



MESSER CAPARELLO & SELF, P.A.

Attorneys At Law
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September 15, 2008

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COMMISSION CLERK

BY HAND DELIVERY

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

Re: Docket No. 080001-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Public Utilities Company are the following documents:

- 1. An original and 15 copies of Florida Public Utilities Company's Amended Petition for Approval of Florida Public Utilities Company's Fuel Adjustment and Purchased Power Cost Recovery Factor;
2. An original and 15 copies of the Revised Direct Testimony of Curtis D. Young and Marc Cutshaw; and
3. An original and 15 copies of Revised Schedules E1, E1-A, E2, E7, and E10 for the Marianna Division and Revised Schedules E1, E1-A, E2, E7, E8, and E10 for the Fernandina Beach Division.
4. An original and 15 copies of a Request for Confidential Classification.

Please indicate receipt of this document by stamping the enclosed extra copy of this letter.

Thank you for your assistance in this matter.

Sincerely,
[Signature]
Norman H. Horton, Jr.

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GCL 2
OPC
RCP 3
SSC
SGA 1
ADM NHH:amb
Enclosures
CLK cc:

Mr. Curtis D. Young
Mr. Marc Cutshaw
Parties of Record

DOCUMENT NUMBER - DATE
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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost)
Recovery Clause and Generating)
Performance Incentive Factor)
_____)

Docket No. 080001-EI
Filed: September 15, 2008

**AMENDED PETITION FOR APPROVAL OF FLORIDA
PUBLIC UTILITIES COMPANY'S FUEL ADJUSTMENT AND
PURCHASED POWER COST RECOVERY FACTOR**

Florida Public Utilities Company ("the Company" or "FPUC"), through its undersigned attorneys and pursuant to the requirements of this docket, hereby files this amended petition for approval of the Company's fuel adjustment and purchased power cost recovery factors for the period January, 2009 through December, 2009. In support hereof, the Company states:

- 1) The exact name of Petitioner and the address of its principal office is

Florida Public Utilities
P.O. Box 3395
West Palm Beach, FL 33420-3395

- 2) The names and addresses of the persons authorized to receive notices and communications with respect to this Petition:

Norman H. Horton, Jr.
Messer, Caparello & Self, P. A.
2618 Centennial Place
Tallahassee, FL 32308

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

- 3) Pursuant to the requirements of this Docket, the Company has prefiled the amended fuel adjustment and purchased power cost recovery forms wherein the Company has calculated the appropriate fuel adjustment factor to be approved for the Company for its Northwest (Marianna) and Northeast (Fernandina Beach) divisions.

4) Accompanying this Amended Petition are schedules and testimony reflecting and supporting factors for each division. The final remaining fuel and purchased power adjustment true-up amounts for the period January 2007 through December 2007 are an overrecovery of \$442,219 for the Marianna Division and an overrecovery of \$949,245 for the Fernandina Beach Division.

5) The testimony and exhibits also demonstrate that based upon actual data for January 2008 through June 2008 and projected data for July 2008 through December 2008, the estimated fuel and purchased power adjustment true-up amounts for the period January 2008 through December 2008 are an underrecovery of \$629,876 for the Marianna Division and an underrecovery of \$1,405,110 for the Fernandina Beach Division.

6) The factors proposed for adoption in this proceeding include an allocation of a portion of the transmission costs included in the purchased power contract in the NW Division to customers in the NE Division. This is necessary in order to offset a disparity in the allocation of substation related costs in the two Divisions. In the NE Division, FPUC owns the distribution substations and this is included in rate base which is supported by all customers. In the NW Division however, the distribution substation is owned by Gulf Power and a portion of this plant is paid for through a distribution charge in the purchased power agreement. The charge is part of the fuel adjustment charge for the NW Division. The result of this is that customers in the NW Division are paying a portion of the distribution substation costs in the NE Division since that plant is included in rate base, and all of the distribution substation costs in the NW Division since that is included in the fuel contract. To alleviate the disparity, the Company proposes to allocate a portion of the NW Division substation costs to the NE Division customers thus allowing for more equitable recovery.

7) The testimony and exhibits also reflect projected fuel cost recovery amounts for the period January 2009 through December 2009 for both divisions. With these projections and the total true-up amounts to be collected of \$187,657 for the Marianna Division and \$455,865 for the Fernandina Beach Division, the appropriate levelized fuel adjustment and purchased power cost recovery factors for the period January 2009 through December 2009, adjusted for line loss multipliers and allocation of distribution substation costs and including taxes are as follows:

MARIANNA

<u>Rate Schedule</u>	<u>Adjustment</u>
RS	\$.10395
GS	\$.10266
GSD	\$.09825
GSLD	\$.09416
OL, OL1	\$.08118
SL1, SL2 and SL3	\$.08179
Step rate for RS	
RS with less than 1,000 kWh/month	\$.10093
RS with more than 1,000 kWh/month	\$.11093

FERNANDINA BEACH

<u>Rate Schedule</u>	<u>Adjustment</u>
RS	\$.08965
GS	\$.08801
GSD	\$.08447
GSLD	\$.08502
OL	\$.06839
SL	\$.06841
Step rate for RS	
RS with less than 1,000 kWh/month	\$.08697
RS with more than 1,000 kWh/month	\$.09697

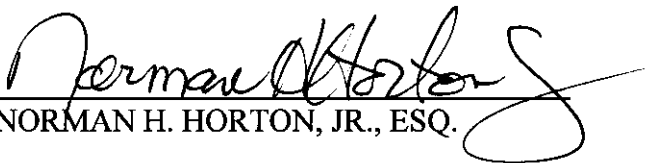
8) The total fuel adjustment factor for Marianna is 6.411¢ per kWh and for Fernandina Beach is 6.419¢ per kWh for “other classes.” A customer in Marianna using 1,000 kWh will pay \$136.59 while a customer in Fernandina Beach will pay \$122.28.

9) The proposed fuel adjustment factors as adjusted for the substation costs represent properly calculated factors comprised of appropriate components and should be approved.

WHEREFORE, Florida Public Utilities Company petitions the Commission to approve the amended fuel adjustment and purchased power cost recovery factors and step-billing as submitted.

DATED this 15th day of September, 2008.

Respectfully submitted,
MESSER, CAPARELLO & SELF, P. A.
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NORMAN H. HORTON, JR., ESQ.

Attorneys for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing have been served by U. S. Mail this 15th day of September, 2008 upon the following:

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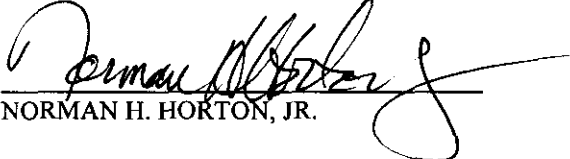
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