

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 070107-GU

In the Matter of:

INVESTIGATION INTO 2005 EARNINGS OF
THE GAS DIVISION OF FLORIDA PUBLIC
UTILITIES COMPANY.



ELECTRONIC VERSIONS OF THIS TRANSCRIPT ARE
A CONVENIENCE COPY ONLY AND ARE NOT
THE OFFICIAL TRANSCRIPT OF THE HEARING,
THE .PDF VERSION INCLUDES PREFILED TESTIMONY.

PROCEEDINGS: AGENDA CONFERENCE
 ITEM NO. 11

BEFORE: CHAIRMAN LISA POLAK EDGAR
 COMMISSIONER MATTHEW M. CARTER, II
 COMMISSIONER KATRINA J. McMURRIAN
 COMMISSIONER NANCY ARGENZIANO
 COMMISSIONER NATHAN A. SKOP

DATE: Tuesday, August 14, 2007

PLACE: Betty Easley Conference Center
 Room 148
 4075 Esplanade Way
 Tallahassee, Florida

REPORTED BY: JANE FAUROT, RPR
 Official FPSC Reporter
 (850) 413-6732

DOCUMENT NUMBER - DATE

1 PARTICIPATING:

2 RALPH JAEGER, ESQUIRE, and JOHN SLEMKEWICZ,
3 representing the Florida Public Service Commission Staff.

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

P R O C E E D I N G S

1
2 CHAIRMAN EDGAR: If you could get us started on Item
3 11, please.

4 MR. SLEMKEWICZ: I'm John Slemkewicz with the staff.
5 Item 11 is Docket Number 070107-GU, the investigation
6 of the 2005 earnings of the gas division of Florida Public
7 Utilities Company.

8 Staff has determined that the gas division had 2005
9 excess earnings of \$666,099 plus interest of \$69,083 through
10 July 31st, 2007 for a total overearnings of \$735,182. Staff is
11 recommending that the total excess earnings of 735,182 be
12 disposed of as follows: First, a portion of the excess
13 earnings should be used to offset the uncollected remainder of
14 the natural gas storm surcharge that was authorized in Docket
15 Number 041441-GU. This would eliminate the surcharge from the
16 ratepayers' bills. As of June 30th, 2007, the unrecovered
17 balance was \$161,870. Second, the remaining portion of the
18 excess earnings should be applied to the storm reserve to cover
19 future storm-related costs. The storm reserve currently has a
20 negative balance of approximately 13,000.

21 The company had requested to address the Commission
22 concerning several of staff's proposed adjustments to expenses,
23 but it has withdrawn that request. While they may still not
24 agree with all the staff's adjustments, they are not going to
25 raise any objections to them. Staff is prepared to answer any

1 of the Commissioners' question.

2 CHAIRMAN EDGAR: Thank you.

3 Commissioners, are there any questions for our staff
4 on Item 11?

5 Commissioner Carter.

6 COMMISSIONER CARTER: Hearing no questions, I would
7 move staff on Item 11.

8 CHAIRMAN EDGAR: Okay. Thank you.

9 Commissioners, we have a motion and we have a second
10 in favor of the staff recommendation for Item 11. Seeing no
11 further discussion, all in favor say aye.

12 (Unanimous affirmative vote.)

13 CHAIRMAN EDGAR: Opposed?

14 Show it adopted.

15 Thank you.

16 * * * * *

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF FLORIDA)

 :

COUNTY OF LEON)

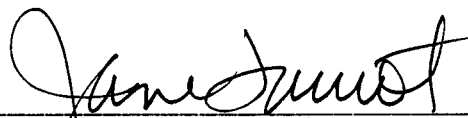
CERTIFICATE OF REPORTER

I, JANE FAUROT, RPR, Chief, Hearing Reporter Services Section, FPSC Division of Commission Clerk, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 21st day of August, 2007.



JANE FAUROT, RPR
Official FPSC Hearings Reporter
(850) 413-6732