

LAW OFFICES
Messer, Caparello & Self
A Professional Association

Post Office Box 1876
Tallahassee, Florida 32302-1876
Internet: www.lawfla.com

October 10, 2003

BY HAND DELIVERY

Ms. Blanca Bayó, Director
Division of Records and Reporting
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 030001-EI

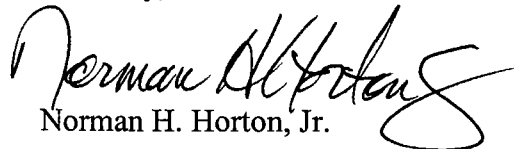
Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Public Utilities Company are an original and 10 copies of Florida Public Utilities Company's Preliminary List of Issues and Positions in the above referenced docket.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me in the enclosed self-addressed stamped envelope.

Thank you for your assistance in this matter.

Sincerely,


Norman H. Horton, Jr.

NHH:amb
Enclosures

cc: Mr. George Bachman
Parties of Record

DOCUMENT NUMBER 030001
09942 OCT 10 09
FPSC-CC... ASSIGNED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power)
Cost Recovery Clause and Generating) Docket No. 030001-EI
Performance Incentive Factor.) Filed: October 10, 2003
_____)

**FLORIDA PUBLIC UTILITIES COMPANY'S
PRELIMINARY LIST OF ISSUES AND POSITIONS**

Florida Public Utilities Company ("FPU"), by and through its undersigned counsel, submits its preliminary list of issues and positions in connection with the hearing that is scheduled for November 12-14, 2003, in the above-styled docket.

ISSUES AND POSITIONS

GENERIC FUEL ADJUSTMENT ISSUES (Witness G. Bachman)

Issue 1: What are the appropriate fuel adjustment true-up amounts for the period January 2002 through December 2002?

FPU's Position:

Marianna: \$78,631 (underrecovery)
Fernandina Beach: \$1,167,570 (overrecovery)

Issue 2: What are the appropriate fuel adjustment true-up amounts for the period January, 2003 through December, 2003?

FPU's Position:

Marianna: \$265,146 (underrecovery)
Fernandina Beach: \$135,130 (overrecovery)

Issue 3: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January, 2004 through December, 2004?

FPU's Position:

Marianna: \$343,777 (to be collected)
Fernandina Beach: \$1,302,700 (to be refunded)

Issue 4: What are the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2004 through December 2004?

FPU's Position:

Marianna: 1.00072
Fernandina Beach: 1.01597

Issue 5: What are the appropriate projected net fuel and purchased power cost recovery amounts to be included in the recovery factor for the period January 2004 through December 2004?

FPU's Position:

Marianna: \$11,706,084
Fernandina Beach: \$13,835,447

Issue 6: What are the appropriate levelized fuel cost recovery factors for the period January 2004 through December 2004?

FPU's Position:

Marianna: 2.430¢/kwh
Fernandina Beach: 1.569¢/kwh

Issue 7: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

FPU's Position: Marianna: 1.0000 All Rate Schedules
Fernandina Beach: 1.0000 All Rate Schedules

Issue 8: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

FPU's Position:

Marianna:

<u>Rate Schedule</u>	<u>Adjustment</u>
RS	\$.04056
GS	\$.04005
GSD	\$.03738
GSLD	\$.03536
OL	\$.02912
SL	\$.02903

Fernandina Beach:

<u>Rate Schedule</u>	<u>Adjustment</u>
RS	\$.02968
GS	\$.02941
GSD	\$.02765
CSL	\$.01956
OL	\$.01956
SL	\$.01956

Issue 9: What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

FPU's Position: FPU's approved fuel adjustment and purchased power cost recovery factors should be effective for all meter readings on or after January 1, 2004, beginning with the first or applicable billing cycle for the period January, 2004.

Issue 10: What are the appropriate actual benchmark levels for calendar year 2003 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FPU's Position: No position at this time.

Issue 11: What are the appropriate estimated benchmark levels for calendar year 2004 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

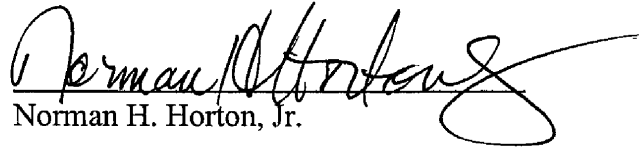
FPU's Position: No position at this time.

Issue 15A: When should the Commission approve the consolidation of the fuel rates for the Marianna and Fernandina Beach Divisions?

FPU's Position: The company has requested that the base rates be consolidated in Docket No. 030438-EI and the fuel cost recovery factors should be consolidated at the same time as the base rates are revised

Dated this 10th day of October, 2003.

Respectfully submitted,
MESSER, CAPARELLO & SELF, P.A.
Post Office Box 1876
Tallahassee, Florida 32302-1876


Norman H. Horton, Jr.

Attorney for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing have been served by Hand Delivery (*) and/or U. S. Mail this 10th day of October, 2003 upon the following:

Cochran Keating, Esq.*
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Blvd., Room 370
Tallahassee, FL 32399-0850

John Butler, P.A.
Steel Hector & Davis, LLP
200 South Biscayne Boulevard, Suite 4000
Miami, Florida 33131-2398

Ms. Angela Llewellyn
Administrator, Regulatory Coordination
Tampa Electric Co.
P.O. Box 111
Tampa, FL 33601-0111

Mr. R. Wade Litchfield
Florida Power & Light Company
700 Universe Blvd.
Juno Beach, FL 33408-0420

James A. McGee, Esq.
Progress Energy Florida, Inc.
P.O. Box 14042
St. Peterburg, FL 33733-4042

Joseph A. McGlothlin, Esq.
Vicki Kaufman, Esq.
McWhirter, Reeves, McGlothlin,
Davidson Decker Kaufman Arnold & Steen, P.A.
117 S. Gadsden St
Tallahassee, FL 32301

John W. McWhirter, Esq.
McWhirter, Reeves, McGlothlin,
Davidson Decker Kaufman Arnold & Steen, P.A.
400 N. Tampa Street, Suite 2450
Tampa, FL 33602

Ms. Susan D. Ritenour
Gulf Power Company
One Energy Place
Pensacola, FL 32520

Jeffrey A. Stone, Esq.
Russell A. Badders, Esq.
Beggs & Lane Law firm
P.O. Box 12950
Pensacola, FL 32591-2950

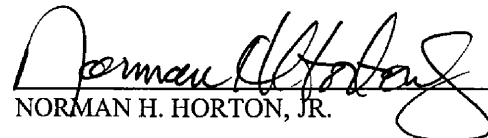
Rob Vandiver, Esq.
Office of the Public Counsel
111 West Madison St., Rm 812
Tallahassee, FL 32399-1400

William G. Walker, III
Florida Power & Light Company
215 S. Monroe St., Suite 810
Tallahassee, FL 32301-1859

Lee L. Willis, Esq.
James D. Beasley, Esq.
Ausley & McMullen
Post Office Box 391
Tallahassee, FL 32302

Ronald C. LaFace, Esq.
Greenberg Traurig, P.A.
Post Office Drawer 1838
Tallahassee, FL 32302

James J. Presswood, Jr.
Southern Alliance for Clean Energy
427 Moreland Avenue, NE, Suite 100
Atlanta, GA 30307


NORMAN H. HORTON, JR.