



**Florida
Public
Utilities
Company**

ORIGINAL

P O Box 3395
West Palm Beach
FL 33402-3395

January 18, 1999

Ms. Blanca Bayo, Director
Florida Public Service Commission
Division of Records and Reporting
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Subject: Docket Number 980583-EI

Dear Ms. Bayo:

We are enclosing 15 copies of our responses to Patricia Lee's questions and staff recommendations dated December 9, 1998, for the 1998 depreciation study for Florida Public Utilities Company (Fernandina Beach Electric Division).

If you have any questions, please let me know.

Sincerely,

ACK _____
 AFA 1 *Cheryl M. Martin*
 APP _____
 CAF _____
 CMU _____
 CTR _____
 EAG 1 _____
 LEG 1 _____
 LIN _____
 OPC _____
 RCH _____
 SEC 1 _____
 WAS _____
 OTH *Copy Copy etc*

Cheryl M. Martin
 Manager of Corporate Accounting

George Bachman
 Jack English
 Pat Foster
 Patricia Lee - FPSC
 Jim Meiste
 Chuck Stein
 Darryl Troy
 Fernandina Beach Electric Depreciation
 Study - 1998 (SJ54-138)

ADMINISTRATION
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DOCUMENT NUMBER-DATE
 00823 JAN 21 99

FPSC RECORDS REPORTING
APPLY TO CUSTOMER SERVICE BY FAX

**Florida Public Utilities Company
Fernandina Beach Electric Division**

Docket Number 980583-EI

Response to FPSC Questions and Recommendations dated 12/9/98

Transmission Plant:

1. Account 350.1 (Land Rights): The Company agrees with using the composite lives of Accounts 354 and 355 for the remaining life of this account.
2. Account 355 (Poles & Fixtures):
 - A. For the last depreciation study, the balance did not include costs associated with our ITT (Account 355.2) and Container Corp (Account 355.3) facilities: the ITT and Container Corp. facilities were depreciated at the same rate as the balance of Account 355. At 12/31/93 the ITT balance was \$49,296; the Container Corp. balance was \$126,10⁹. Subsequent to 1/1/95, ITT and Container Corp are included in the total for Account 355: see the copy of the FPSC letter of 5/1/95, attached.
 - B. See 1994 RETIREMENTS schedule, attached.
 - C. We wish to withhold comment on this item until a final Remaining Life Rate is proposed.

Distribution Plant:

3. Account 362 (Station Equipment): The Division researched this item and it appears that in 1995, \$1,200 representing cost of removal on a single work order was charged to Account 107.0 (CWIP) rather than Account 108.0 (Reserve.) Taking this misallocation into account, a net salvage of -7% would result.
4. Account 364 (Poles, Towers & Fixtures): We wish to withhold comment on this item until a final Remaining Life Rate is proposed.
5. Account 365 (Overhead Conductors & Devices): We wish to withhold comment on this item until a final Remaining Life Rate is proposed.
6. Account 368 (Line Transformers): We wish to withhold comment on this item until a final Remaining Life Rate is proposed.
7. Account 370 (Meters): We wish to withhold comment on this item until a final Remaining Life Rate is proposed.

DOCUMENT NUMBER - DATE

- continued -

00823 JAN 21 99

FPSC-RECORDS/REPORTING

General Plant:

8. Account 392.1 (Transportation – Cars): The initial computation of asset age for this item incorrectly indicated a transfer-out as a transfer-in. The amended age for this account at 12/31/98 is 3.4 years. See revised aging of this account and a listing of cars, attached.
9. Account 392.2 (Transportation – Light Trucks & Vans):
 - A. See 1994 RETIREMENTS schedule, attached.
 - B. See listing of Light Trucks & Vans, attached.

Commissioners:
SUSAN F. CLARK, CHAIRMAN
J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING
JOE GARCIA



— KC-55
FL Dept of State
TIMOTHY DEVLIN, Director
Auditing & Financial Analysis
(904) 488-8147

54-138
?

Public Service Commission

May 1, 1995

Florida Public Utilities Company - Fernandina Beach Division
ATTN: Cheryl Martin
P.O. Drawer C
West Palm Beach, Florida 33402

Dear Mrs. Martin:

Per our discussion on April 17, 1995, staff finds the request by the company to combine the ITT and Container Corp accounts for the Fernandina Beach electric division acceptable as reflected in the attachments on the staff recommendation for Docket Number 940580-EL.

Should you have any additional questions, please feel free to contact me.

Sincerely,

Pamela A. Johnson
Regulatory Analyst

cc: Patricia Lee

**FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH ELECTRIC DIVISION
1994 RETIREMENTS**

AGE	YEAR	355	WT AVG	355.3	WT AVG	392.2	WT AVG	AGE	YEAR
49.5	1945	-	-	-	-	-	-	49.5	1945
48.5	1946	-	-	-	-	-	-	48.5	1946
47.5	1947	-	-	-	-	-	-	47.5	1947
46.5	1948	-	-	-	-	-	-	46.5	1948
45.5	1949	-	-	-	-	-	-	45.5	1949
44.5	1950	-	-	-	-	-	-	44.5	1950
43.5	1951	-	-	-	-	-	-	43.5	1951
42.5	1952	-	-	-	-	-	-	42.5	1952
41.5	1953	-	-	-	-	-	-	41.5	1953
40.5	1954	-	-	-	-	-	-	40.5	1954
39.5	1955	-	-	-	-	-	-	39.5	1955
38.5	1956	-	-	-	-	-	-	38.5	1956
37.5	1957	-	-	-	-	-	-	37.5	1957
36.5	1958	-	-	-	-	-	-	36.5	1958
35.5	1959	-	-	-	-	-	-	35.5	1959
34.5	1960	-	-	-	-	-	-	34.5	1960
33.5	1961	-	-	-	-	-	-	33.5	1961
32.5	1962	-	-	-	-	-	-	32.5	1962
31.5	1963	-	-	-	-	-	-	31.5	1963
30.5	1964	-	-	-	-	-	-	30.5	1964
29.5	1965	-	-	-	-	-	-	29.5	1965
28.5	1966	-	-	-	-	-	-	28.5	1966
27.5	1967	-	-	-	-	-	-	27.5	1967
26.5	1968	-	-	-	-	-	-	26.5	1968
25.5	1969	-	-	-	-	-	-	25.5	1969
24.5	1970	-	-	-	-	-	-	24.5	1970
23.5	1971	-	-	-	-	-	-	23.5	1971
22.5	1972	-	-	-	-	-	-	22.5	1972
21.5	1973	-	-	5,027.36	108,088.24	-	-	21.5	1973
20.5	1974	33,719.84	691,256.72	-	-	-	-	20.5	1974
19.5	1975	-	-	2,509.38	48,932.91	-	-	19.5	1975
18.5	1976	-	-	-	-	-	-	18.5	1976
17.5	1977	-	-	-	-	-	-	17.5	1977
16.5	1978	-	-	-	-	-	-	16.5	1978
15.5	1979	-	-	-	-	-	-	15.5	1979
14.5	1980	-	-	-	-	-	-	14.5	1980
13.5	1981	-	-	-	-	-	-	13.5	1981
12.5	1982	-	-	2,831.45	35,393.13	-	-	12.5	1982
11.5	1983	-	-	-	-	-	-	11.5	1983
10.5	1984	-	-	-	-	-	-	10.5	1984
9.5	1985	-	-	-	-	14,349.91	136,324.15	9.5	1985
8.5	1986	-	-	-	-	-	-	8.5	1986
7.5	1987	-	-	-	-	6,843.60	51,327.00	7.5	1987
6.5	1988	-	-	-	-	-	-	6.5	1988
5.5	1989	-	-	-	-	-	-	5.5	1989
4.5	1990	-	-	-	-	-	-	4.5	1990
3.5	1991	-	-	-	-	-	-	3.5	1991
2.5	1992	-	-	-	-	-	-	2.5	1992
1.5	1993	-	-	-	-	-	-	1.5	1993
0.5	1994	-	-	-	-	-	-	0.5	1994
N/A	1995	-	-	-	-	-	-	N/A	1995
N/A	1996	-	-	-	-	-	-	N/A	1996
N/A	1997	-	-	-	-	-	-	N/A	1997
N/A	1998	-	-	-	-	-	-	N/A	1998
TOTAL ACCOUNT		33,719.84		10,368.19		21,193.51		TOTAL ACCOUNT	
TOTAL WEIGHTED			691,256.72		192,414.28		187,651.15	TOTAL WEIGHTED	
AVERAGE AGE		20.50		18.56		8.85		AVERAGE AGE	

**FLORIDA PUBLIC UTILITIES COMPANY
 FERNANDINA BEACH ELECTRIC DIVISION
 COMPUTATION OF ASSET AGE
 12/31/98**

Account	Period	Type	Age	Value	Weighted	Value Balance
3921	1/1/95	BALANCE	8.1	42,849	347,077	42,849
	1995	ADDITION	2.5	-	-	42,849
	1995	RETIREMENT	-	-	-	42,849
	1995	TRANSFERS	13.5	(8,800)	(93,123)	36,961
	1995	ADJUSTMENTS	-	-	-	36,961
	1996	ADDITION	1.5	32,860	49,335	68,841
	1996	RETIREMENT	5.5	(9,279)	(51,018)	59,565
	1996	TRANSFERS	5.5	(14,300)	(79,178)	45,169
	1996	ADJUSTMENTS	5.5	-	-	45,169
	1997	ADDITION	0.5	-	-	45,169
	1997	RETIREMENT	-	-	-	45,169
	1997	TRANSFERS	-	-	-	45,169
	1997	ADJUSTMENTS	-	-	-	45,169
		TOTALS	3.8	45,169	173,003	
	1/1/98	BALANCE	4.8	45,169	218,262	
	1998	ADDITION	0.5	18,000	9,000	63,169
	1998	RETIREMENT	4.3	(12,900)	(53,295)	50,269
		TOTALS	3.4	50,269	173,977	

FLORIDA PUBLIC UTILITIES COMPANY

FERNANDINA BEACH ELECTRIC

Account 392.1 - Cars

December 31, 1997

YEAR	DESCRIPTION	COST	YEAR OF PLACEMENT
1993	PLYMOUTH ACLAIM	12,278.40	1993
1996	CHEVROLET LUMINA	17,769.65	1996
1996	FORD CONTOUR	15,120.89	1996
TOTAL		<u>45,168.94</u>	

FLORIDA PUBLIC UTILITIES COMPANY

FERNANDINA BEACH ELECTRIC
Account 392.2 - Light Trucks and Vans
December 31, 1997

YEAR	MODEL DESCRIPTION	COST	YEAR OF PLACEMENT
1975	FORD SERVICE TRUCK	6,136.99	1975
1984	CHEVY S-10 PU	8,054.87	1984
1986	FORD F250	13,488.93	1985
1986	BAKER-BUTLER #BPHD-1000 POLE TRAILER -TRAN FROM .3924(1990)??	7,423.50	1987
1989	DODGE D50 PU	8,766.24	1989
1989	1T FORD PU	16,966.00	1989
1989	1/2T DODGE PU	14,700.00	1989
1990	FORD F250 3/4T	18,968.90	1990
1991	DODGE DAKOTA PICK-UP TRUCK	11,255.98	1991
1992	FORD F350 PICK UP	19,351.78	1992
1993	FORD F350 PU TRUCK	21,335.52	1993
1994	CHEVROLET S-10 PU W/ACCESSORIES	11,298.87	1994
1994	CHEVROLET S-10 PU	11,298.86	1994
1994	FORD F350 PU TRUCK	22,029.33	1994
1995	CHEVY S-10 PICKUP TRUCK W/ACCESSORIES	11,691.43	1995
1995	CHEVY S-10 PICKUP TRUCK W/ACCESSORIES	11,691.43	1995
1995	CHEVY S-10 PICKUP TRUCK W/ACCESSORIES	11,691.43	1995
1995	CHEVY S-10 PICKUP TRUCK W/ACCESSORIES	11,887.53	1995
1995	CHEVY S-10 PICKUP TRUCK W/ACCESSORIES	11,887.53	1995
1995	CHEVY S-10 PICKUP TRUCK W/ACCESSORIES	11,691.43	1995

TOTAL**261,616.55**