

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 070003-GU  
DETERMINATION OF PURCHASED  
GAS/COST RECOVERY FACTOR

Direct Testimony of  
Mehrdad Khojasteh  
On Behalf of  
Florida Public Utilities Company

- 1 Q. Please state your name and business address.
- 2 A. Mehrdad Khojasteh, 401 South Dixie Highway, West  
3 Palm Beach, FL 33401.
- 4 Q. By whom are you employed?
- 5 A. I am employed by Florida Public Utilities Company.
- 6 Q. Have you previously testified in this Docket?
- 7 A. No.
- 8 Q Mr. Khojasteh, previous testimony and an exhibit was  
9 filed by Ms. Cheryl Martin in this docket. Are you  
10 adopting that testimony and exhibit as yours?
- 11 A. Yes. I am adopting both the testimony and exhibit as  
12 revised as mine.
- 13 Q. What is the purpose of your testimony at this time?
- 14 A. I will summarize our projected gas recoveries  
15 computations which are contained in composite  
16 exhibit MK-1 which supports the January 2008 through

1 December 2008 projected purchased gas adjustments  
2 for our consolidated gas division. In addition, I  
3 will advise the Commission of the projected  
4 differences between the revenues collected and the  
5 purchased gas costs allowed in developing the  
6 levelized purchased gas adjustment for the periods  
7 January 2006 through December 2006, and January 2007  
8 through December 2007. From these periods, I will  
9 establish a "true-up" amount to be collected or  
10 refunded during January 2008 through December 2008.

11 Q. Were the schedules filed by your Company completed  
12 under your direction?

13 A. Yes.

14 Q. Which of the Staff's set of schedules has your  
15 company completed and filed?

16 A. We have prepared and previously filed True-Up  
17 schedules A-1, A-2, A-3, A-4, A-5, and A-6, in  
18 addition to filing composite exhibit MK-1 which  
19 contains Schedules E1, E-1/R, E2, E3, E4 and E5 for  
20 our consolidated gas division. These schedules  
21 support the calculation of the purchase gas  
22 adjustment factors for January 2008 through December  
23 2008.

24 Q. What is the appropriate final purchased gas  
25 adjustment true-up amount for the period

1 January 2006 through December 2006?

2 A. The final purchased gas adjustment true-up amount  
3 for the period January 2006 through December 2006 is  
4 an over-recovery of \$1,241,836.

5 Q. What is the estimated purchased gas adjustment true-  
6 up amount for the period January 2007 through  
7 December 2007?

8 A. We have estimated that we will have an over-recovery  
9 of \$2,475,583 for the period January 2007 - December  
10 2007.

11 Q. What is the total purchased gas adjustment true-up  
12 amount to be refunded during the period January 2008  
13 through December 2008?

14 A. The total net over-recovery to be refunded during  
15 the period January 2008 - December 2008 is  
16 \$3,717,419.

17 Q. What is the appropriate levelized purchased gas  
18 adjustment recovery (cap) factor for the period  
19 January 2008 through December 2008?

20 A. The 2008 Purchased Gas Cost Recovery Factor will be  
21 a maximum of 150.001¢ per therm.

22 Q. What should be the effective date of the new  
23 purchased gas adjustment charge for billing  
24 purposes?

25 A. The factor should be effective for all meter

1 readings on or after January 1, 2008, beginning with  
2 the first applicable billing cycle for the period  
3 January 2008 through December 2008.

4 Q. Does this conclude your testimony?

5 A. Yes.