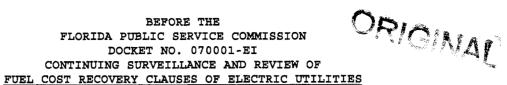
BEFORE THE



Direct Testimony of Mehrdad Khojasteh On Behalf of Florida Public Utilities Company

1	Q.	Please state your name and business address.
2	A.	Mehrdad Khojasteh, 401 South Dixie Highway, West Palm Beach, FL
3		33401.
4	Q.	By whom are you employed?
5	A.	I am employed by Florida Public Utilities.
6	Q.	Have you previously testified in this Docket?
7	A.	No.
8	Q.	What is the purpose of your testimony at this time?
9	A.	I will briefly describe the basis for our computations that were
10		made in preparations of the various schedules that we have
11		submitted to support our calculation of the levelized fuel
12		adjustment factor for January 2008 - December 2008.
13	Q.	Were the schedules filed by your Company completed under your
14		direction?
15	A.	Yes
16	Q.	Which of the Staff's set of schedules has your company completed
17		and filed?
18	А.	We have filed Schedules E1-A, E1-B, and E1-B1 for Marianna and E1-
19		A, El-B, and El-Bl for Fernandina Beach. They are included in
20		Composite Prehearing Identification Number CMM-2. Schedule E1-B
21		shows the Calculation of Purchased Power Costs and Calculation of
22		True-Up and Interest Provision for the period January 2007 -
23		December 2007 based on 6 Months Actual and 6 Months Estimated data.
24	Q.	Please address the calculations of the total true-up amount to be
		OCTIC AND EN

1		collected or refunded during January 2008 - December 2008.
2	A.	We have determined that at the end of December 2007 based on six
3		months actual and six months estimated, we will under-recover
4		\$690,530 in purchased power costs in our Marianna division. In
5		Fernandina Beach we will have under-recovered \$915,677 in purchased
6		power costs.
7	Q.	What are the final remaining true-up amounts for the period January
8		2006 - December 2006 for both divisions?
9	A.	In Marianna, the final remaining true-up amount was an over-
10		recovery of \$74,131. The final remaining true-up amount for
11		Fernandina Beach was an over-recovery of \$272,928.
12	Q.	What are the estimated true-up amounts for the period January 2007
13		- December 2007?
14	A.	In Marianna, there is an estimated under-recovery of \$764,661.
15		Fernandina Beach has an estimated under-recovery of \$1,188,605.
16	Q.	Does this conclude your testimony?
17	A.	Yes.