State of Florida



ORIGINAL

Jublic Service Commission

Capital Circle Office Center • 2540 Shumard Oak Boulevard

Tallahassee, Florida 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE:

May 3, 2007

TO:

Ann Cole, Commission Clerk, Office of Commission Clerk

FROM:

Rosanne Gervasi, Senior Attorney, Office of the General Counsel

RE:

Docket Number 060638-EI - Petition for approval of storm cost recovery surcharge

to recover costs associated with mandatory storm preparedness initiatives, by

Florida Public Utilities Company.

Please place the attached resolution number 2007-75 in the above-referenced docket file. Thank you.

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DOCUMENT NUMBER - DATE

03760 MAY-35

RESOLUTION NUMBER 2007-75

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, OPPOSING THE PETITION RECOVERY **COSTS** THE ASSOCIATED STORM **PREPAREDNESS MANDATORY INITIATIVES** PROPOSED BY THE FLORIDA PUBLIC UTILITY COMPANY: REQUESTING THAT THE OFFICE OF PUBLIC COUNSEL OF THE FLORIDA PUBLIC SERVICE COMMISSION REPRESENT CITY IN OPPOSING THIS RATE RELIEF; THE PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Fernandina Beach is provided electrical power by the Florida Public Utilities Company; and

WHEREAS, the Florida Public Utilities Company has filed a Petition for the recovery of costs associated with mandatory storm preparedness initiatives with the Florida Public Service Commission to increased energy charges for residential and commercial consumers of electricity of approximately Eight and one half percent (8.5%); and

WHEREAS, the Florida Public Utilities Company proposes to use this rate increase for storm preparedness; and

WHEREAS, the City Commission believes that a storm hardening plan should be developed prior to any rate increase so facilities may be relocated, replaced or otherwise protected by means other than massive tree trimming efforts; and by allowing the City to participate in the development of this storm hardening plan increased benefits for the community will result; and

WHEREAS, the City Commission has formed an Underground Utilities Committee to recommend a course of action concerning overhead utility lines and this committee has requested on several occasions since January, 2007, a plan from Florida Public Utilities and has not yet received one; and

WHEREAS, Florida Public Utilities Company has a hurricane fund in place where excess revenues have been collected from rate payers in lieu of refunding the rate payers for the purpose of storm recovery and could be used for storm preparedness if permitted by the Florida Public Service Commission; and

WHEREAS, the City Commission requests that the Office of Public Counsel of the Florida Public Service Commission represent the City in opposing the Petition for Rate Relief filed by Florida Public Utilities Company.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby opposes the Petition for Recovered Costs associated with mandatory storm preparedness initiatives filed by Florida Public Utilities with the Florida Public Service Commission.

SECTION 2. The City commission hereby requests that the Office of Public Counsel of the Florida Public Service Commission represent the City in opposing the Petition for approval of an increase to base rates through a limited proceeding to cover costs associated with mandatory storm preparedness initiatives filed by Florida Public Utilities Company.

SECTION 3. This Resolution shall become effective immediately upon passage.

ADOPTED this 1st day of May, 2007 with a quorum present and voting.

CITY OF FERNANDINA BEACH

BILL LEEPER

Mayor - Commissioner

ATTEST:

MARY L. MERCER

City Clerk