

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

# Public Service Commission

February 10, 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 Company

Dear Mr. Horton:

After review of Florida Public Utilities Company's (FPUC or the utility) application in the above-referenced matter, a need for additional information vital to this proceeding has been identified. Staff therefore requests that FPUC provide the following information:

1. Please provide copies of the current contracts, plus contracts for the past four contract periods, for both the utility's Northeast and Northwest Divisions.
2. Please refer to Schedule E-17 Supplemental provided by the utility in Docket No. 030438-EI. Please provide this schedule for each of the years 1999-2003. In the event there are customer classes presented on the schedule during any of the years 1999-2003 which are different than the customer classes proposed in the instant case, please provide the data for that different customer class, and indicate which proposed customer class the previous customer class is most similar to.
3.
  - a) Is it correct that the utility recognizes that there are current fuel cost differences between the Northeast and Northwest Divisions?
  - b) If the response to 3(a) is affirmative, is it correct that there will be subsidies resulting from a consolidated fuel cost versus a system-specific fuel cost for the Northeast and Northwest Divisions?
  - c) If the response to 3(b) is affirmative, has the utility performed a subsidy analysis that would result from consolidating the utility's fuel costs in the Northeast and Northwest Divisions?

DOCUMENT  
01892 FEB 10 2004  
FPSC-COMMISSION CLERK

- d) If the response to 3(c) is affirmative, please provide the results of any and all such analyses or studies.
  - e) If the response to 3(c) is negative, please explain why a subsidy analysis has not been performed.
4. Please refer to the utility's response to staff's 5<sup>th</sup> Set of Interrogatories, No. 47, in Docket No. 030438-EI. Please explain how FPUC's purchasing from different suppliers (with all suppliers connected to the Florida Transmission Grid), would make fuel costs "very similar if not equal."
  5. Please list each item of cost saving and corresponding dollar amount associated with consolidating FPUC's fuel cost recovery factor, and explain how each item becomes a cost saving by consolidating FPUC's factor.
  6. Please list each item which would cause the utility greater expense and the corresponding dollar amount resulting from FPUC having two separate fuel cost recovery factors.

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, I am requesting that the responses to the above questions be provided, on an expedited basis, by February 27, 2004. I am also requesting 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 Jennie Lingo at (850) 413-6964.

Sincerely,



Jennifer Brubaker  
Senior Attorney

/jb