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Suite 1200
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September 1, 2010

VIA HAND DELIVERY

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Docket No. 100001-EI: Fuel and purchased power cost recovery clause with generating performance incentive factor.

Dear Ms. Cole:

Enclosed for filing, please find the original and 15 copies of Florida Public Utilities Company's Petition for Approval of Fuel Adjustment and Purchased Power Cost Recovery Factors, along with the original and 15 copies of the Direct Testimony of Mark Cutshaw and Schedules E1, E1-A, E2, E7 and E10 for the Marianna Division and Schedules E1-, E1-A, E2, E8 and E10 for the Fernandina Beach Division.

Please kindly confirm receipt by stamping the enclosed extra copy of this cover letter and

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Ms. Ann Cole
September 1, 2010
Page 2

returning it to me. Thank you for your assistance with this filing. As always, if you have any questions whatsoever about this filing, please do not hesitate to contact me.

Sincerely,



Beth Keating
AKERMAN SENTERFITT
106 East College Avenue, Suite 1200
Tallahassee, FL 32302-1877
Phone: (850) 224-9634
Fax: (850) 222-0103

Enclosures

cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. DOCKET NO. 100001-EI
DATED: September 1, 2010

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

Florida Public Utilities Company (FPUC or Company), by and through its undersigned counsel, hereby files this Petition asking the Florida Public Service Commission (FPSC or Commission) for approval of FPUC's fuel adjustment and purchased power cost recovery factors for the period January 2011 through December 2011. In support of this request, the Company hereby states:

- 1) FPUC is an electric utility subject to the Commission's jurisdiction. Its principal business address is:

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

- 2) The name and mailing address of the persons authorized to receive notices are:

Beth Keating
Akerman Senterfitt
106 East College Avenue
Suite 1200
Tallahassee, Florida 32301

- 3) Consistent with the requirements for this proceeding, the Company has prefiled the fuel adjustment and purchased power cost recovery schedules supplied by the Commission consistent with the requirements for such filings, and have reflected therein

the Company's calculated fuel adjustment factors for the Company's Northwest (Marianna) and Northeast (Fernandina Beach) divisions.

4) In accordance with Order No. PSC-10-0154-PCO-EI, issued March 18, 2010, in this Docket, the Company is also submitting, contemporaneously with this Petition, the Direct Testimony and Exhibit MC-1 of Mr. Mark Cutshaw in support of the Company's request for approval of the requested factors. The schedules include an allocation of the distribution charge to the Northeast Division as approved by the Commission in Docket No. 080001-EI, and explained in Mr. Cutshaw's Testimony at pages 2 - 3. The total cost allocated to the Northeast Division for 2011 is \$476,832.

5) As set forth in the Company's August 2, 2010, filing, the Company's total true-up amounts that would be collected or refunded during the period January 2011 through December 2011 are an under-recovery of \$1,463,053 for the Marianna Division. Based on estimated sales for January 2011 through December 2011, an additional .44994¢ per kWh will need to be collected to address this under-recovery.

6) With regard to the Fernandina Beach (Northeast) Division, the total true-amount is an over-recovery of \$1,747,119, which equates to an amount of .72855¢ per kWh to be refunded during 2011. This amount reflects an adjustment in the estimated true-up amount for January 2010 through December 2010 for the Northeast Division. In the Company's August 2 filing, the estimated true-up amount for this period was an over-recovery of \$172,092. But, as noted in the August 2, 2010 testimony of Mr. Curtis Young, the change in the fuel charge for October has necessitated an adjustment to this amount. The revised estimated true-up amount for the Northeast Division for January 2010 through December 2010 is an under-recovery of \$494,751.

7) Based upon the Company's projections and the total true-up amounts to be collected for both Divisions, the appropriate levelized fuel adjustment and purchased power cost recovery factors for the period January 2011 through December 2011, adjusted for line loss multipliers and including taxes, are as follows:

Northwest Division

<i>Rate Schedule</i>	<i>Adjustment</i>
RS	\$0.11730
GS	\$0.11599
GSD	\$0.11143
GSLD	\$0.10718
OL, O11	\$0.09353
SL1, SL2, and SL3	\$0.09416
Step rate for RS	
RS with less than 1,000 kWh/month	\$0.11358
RS with more than 1,000 kWh/month	\$0.12358

Northeast Division

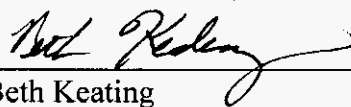
<i>Rate Schedule</i>	<i>Adjustment</i>
RS	\$0.10007
GS	\$0.09735
GSD	\$0.09327
GSLD	\$0.09500
OL	\$0.07158
SL	\$0.07179
Step rate for RS	
RS with less than 1,000 kWh/month	\$0.09630
RS with more than 1,000 kWh/month	\$0.10630

8) The total fuel adjustment factor for the Northwest Division is 7.609¢ per kWh and for the Northeast Division is 6.640¢ per kWh for "other classes." As a result, a customer in Marianna using 1,000 kWh will pay \$151.70, a decrease of \$3.52 from the prior period. Likewise, a customer in Fernandina Beach using 1,000 kWh will pay \$131.98, an increase of \$0.18 from the prior period .

9) The Company attests that these factor have been calculated correctly and consistent with Commission requirements. Thus, the Company asks that the Commission approve the proposed factors as set forth herein.

WHEREFORE, FPUC respectfully requests that the Commission approve the Company's proposed fuel adjustment and purchased power cost recovery factors and step billing for January 2011 through December 2011.

RESPECTFULLY SUBMITTED this 1st day of September, 2010.



Beth Keating
Akerman Senterfitt Attorneys at Law
106 East College Avenue, Suite 1200
Tallahassee, FL 32301
(850) 224-9634

*Attorneys for Florida Public Utilities
Company*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail to the following parties of record this 1st day of September, 2010:

Florida Public Utilities Company Thomas A. Geoffroy/ Curtis Young P.O. Box 3395 West Palm Beach, FL 33402-3395	Cecilia Bradley, Esq. Office of the Attorney General PL-01, The Capitol Tallahassee, FL 32399-1050
Lisa Bennett, Esq. Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399	Office of Public Counsel Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601-0111	John T. Burnett, Esq. Progress Energy Florida, Inc. P.O. Box 14042 St. Petersburg, FL 33733-4042
Paul Lewis, Jr. Progress Energy Florida, Inc. 106 E. College Ave., Suite 800 Tallahassee, FL 32301	James D. Beasley, Esq. J. Jeffry Wahlen, Esq. Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302
Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steve R. Griffin, Esq. Beggs & Lane P.O. Box 12950 Pensacola, FL 32591-2950	John Butler, Esq. Managing Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420
R. Wade Litchfield Vice President/Assoc. Gen. Counsel Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420	John W. McWhirter, Jr., Esq. McWhirter Law Firm P.O. Box 3350 Tampa, FL 33601-3350

Ms. Susan Ritenour Secretary and Treasurer Gulf Power Company One Energy Place Pensacola, FL 32520-0780	James W. Brew, Esq. Brickfield, Burchette, Ritts & Stone, P.C.. Eighth Floor, West tower 1025 Thomas Jefferson Street, NW Washington, DC 20007
Shayla L. McNeill, Capt. USAF AFLSA/JACL-ULT 139 Barnes Dr., Suite 1 Tyndall AFB, FL 32403-5319	Jon C. Moyle, Jr., Esq. Vicki G. Kaufman, Esq. Keefe, Anchors, Gordon & Moyle 118 North Gadsden St. Tallahassee, FL 32301
Randy B. Miller White Springs Agricultural Chemicals, Inc. P. O. Box 300 15843 Southeast 78 th St. White Springs, FL 32096	



Beth Keating
Akerman Senterfitt Attorneys at Law
106 East College Avenue
Highpoint Center, 12th Floor
Tallahassee, FL 32301
(850)224-9634