

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 030003-GU
DETERMINATION OF PURCHASED
GAS/COST RECOVERY FACTOR

Direct Testimony of
Cheryl M. Martin
On Behalf of
Florida Public Utilities Company

1 Q. Please state your name and business address.

2 A. Cheryl M. Martin, 401 South Dixie Highway, West Palm
3 Beach, FL 33401.

4 Q. By whom are you employed?

5 A. I am employed by Florida Public Utilities Company.

6 Q. Have you previously testified in this Docket?

7 A. Yes.

8 Q. What is the purpose of your testimony at this time?

9 A. I will summarize our projected gas recoveries
10 computations which are contained in composite
11 exhibit CMM-1 which supports the January 2004 -
12 December 2004 projected purchased gas adjustments
13 for our consolidated gas division. In addition, I
14 will advise the Commission of the projected
15 differences between the revenues collected and the
16 purchased gas costs allowed in developing the
17 levelized purchased gas adjustment for the periods
18 January 2002 - December 2002, and January 2003 -
19 December 2003. From these periods I will establish

1 a "true-up" amount to be collected or refunded
2 during January 2004 - December 2004.

3 Q. Were the schedules filed by your Company completed
4 under your direction?

5 A. Yes.

6 Q. Which of the Staff's set of schedules has your
7 company completed and filed?

8 A. We have prepared and previously filed True-Up
9 schedules A-1, A-2, A-3, A-4, A-5, and A-6, in
10 addition to filing composite exhibit CMM-1 which
11 contains Schedules E1, E-1/R, E2, E3, E4 and E5 for
12 our consolidated gas division. These schedules
13 support the calculation of the purchase gas
14 adjustment factors for January 2004- December 2004.

15 Q. Have the January 2003 - December 2003 projections
16 been revised?

17 A. No.

18 Q Why are the primary purchased gas adjustments
19 issues?

20 A. The primary issues are as follows:

21 PURCHASED GAS ADJUSTMENT ISSUES

22 ISSUE 1: What is the appropriate final
23 purchased gas adjustment true-up amount for the
24 period January 2002 through December 2002?

25 COMPANY POSITION: The final purchased gas

1 adjustment true-up amount for the period January
2 2002 - December 2002 is an over-recovery of
3 \$479,733.

4 ISSUE 2: What is the estimated purchased
5 gas adjustment true-up amount for the period January
6 2003 through December 2003?

7 COMPANY POSITION: We have estimated that we
8 will have under-recovered \$292,342 for the period
9 January 2003 - December 2003.

10 ISSUE 3: What is the total purchased gas
11 adjustment true-up amount to be refunded during the
12 period January 2004 through December 2004?

13 COMPANY POSITION: The total net over-
14 recovery to be refunded during the period January
15 2004 - December 2004 is \$187,391.

16 ISSUE 4: What is the appropriate
17 levelized purchased gas adjustment recovery (cap)
18 factor for the period January 2004 through December
19 2004?

20 COMPANY POSITION: The Purchased Gas Cost
21 Recovery Factor will be a maximum of 91.812¢ per
22 therm.

23 ISSUE 5: What should be the effective
24 date of the new purchased gas adjustment charge for
25 billing purposes?

1 COMPANY POSITION: The factor should be
2 effective for all meter readings on or after January
3 1, 2004, beginning with the first or applicable
4 billing cycle for the period January 2004 - December
5 2004.

6 Q. Does this conclude your testimony?

7 A. Yes.