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February 13, 1995

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Ms. Blanca Bayo, Director Division of Records and Reporting Florida Public Service Commission 101 East Gaines Street Tallahassee, FL 32301

Re: Florida Public Utilities Company; Docket No. 950001-EI

Dear Ms. Bayo:

Enclosed for filing on behalf of Florida Public Utilities Company in connection with the hearings scheduled to begin March 8, 1995 in this docket are an original and 15 copies of the Prehearing Statement. Also enclosed is a 3 1/2" diskette with the document on it called "stmt.fpu" in WordPerfect 6.0 format.

Please acknowledge receipt of these documents by stamping the enclosed extra copy of this letter.

AFR Thank you for your assistance.

Yours very truly,

Jorman Altorton

Norman H. Horton, Jr.

NHH/amb Enclosures -cc:- Parties of Record / Mr. George Bachman N. . . . War

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DOCUMENT NUMBER - DATE 01659 FEB 13 8 FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor.

Docket No. 950001-EI Filed: February 13, 1995

PREHEARING STATEMENT OF FLORIDA PUBLIC UTILITIES COMPANY

Florida Public Utilities Company, through undersigned counsel, respectfully submits its revised prehearing statement.

A. APPEARANCES

Norman H. Horton, Jr. Messer, Vickers, Caparello, Madsen, Goldman & Metz, P. A. Post Office Box 1876 Tallahassee, FL 32302-1876

On behalf of Florida Public Utilities Company

B. WITNESSES

Witness	Subject Matter	Issues
Bachman (FPU)	Purchased power cost recovery; true-up (Marianna and Fernandina Beach Divisions)	1-8

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C. EXHIBITS

Exhibit No.	Witness	Description
	Bachman	Schedules E1, E1-A, E1-B,
(GMB-1)		E1B-1, E2, E7, and
		E-10 (Marianna Division)

Schedules E1-A, E1B, E1B-1, E2, E7, E8, and E10,(Fernandina Beach Division)

D. BASIC POSITION

Florida Public Utilities has properly projected its costs and calculated its true-up amounts and purchased power cost recovery factors. Those factors should be approved by the Commission.

E. ISSUES AND POSITIONS

ISSUE 1: What are the appropriate final fuel adjustment true-up amounts for the period April, 1994 through September, 1994?

FPU's Position:

Fernandina Beach: \$25,350 (overrecovery)

ISSUE 2: What are the estimated fuel adjustment true-up amounts for the period October, 1994 through March, 1995?

FPU's Position:

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Marianna:		\$86,548	(overrecovery)
Fernandina	Beach:	\$162,890	(overrecovery)

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ISSUE 3: What are the total fuel adjustment true-up amounts to be collected or refunded during the period April, 1995 through September, 1995?

FPU's Position:

Marianna:	\$143,938	to	be	collected
Fernandina Beach:	\$137,540	to	be	refunded

ISSUE 4: What are the appropriate levelized fuel cost recovery factors for the period April, 1995 through September, 1995?

FPU's Position:

Excluding demand cost recovery, the appropriate levelized fuel cost recovery factors for the period April, 1995 through September, 1995 should be:

Marianna:		3.221¢/kwh
Fernandina	Beach:	3.584¢/kwh

ISSUE 5: What should be the effective date of the new fuel adjustment charge, oil backout charge and conservation cost recovery charge for billing purposes?

FPU's Position: Agrees with Staff.

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ISSUE 6: What and the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class?

FPU's Position:

Marianna

Rate Schedule	Multiplier
RS	1.0126
GS	0.9963
GSD	0.9963
GSLD	0.9963
CL, OL-2	1.0126
SL-1, SL-2	0.9881

Fernandina Beach

All Rate Schedules 1.0000

ISSUE 7: What are the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses?

FPU's Position:

Marianna

RS	5.151¢/kwh
GS	4.915¢/kwh
GSD	4.541¢/kwh
GSLD	4.381¢/kwh
OL, OL-2	3.262¢/kwh
SL-1, SL-2	3.183¢/kwh

Fernandina Beach

Adjustment
5.036¢/kwh
4.770¢/kwh
4.581¢/kwh
3.996¢/kwh

ISSUE 8: What is the appropriate revenue tax factor to be applied in calculating each company's levelized fuel factor for the projection period of October, 1994 through March, 1995?

FPU's Position: Agrees with Staff.

Dated this 13th day of February, 1995.

Respectfully submitted, MESSER, VICKERS, CAPARELLO, MADSEN, GOLDMAN & METZ, P. A. Post Office Box 1876 Tallahassee, FL 32302-1876 (904) 222-0720

NORMAN H. HORTON, JR., ESQ. FLOYD R. SELF, ESQ.

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Cina Norman H. Horton, Jr