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October 23, 2000

BY HAND DELIVERY

Ms. Blanca Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

> Re: Florida Public Utilities Company; Docket No. 000001-EI

Dear Ms. Bayo:

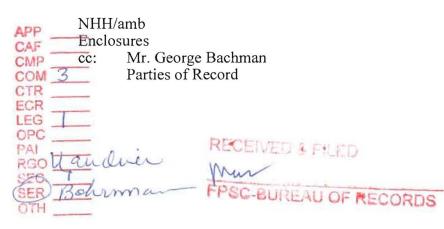
Enclosed for filing on behalf of Florida Public Utilities Company in this docket are an original and 10 copies of Florida Public Utilities Company's Prehearing Statement. Also enclosed is a 3 $\frac{1}{2}$ " diskette with the document on it.

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

Thank you for your assistance.

Sincerely,

Norman H. Horton, Jr.



DOCUMENT NUMBER-DATE

3498 OCT 238 FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 000001-EI Filed: October 23, 2000

FLORIDA PUBLIC UTILITIES COMPANY'S <u>PREHEARING STATEMENT</u>

Florida Public Utilities Company ("FPU"), by and through its undersigned counsel, submits its prehearing statement in connection with the hearing that is scheduled for November 20-22, 2000, in the above-styled docket.

<u>A. WITNESSES</u>

Witness	Subject Matter	<u>Issues</u>
George M. Bachman	Purchased power cost recovery and true-up (Marianna and Fernandina Beach Divisions)	1-8

Witness

Bachman

<u>B. EXHIBITS</u>

Exhibit Number

GMB-1 and GMB-2 (Composite) Schedules E1, E1-A, E1-B, E1-B1, E2, E7, and E10 (Marianna Division)

Description

Schedules E1, E1-A, E1-B, E1-B1, E-2, E7, and E10 (Fernandina Beach Division)

C. BASIC POSITION

FPU has properly projected its costs and calculated its true-up amounts and purchased power

cost recovery factors. Those amounts and factors should be approved by the Commission.

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D. STATEMENT OF ISSUES AND POSITIONS

<u>Issue 1</u>: What are the appropriate final fuel adjustment true-up amounts for the period January, 1999 through December, 1999?

FPU's Position:

Marianna:	\$ 43,609 (over-recovery)
Fernandina Beach:	\$302,631 (over-recovery)

<u>Issue 2</u>: What are the estimated fuel adjustment true-up amounts for the period January, 2000 through December, 2000?

FPU's Position:

Marianna:	\$104,942 (over-recovery)
Fernandina Beach:	\$314,792 (over-recovery)

<u>Issue 3</u>: What are the total fuel adjustment true-up amounts to be collected or refunded during the period January, 2001 through December, 2001?

FPU's Position:

Marianna:	\$148,551 to be refunded
Fernandina Beach:	\$617,423 to be refunded

<u>Issue 4</u>: What are the appropriate levelized fuel adjustment factors, excluding demand cost recovery for the period January, 2000 through December, 2000?

FPU's Position:

Marianna:2.204¢/kwhFernandina Beach:1.875¢/kwh

<u>Issue 5</u>: What should be the effective date of the new fuel adjustment charge and capacity cost recovery charge for billing purposes?

<u>FPU's Position</u>: FPU's approved fuel adjustment and purchased power cost recovery factors should be effective for all meter readings on or after January 1, 2001, beginning with the first or applicable billing cycle for the period January, 2001 through December, 2001.

<u>Issue 6</u>: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

FPU's Position:

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Marianna:	All Rate Schedules 1.0000
Fernandina Beach:	All Rate Schedules 1.0000

<u>Issue 7</u>: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

FPU's Position:

Marianna:

Rate Schedule	<u>Adjustment</u>
RS	\$.03838
GS	\$.03821
GSD	\$.03514
GSLD	\$.03284
OL	\$.02604
SL	\$.02602

Fernandina Beach:

Rate Schedule	<u>Adjustment</u>
RS	\$.03459
GS	\$.03398
GSD	\$.03190
CSL	\$.02506
OL	\$.02506
SL	\$.02506

<u>Issue 8</u>: What is the appropriate revenue tax factor to be applied in calculating each company's levelized fuel factor for the projection period of January, 2001 through December, 2001?

FPU's Position:

Marianna:	1.00072
Fernandina Beach:	1.01597

E. QUESTIONS OF LAW

None.

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F. POLICY OUESTIONS

None.

G. STIPULATED ISSUES

None.

<u>H. MOTIONS</u>

None.

I. OTHER MATTERS

None.

Dated this 23rd day of October, 2000.

Respectfully submitted, MESSER, CAPARELLO & SELF, P.A. Post Office Box 1876 Tallahassee, Florida 32302-1876

Norman H. Horton, Jr. Attorney for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of Florida Public Utilities Company's Prehearing Statement in Docket No. 000001-EI have been served by hand delivery (*) and/or U. S. Mail this 23rd day of October, 2000 upon the following:

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