

ORIGINAL

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

RECEIVED PSC
04 JAN 28 AM 10:38

Public Service Commission

COMMISSION
CLERK

January 27, 2004

Mr. Norman H. Horton, Jr.
Messer, Caparello & Self
Post Office Box 1876
Tallahassee, FL 32302-1876

Re: Docket No. 031135-EI - Petition for Approval to implement consolidated fuel adjustment surcharge by Florida Public Utilities Corporation.

Dear Mr. Horton:

After review of Florida Public Utilities Company (FPUC)'s application in the above-referenced matter, a need for additional information vital to proceeding was apparent. Staff therefore requests that the company supply the following information:

1. Please identify and itemize the cost savings and efficiencies associated with a consolidated fuel cost recovery factor (factor) for FPUC's two divisions, instead of a separate factor for each division.
2. Do FPUC's contracts with Jacksonville Electric Authority and Jefferson Smurfit Corporation for wholesale capacity and associated energy serve exclusively the electricity needs of its retail Northeast Division customers? If not, please explain.
3. Do FPUC's contracts with Gulf Power Company for wholesale capacity and associated energy serve exclusively the electricity needs of its retail Northwest Division customers? If not, please explain.
4. Please explain whether FPUC has the capability to transmit power between the Northeast and Northwest divisions.
5. Please provide the monthly bill impact of the consolidated factor, compared with the factors that the Commission approved by Order No. PSC-03-1461-FOF-EI, in Docket No. 030000-EI, issued December 22, 2003, on a Northeast division residential customer who uses 1,000 kilowatt-hours (kwh) per month. Please show all relevant calculations.

AUS
CAF
CMP
COM
CTR
ECR
GCL
GPC
NWS
SEC
OTH

DOCUMENT NUMBER
01237 JAN 28 04
COMMISSION CLERK

Mr. Norman H. Horton, Jr.

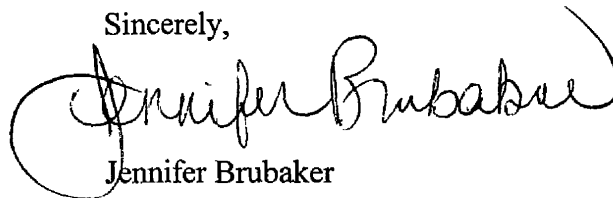
January 21, 2004

Page 2

6. Please provide the monthly bill impact of the consolidated factor, compared with the factors that the Commission approved by Order No. PSC-03-1461-FOF-EI, in Docket No. 030001-EI, issued December 22, 2003, on a Northwest division residential customer who uses 1,000 kilowatt-hours (kwh) per month. Please show all relevant calculations.
7. Please describe the regulatory treatment that FPUC would implement for the true-up amounts that exist for each division at the end of the last month prior to consolidating the two divisions' factors.
8. Please explain how the development of fuel cost information for FPUC is expected to change if the Commission approves FPUC's instant petition as proposed.
9. Please identify or describe the expense allocations referenced in paragraph 5, page 2 of FPUC's instant petition.
10. Please indicate whether FPUC believes that Order No. PSC-96-1320-FOF-WS, in Docket No. 950495-WS, issued October 30, 1996; Order No. PSC-03-1440-FOF-WS, in Docket No. 020071-WS, issued December 22, 2003; and Order No. PSC-03-0038-FOF-GU, in Docket No. 020384-GU, issued January 6, 2003, have a precedential value in the Commission's decision regarding FPUC's instant petition.

Staff's recommendation is currently scheduled to be filed by March 25, 2004. As time is of the essence in order to allow sufficient time for staff to analyze the data requested, we are requesting that responses to the above questions be provided, on an expedited basis, by February 27, 2004. We also request that the responses be provided on an earlier, piecemeal basis, to the extent possible. If you have any questions, please do not hesitate to contact me at (850) 413-6228 or Mr. Todd Bohrmann at (850) 413-6445.

Sincerely,



Jennifer Brubaker

/jb