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LAW OFFICES
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Tallahassee, Florida 32302-1876
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January 30, 2006

RECEIVED FPSC
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COMMISSION
CLERK

BY HAND DELIVERY

Ms. Blanca Bayó, Director
Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

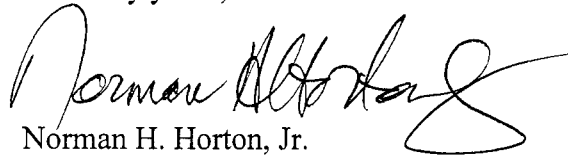
Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Public Utilities Company are an original and fifteen copies of Florida Public Utilities Company's Petition for Approval of Budget Billing Program.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,



Norman H. Horton, Jr.

Original tariffs forwarded to CUP.

NHH/amb
Enclosures

cc: Ms. Cheryl Martin-

RECEIVED & FILED



FPSC BUREAU OF RECORDS

DOWNTOWN OFFICE, 215 South Monroe Street, Suite 701 • Tallahassee, FL 32301 • Phone (850) 222-0720 • Fax (850) 224-4369
NORTHEAST OFFICE, 3116 Capital Circle, NE, Suite 5 • Tallahassee, FL 32308 • Phone (850) 668-5246 • Fax (850) 668-5613

DOCUMENT NUMBER-DATE

00895 JAN 30 06

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed Optional Budget Billing)
Program for Residential Natural Gas)
Customers)
_____)

Docket No.: *060087-60*
Filed: January 30, 2006

**FLORIDA PUBLIC UTILITIES COMPANY'S PETITION FOR
APPROVAL OF BUDGET BILLING PROGRAM**

Florida Public Utilities Company ("FPUC"), through its undersigned counsel, herewith requests the Commission to approve FPUC's proposed Optional Budget Billing Program for natural gas customers. As support, FPUC would offer:

1. The name and address of the principal business office of the Petitioner is as follows:

Florida Public Utilities Company
401 South Dixie Highway
West Palm Beach, Florida 33401

FPUC provides natural gas to customers and is a public utility pursuant to Chapter 366, Florida Statutes.

2. Notices and communications with respect to this petition and docket should be addressed to:

Norman H. Horton, Jr.
Messer, Caparello & Self, P. A.
Suite 701, First Florida Bank Building
Post Office Box 1876
Tallahassee, FL 32302-1876

Ms. Cheryl Martin
Florida Public Utilities Company
Post Office Box 3395
West Palm Beach, FL 33402-3395

3. With this filing, FPUC is seeking approval of an Optional Budget Billing Program for residential customers of its natural gas utility. This program, similar to those offered by other utilities, would enable eligible residential customers to stabilize their monthly payments.

4. The optional program would be available to year-round residential customers who have been a customer of the Company for at least twelve (12) consecutive months. Additionally, in order to be eligible, the customer may not have any past due balance at the time of election. Participation in the program will begin on the first day of the month following the application and acceptance.

5. The initial budget billing monthly payment amount will be based on the previous twelve (12) months of bills including applicable fees and taxes. The Company could apply a factor to reflect any estimated increase or decrease of actual amounts if necessary. Once the payment has been calculated, the customer would make that payment until the anniversary date of initial participation unless, for some reason, the required budgeted monthly payment varies by 10% or more of the budgeted payment in effect. In that event, the Company has the option to charge the recalculated amount.

On each anniversary date, the budgeted monthly payment will be recalculated and any credit or debit deferred balance will be included in the revised payment calculation.

6. Customers may continue to participate in the program so long as their payments are current or until they request that their participation in the program be terminated. Upon termination of their participation, regardless of the reason, customers will revert to regular billing if they remain a customer of the Company. If, at the time a customer ceases to participate, they also cease to be a customer, then the account shall be settled in full. However, if the customer remains a customer of the Company, any balance owed or due will be reflected on the next regular bill.

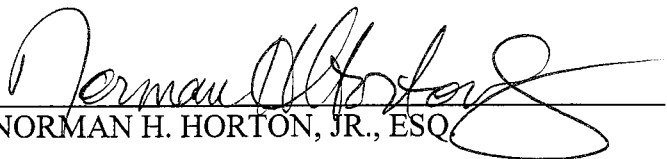
7. The specific terms and conditions for the Optional Budget Billing Program are contained in Section 9.B of the Company's Gas Tariff. The proposed language is reflected in the revised tariff sheets in clean and legislative format attached hereto as Attachment "A."

8. The Optional Budget Billing Program will provide customers an opportunity to "even out" their monthly bills and facilitate their monthly budgets. The Program puts forward by FPUC provides benefits to customers but also affords protection to the general body of customers.

WHEREFORE, for the reasons given, Florida Public Utilities Company requests the Commission to approve the Optional Billing Program and the attached tariff sheets.

Respectfully submitted this 30th day of January, 2006.

MESSER, CAPARELLO & SELF, P.A.
215 S. Monroe Street, Suite 701
Post Office Box 1876
Tallahassee, FL 32302-1876
(850) 222-0720


NORMAN H. HORTON, JR., ESQ.

Attorneys for Florida Public Utilities Company

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RULES AND REGULATIONS (Continued)

8. Metering

Company will provide each Customer with a meter or meters for each applicable rate schedule.

Customer, acting jointly with Company, may install, maintain and operate at his expense such check measuring equipment as desired provided that such equipment shall be so installed as not to interfere with operation of Company's equipment and that no gas shall be remetered or submetered for resale to another or others.

Company may furnish and install such regulating and/or flow control and devices as it deems to be in the best interest of the Customer served, or of the gas system as a whole.

Before installation and periodically thereafter, each meter shall be tested and adjusted using methods and accuracy limits prescribed or approved by the Florida Public Service Commission. Periodic test and inspection intervals shall not exceed the maximum period allowed by the Florida Public Service Commission.

If on test the meter is found to be in error in excess of the prescribed accuracy limits, fast or slow, the amount of refund or charge to the Customer shall be determined by methods prescribed or approved by the Florida Public Service Commission.

In the event of stoppage or failure of any meter to register, Customer may be billed for such period on an estimated consumption based upon his use of gas in a similar period of like use or on the basis of check meter readings, if available and accurate.

Meters in use shall be tested at the request of Customer and in his presence, if desired, provided only one (1) such test shall be made free of charge within a twelve (12) month period, and provided Customer shall pay the cost of any additional test within the period unless meter is shown to be inaccurate in excess of the tolerances set forth by the Florida Public Service Commission.

9. Billing and Collecting

A. Billing and Collecting

Each Customer's meter will be read at regular intervals and bills will be rendered on a monthly basis or periodically in accordance with the terms of the applicable rate schedule. Bills will be rendered as soon as practical

RULES AND REGULATIONS (Continued)

9. Billing and Collecting (Continued)

after determination of their amount and shall be due and payable at the office of Company within twenty (20) days from the date of mailing or delivery by the Company. Failure to receive a bill will not entitle Customer to any discount or to the omission of any charge for nonpayment within the time specified.

A separate bill will be rendered for each meter used by Customer unless, for the convenience of Company, multiple meters are used for measurement of the same class of service, in which case a bill will be rendered for the total amount registered by all meters. If Company (as it may under unusual circumstances) permits more than one Customer to be served through one meter, the minimum bill and the first billing block cubic feet of the applicable rate schedule shall be multiplied by the number of Customers so served and the number of cubic feet in each succeeding block of the rate schedule shall be increased in the same proportion.

Billing in general will be based on meter readings but bills will be adjusted to compensate for errors in meter registration, in the reading thereof, or in the application of rate schedules to intervals five (5) days greater or lesser than a month.

In case of tampering or unauthorized use, probable consumption will be billed as determined by the maximum quantity of gas estimated to have been consumed by the various appliances of Customer and a bill will be rendered for a period encompassing six (6) months prior to the detection of such abuse and/or disconnection for cause.

B. Budget Billing Program (optional)

Residential Customers may elect to make budgeted monthly payments of amounts due the Company to help stabilize monthly payments. To qualify for the Budget Billing Program, a Customer must be a year-round Customer with twelve (12) months of consecutive bills and have no past due balance owing when the customer elects to participate in the Program. The Company will implement Customer's participation in the program on the first day of the month following the application by Customer.

If a Customer requests to make budgeted monthly payments, the initial budgeted monthly payment amount is based on an average of the previous twelve (12) months bills due the Company, including all applicable fees and taxes (excluding service charges and additional fees). The Company reserves the right to estimate increases or decreases over historical amounts in rate components (including taxes) to the account, and then apply a factor based upon the above and true-up any variances. After the Customer's budgeted monthly payment amount has been initially established, the Company may recalculate the budgeted monthly payment from time to time. If the recalculated budgeted monthly payment varies by 10% or more from the budgeted monthly payment amount then in effect, the Company may begin charging the recalculated amount on Customer's next successive bill.

10. Customer's Liabilities

~~Company shall have the right to enter the premises of Customer at all reasonable hours for the purpose of making such inspection of Customer's installation as may be necessary for the proper~~

~~application of Company's rate schedules and Rules and Regulations; for installing, removing, testing, or replacing its apparatus or property; for reading meters; and for the retirement of Company's property in event of termination of service to Customer for any reason.~~

~~All property of Company installed in or upon Customer's premises is placed there under Customer's protection. All reasonable care shall be exercised to prevent loss of or damage to such property and, ordinary wear and tear expected, Customer will be held liable for any such loss of property and damage thereto and shall pay to Company the cost of necessary repairs or replacements.~~

Issued by: J. T. English, President & CEO

Effective: March 1, 20046

RULES AND REGULATIONS (Continued)

9. Billing and Collecting (Continued)

Any current and budget balance will be shown on the Customer's bill. The Customer's budgeted monthly payment will be recalculated on each anniversary of the Customer's initial participation in the program. On such recalculation, any credit and debit deferred balance will be recalculated in the following year's budgeted monthly payment calculation.

An electing Customer's participation in the budgeted payment plan will be continuous unless the customer requests that participation in the plan be terminated or that Gas Service be terminated, or the Customer is delinquent in paying the budgeted payment amount and becomes subject to the collection action on the service account. At that time, the Customer's participation in the program will be terminated and the Customer shall settle their account with the Company in full. If a Customer requests to terminate participation in the program, but remains a Customer of the Company, the Customer shall pay any deferred debit balance with their next regular monthly bill, and any deferred credit balance shall be used to reduce the amount due for the next regular monthly bill. An electing customer may request that participation be terminated at any time, but once terminated by customer request or due to collection action, will be limited to a six (6) month waiting period before Customer may rejoin the Budget Billing program.

RULES AND REGULATIONS (Continued)

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Customer will be held responsible for breaking the seals, tampering or interfering with Company's meter or meters or other equipment or Company installed on Customer's premises, and no one except employees of Company will be allowed to make any repairs or adjustments to any meter or other piece of apparatus belonging to Company except in case of emergency.

11. Company's Liabilities

Company will use reasonable diligence in furnishing as uniform a supply of gas as practicable, except where rate schedules provide otherwise. Company may interrupt its service hereunder, however, for the purpose of making necessary alterations and repairs, but only for such time as may be reasonable or unavoidable, and Company shall give to Customer, except in the case of emergency, reasonable notice of its intention so to do, and shall endeavor to arrange such interruption so as to inconvenience Customer as little as possible.

Whenever Company deems an emergency warrants interruption or limitation in the service being rendered, such interruption or limitation shall not constitute a breach of contract and shall not render Company liable for damages suffered thereby or excuse Customer from further fulfillment of the contract.

In the event that the supply of gas shall be interrupted from causes other than the foregoing or force majeure and such interruption is due to the negligence of Company and Company is liable because thereof, that liability shall be limited to twice the amount which Customer would have paid for gas during the period of such interruption. However, Company shall not be liable to Customer for any loss, injury or damage resulting from use of Customer's equipment or from the use of gas furnished by Company or from the connection of Company's facilities with Customer's Installation.

12. Force Majeure

Except for making payments due, neither the Company nor the Customer shall be liable in damage to the other for any act, omission of circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, unforeseeable or unusual weather conditions, washouts, arrests and restraint of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freezeups, temporary failure of gas supply, the

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Issued by: J. T. English, President & CEO

Effective:

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Issued by: J. T. English, President & CEO

Effective: