (407) 640-0820
TELECOPIER (407) 640-8202

REPLY TO: Tallahassee

February 25, 1994

Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32399-0850

HAND DELIVERY

Re: Florida Public Utilities Company
Docket No. 940001-EI

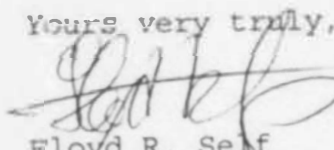
Dear Director:

Enclosed for filing on behalf of Florida Public Utilities Company in connection with the hearing scheduled to begin March 9, 1994 in this docket are the original and 15 copies of the Company's Prehearing Statement. Also enclosed is a computer diskette containing the document called "stmt.fpu" in WordPerfect 5.1 format.

- ACK
- AFA
- APP
- CAF
- CMU
- CTR
- EAG
- LES
- LIN
- CPC FRS/amb
- ROH cc: Parties of Record (with enclosures)
- SEC Mr. George Bachman (with enclosures)
- WAS
- OTH

Please acknowledge receipt of this document by stamping the enclosed extra copy of this letter.

Thank you for your assistance.

Yours very truly,

Floyd R. Self

RECEIVED & FILED

mas

DOCUMENT NUMBER-DATE

01934 FEB 25 94

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power)
Cost Recovery Clause and)
Generating Performance)
Incentive Factor.)

Docket No. 940001-EI
Filed: February 25, 1994

PREHEARING STATEMENT OF
FLORIDA PUBLIC UTILITIES COMPANY

Florida Public Utilities Company, through undersigned counsel,
respectfully submits its prehearing statement.

A. APPEARANCES

Floyd R. Self
Messer, Vickers, Caparello, Madsen,
Lewis, Goldman & Metz, P. A.
Post Office Box 1976
Tallahassee, FL 32302-1876

On behalf of Florida Public Utilities Company

B. WITNESSES

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Bachman (FPU)	Purchased power cost recovery; true-up (Marianna and Fernandina Beach Divisions)	1-7

C. EXHIBITS

<u>Exhibit No.</u>	<u>Witness</u>	<u>Description</u>
<u>(GMB-1)</u>	Bachman	Schedules E, E1, E1b, E2, E4, E8, E10, E11, H1 & M1 (Marianna Division) Schedules E, E1, E1b, E2, E4, E8, E8A, E10, E11, H1 & F1 (Fernandina Beach Division)

DOCUMENT NUMBER-DATE

01934 FEB 25 1994

FPSC-RECORDS/REPORTING

D. BASIC POSITION

Florida Public Utilities has properly projected its costs and calculated its true-up amounts and purchased power cost recovery factors. Those factors should be approved by the Commission.

E. ISSUES AND POSITIONS

ISSUE 1: What are the appropriate final fuel adjustment true-up amounts for the period April, 1993 through September, 1993?

FPU's Position:

Marianna:	\$87,558 underrecovery
Fernandina Beach:	\$17,891 underrecovery

ISSUE 2: What are the estimated fuel adjustment true-up amounts for the period October, 1993 through March, 1994?

FPU's Position:

Marianna:	\$ 61,995 overrecovery
Fernandina Beach:	\$136,110 overrecovery

ISSUE 3: What are the total fuel adjustment true-up amounts to be collected during the period April, 1994 through September, 1994?

FPU's Position:

Marianna:	\$ 25,603 underrecovery
Fernandina Beach:	\$118,219 overrecovery

ISSUE 4: What are the appropriate levelized fuel cost recovery factors for the period April, 1994 through September, 1994?

FPU's Position:

Marianna:	2.712¢/kwh
Fernandina Beach:	3.856¢/kwh

ISSUE 5: What should be the effective date of the new fuel adjustment charge, oil backout charge and conservation cost recovery charge for billing purposes?

FPU's Position: Agrees with Staff.

ISSUE 6: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class?

FPU's Position:

Marianna

<u>Rate Schedule</u>	<u>Multiplier</u>
RS	1.0126
GS	0.9963
GSD	0.9963
OL, OL-2	1.0126
SL-1, SL-2	0.9881

Fernandina Beach

All Rate Schedules 1.000

ISSUE 7: What are the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses?

FPU's Position:

Marianna

<u>Rate Schedule</u>	<u>Adjustment</u>
RS	4.765¢/kwh
GS	4.437¢/kwh
GSD	4.020¢/kwh
OL, OL-2	2.746¢/kwh
SL-1, SL-2	2.680¢/kwh

Fernandina Beach

<u>Rate Schedule</u>	<u>Adjustment</u>
RS	5.308¢/kwh
GS	5.042¢/kwh
GSD	4.853¢/kwh
OL, SL, CSL	4.268¢/kwh

Dated this 25th day of February, 1994.

Respectfully submitted,
MESSER, VICKERS, CAPARELLO, MADSEN,
LEWIS, GOLDMAN & METZ, P. A.
Post Office Box 1876
Tallahassee, FL 32302-1876
(904) 222-0720



Floyd R. Self

Attorneys for Florida Public
Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true copies of Florida Public Utilities Company's Prehearing Statement have been served upon the following parties by U. S. Mail this 25th day of February, 1994:

Matthew M. Childs, Esq.
Steel, Hector & Davis
215 S. Monroe St., Suite 601
Tallahassee, FL 32301

Martha Brown, Esq.
Division of Legal Services
Florida Public Service
Commission
101 E. Gaines St.
Tallahassee, FL 32399-0850

Mr. James McGee
Florida Power Corporation
P.O. Box 14042
St. Petersburg, FL 33733

Vicki Gordon Kaufman
McWister, Grandoff & Reeves
315 S. Calhoun St., Suite 716
Tallahassee, FL 32301

James D. Beasley, Esq.
Macfarlane, Ausley, Ferguson &
McMullen
P.O. Box 391
Tallahassee, FL 32302

Zori G. Ferkin
DEWEY BALANTINE
1775 Pennsylvania Avenue, N. W.
Washington, DC 20006-4605

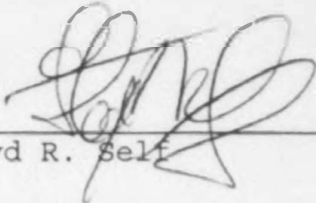
G. Edison Holland, Esq.
Beggs and Lane
P.O. Box 12950
Pensacola, FL 32576

Mr. Barry N. P. Huddleston
Public Affairs Specialist
Destec Energy, Inc.
2500 CityWest Blvd., Suite 150
Houston, TX 77210-4411

Suzanne Brownless, Esq.
2546 Blairstone Pines Dr.
Tallahassee, FL 32301

Mr. Richard Zambo, Esq.
598 S. W. Hidden River Ave.
Palm City, FL 34990-1406

Jack Shreve, Esq.
Public Counsel
Office of the Public Counsel
111 W. Madison St., Room 812
Tallahassee, FL 32301



Floyd R. Self