



MESSER CAPARELLO & SELF, P.A.

Attorneys At Law
www.lawfla.com

March 27, 2009

RECEIVED-FPSC
09 MAR 27 PM 12:33
COMMISSION CLERK

BY HAND DELIVERY

Ms. Ann Cole, Commission Clerk
Office of Commission Clerk
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 080366-GU

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Public Utilities Company are an original and five copies of Florida Public Utilities Company's Responses to Staff's Third Data Request in the above referenced docket.

Thank you for your assistance with this filing.

Sincerely yours,

[Handwritten signature of Norman H. Horton, Jr.]

Norman H. Horton, Jr.

NHH/amb
Enclosures

cc: Ms. Cheryl Martin
Patricia Christensen, Esq., Office of Public Counsel (with enclosure)

- COM
ECR
GCL 2
OPC
RCP 1
SSC 1
SGA
ADM
CLK

DOCUMENT NUMBER-DATE
02727 MAR 27 08
FPSC-COMMISSION CLERK



FLORIDA PUBLIC UTILITIES COMPANY

RESPONSES to

COMMISSION STAFF'S

THIRD DATA REQUEST

NOS. 80-88

DOCKET NUMBER 080366-GU

DOCUMENT NUMBER-DATE
02727 MAR 27 8
FPSC-COMMISSION CLERK

FPUC's Responses to STAFF'S THIRD DATA REQUEST

Re: Docket No. 080366-GU, Petition for rate increase by Florida Public Utilities Company

80. Please refer to the direct testimony of Schneidermann, page 136, lines 12-14.

a. Please explain what alternate fuel choices Large Volume customers have.

b. What is the basis for the \$600,000 revenue requirement shift from LVS & LVTS to RS (as opposed to a different number)?

- a. Large Volume customers have several options other than natural gas; those being electric, oil and propane. Propane tends to be the most common competition to LVS as existing appliances typically can be converted from natural gas to propane without a great deal of difficulty. Propane companies also tend to offer extremely low margins on high usage accounts.
- b. We are concerned about the potential loss of LVS customers if we were to go forward with the COS determined increases which would result in a non-fuel increase to the average LVS customer of approximately 71.5%. This increase would be spread among the projected 1,282 LVS customers and would most likely cause a substantial customer loss. A loss of customers who carry a large burden of the non-fuel revenue requirement would ultimately have a significant effect on FPU's revenues causing FPU to go back in for a rate case much sooner than expected. This would result in a substantial shift of revenue burden to our smallest of customer, in particular the RS class. We propose to temper the LVS increase by shifting \$600,000 of base revenue requirement from the LVS class to the RS class which in the long run would benefit the RS customers. This shift would reduce the LVS non-fuel increase to 63.1% and increase the RS non fuel increase from the original 21.7% to 27.8%.

When taking into account the total bills excluding taxes and non-FPU imposed fees, this shift would cause the projected RS customers to really experience a total increase of 9.9% instead of 7.8%. Similarly, the increase for the vulnerable LVS account would go from over 10% down to 9%. Another benefit of performing this shift is that based on PGA projections we are not proposing to increase any of FPU's total average customer bills in excess of 10%. A greater shift in base revenue requirement would have caused the RS customers to incur a total average increase in excess of 10%. Similarly, a smaller shift in base revenue requirement would place a number of LVS accounts jeopardy of converting to an alternate fuel source.

(Kitner)

Residential Generator Rate

81. In Order No. PSC-08-0643-TRF-GU, the Commission ordered FPUC to include a generator-only classification as part of its cost of service study in this docket. Please explain whether FPUC developed a separate generator-only rate class as required by the order.

Yes, a separate generator-only rate was established for residential generator only customers September 18, 2008 as required by Order No. PSC-08-0643-TRF-GU.

(Kitner)

82. How many residential generator only customers take service under the residential rate?

FPUC's Responses to STAFF'S THIRD DATA REQUEST

Re: Docket No. 080366-GU, Petition for rate increase by Florida Public Utilities Company

431 generator only customers take service under the Company's residential rate. This number is down from the 2004 filing due to the addition of other gas utilization appliances.

(Kitner)

83. How many residential generator customers take service under the RS-GS rate?

14 residential generator only customers take service under the RS-GS rate.

(Kitner)

New Commercial Generator Rate (CS-GS)

84. How many commercial generator only customers does FPUC currently serve?

159 commercial generator only customers are served by the FPUC.

(Kitner)

85. Under what rate schedule do commercial generator only customers currently take service?

Commercial generator only customers presently take service under FPUC's GS rate schedule.

(Kitner)

86. Provide a bill impact analysis (similar to the analysis shown on page 5 of Order No. PSC-08-0643-TRF-GU) on existing commercial generator only customers if they transfer to the proposed commercial generator rate.

The following chart provides a bill impact analysis on existing commercial generator only accounts if they are transferred to the proposed commercial generator rate:

Monthly Impact	Number of Generator Only Customers
\$0.00	6
< \$5.00	6
\$5.01 - \$8.00	6
\$8.01 - 11.00	12
\$11.01 - \$14.00	36
\$14.01 - \$16.31	93
Total Customers	159

(Kitner)

FPUC's Responses to STAFF'S THIRD DATA REQUEST

Re: Docket No. 080366-GU, Petition for rate increase by Florida Public Utilities Company

- 87. Provide a table showing for each current commercial generator only account current average monthly revenue (based on the most recent 12-month data) and revenue under the proposed commercial generator rate.**

	Current Average Monthly Revenue	Proposed Monthly Revenue
1	25.28	32.50
2	21.91	28.16
3	14.38	18.48
4	14.10	18.12
5	13.47	17.31
6	13.41	17.23
7	11.48	16.31
8	11.46	16.31
9	11.22	16.31
10	11.11	16.31
11	10.16	16.31
12	10.11	16.31
13	8.16	16.31
14	7.98	16.31
15	7.29	16.31
16	7.28	16.31
17	6.89	16.31
18	6.80	16.31
19	6.01	16.31
20	5.83	16.31
21	5.29	16.31
22	5.23	16.31
23	5.09	16.31
24	4.96	16.31
25	4.55	16.31
26	4.47	16.31
27	4.34	16.31
28	4.32	16.31
29	4.31	16.31
30	4.18	16.31
31	4.05	16.31
32	3.97	16.31
33	3.96	16.31
34	3.72	16.31
35	3.46	16.31
36	3.39	16.31
37	3.38	16.31
38	3.18	16.31
39	3.00	16.31
40	2.89	16.31
41	2.87	16.31
42	2.87	16.31
43	2.83	16.31
44	2.59	16.31
45	2.58	16.31
46	2.56	16.31
47	2.47	16.31
48	2.44	16.31
49	2.43	16.31
50	2.41	16.31
51	2.38	16.31
52	2.35	16.31
53	2.32	16.31
54	2.31	16.31
55	2.30	16.31
56	2.27	16.31
57	2.22	16.31

FPUC's Responses to STAFF'S THIRD DATA REQUEST

Re: Docket No. 080366-GU, Petition for rate increase by Florida Public Utilities Company

	Current Average Monthly Revenue	Proposed Monthly Revenue
58	2.21	16.31
59	2.16	16.31
60	2.08	16.31
61	2.02	16.31
62	1.93	16.31
63	1.88	16.31
64	1.88	16.31
65	1.82	16.31
66	1.79	16.31
67	1.79	16.31
68	1.70	16.31
69	1.68	16.31
70	1.68	16.31
71	1.65	16.31
72	1.63	16.31
73	1.62	16.31
74	1.60	16.31
75	1.57	16.31
76	1.51	16.31
77	1.45	16.31
78	1.43	16.31
79	1.42	16.31
80	1.42	16.31
81	1.40	16.31
82	1.39	16.31
83	1.37	16.31
84	1.35	16.31
85	1.32	16.31
86	1.28	16.31
87	1.25	16.31
88	1.25	16.31
89	1.22	16.31
90	1.14	16.31
91	1.14	16.31
92	1.11	16.31
93	1.08	16.31
94	1.08	16.31
95	1.05	16.31
96	1.02	16.31
97	0.87	16.31
98	0.85	16.31
99	0.85	16.31
100	0.84	16.31
101	0.79	16.31
102	0.79	16.31
103	0.74	16.31
104	0.74	16.31
105	0.65	16.31
106	0.64	16.31
107	0.63	16.31
108	0.60	16.31
109	0.60	16.31
110	0.59	16.31
111	0.57	16.31
112	0.56	16.31
113	0.54	16.31
114	0.53	16.31
115	0.48	16.31
116	0.47	16.31
117	0.46	16.31
118	0.45	16.31
119	0.45	16.31

FPUC's Responses to STAFF'S THIRD DATA REQUEST

Re: Docket No. 080366-GU, Petition for rate increase by Florida Public Utilities Company

	Current Average Monthly Revenue	Proposed Monthly Revenue
120	0.45	16.31
121	0.45	16.31
122	0.43	16.31
123	0.43	16.31
124	0.43	16.31
125	0.40	16.31
126	0.40	16.31
127	0.40	16.31
128	0.39	16.31
129	0.37	16.31
130	0.36	16.31
131	0.34	16.31
132	0.34	16.31
133	0.34	16.31
134	0.33	16.31
135	0.31	16.31
136	0.31	16.31
137	0.31	16.31
138	0.28	16.31
139	0.26	16.31
140	0.25	16.31
141	0.25	16.31
142	0.25	16.31
143	0.23	16.31
144	0.22	16.31
145	0.20	16.31
146	0.19	16.31
147	0.17	16.31
148	0.17	16.31
149	0.17	16.31
150	0.15	16.31
151	0.09	16.31
152	0.09	16.31
153	0.08	16.31
154	0.08	16.31
155	0.08	16.31
156	0.06	16.31
157	0.00	16.31
158	0.00	16.31
159	0.00	16.31

(Kitner)

- 88. Based on the information provided in the question above, please state the total additional monthly base rate revenue FPUC will receive from the proposed commercial generator rate.**

The additional monthly base rate revenue FPUC will receive from the proposed commercial generator rate is \$2,194.53.

(Kitner)