Attorneys At Law

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September 5, 2007

BY HAND DELIVERY

Ms. Ann Cole, Director Commission Clerk and Administrative Services Room 110. Easley Building Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

Re:

Docket No. 070001-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Public Utilities Company are an original and 15 copies of the following documents in the above referenced docket:

- Petition for Approval of Florida Public Utilities Company's Fuel Adjustment and 08043-07 Purchased Power Cost Recovery Factor;
- Schedules E1, E1-A, E2, E7, and E10 for the Marianna Division and Schedules E1, E1-A, E2, E7, E8, and E10 for the Fernandina Beach Division;

| | 3. Direct Testimony of Menrdad Knojasten; and |
|------|--|
| OMP | 4. Request for Confidential Classification; 08044-04 |
| OM 5 | Please indicate receipt of this document by stamping the enclosed extra copy of this letter. |
| CR) | Thank you for your assistance in this matter. |
| | Confidential - 8045-07 Sincerely, |
| PC | Jaman Maria |

Norman H. Horton, Jr.

10-146-07

RCA

NHH:amb

Enclosures

Mr. Mehrdad Khojasteh

OTH

Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| In re: Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor | Docket No. 070001-EI Filed: September 5, 2007, 355 | SEP -5 MIII: | |
|--|---|--------------|---------------|
| DETITION FOR | | - | \mathcal{C} |

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

Florida Public Utilities Company ("the Company" or "FPUC"), through its undersigned attorneys and pursuant to the requirements of this docket, hereby petitions the Commission for approval of the Company's fuel adjustment and purchased power cost recovery factors for the period January, 2008 through December, 2008. In support hereof, the Company states:

- The exact name of Petitioner and the address of its principal office is

 Florida Public Utilities
 P.O. Box 3395
 West Palm Beach, FL 33420-3395
- 2) The names and addresses of the persons authorized to receive notices and communications with respect to this Petition:

Norman H. Horton, Jr. Messer, Caparello & Self, P. A. 2618 Centennial Place Tallahassee, FL 32308 Ms. Cheryl Martin Controller Florida Public Utilities Company Post Office Box 3395 West Palm Beach, FL 33402-3395 刑

3) Pursuant to the requirements of this Docket, the Company has prefiled the fuel adjustment and purchased power cost recovery forms wherein the Company has calculated the appropriate fuel adjustment factor to be approved for the Company for its Northwest (Marianna) and Northeast (Fernandina Beach) divisions.

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DOCUMENT NUMBER-DATE

- 4) Accompanying this Petition are schedules and testimony reflecting and supporting factors for each division. The final remaining fuel and purchased power adjustment true-up amounts for the period January 2006 through December 2006 are an underrecovery of \$74,131 for the Marianna Division and an overrecovery of \$272,928 for the Fernandina Beach Division.
- 5) The testimony and exhibits also demonstrate that based upon actual data for January 2007 through June 2007 and projected data for July 2007 through December 2007, the estimated fuel and purchased power adjustment true-up amounts for the period January 2007 through December 2007 are an underrecovery of \$77,987 for the Marianna Division and an underrecovery of \$277,968 for the Fernandina Beach Division.
- The testimony and exhibits also reflects projected fuel cost recovery amounts for the period January 2008 through December 2008 for both divisions. With these projections and the total true-up amounts to be collected of \$3,856 for the Marianna Division and \$5,040 for the Fernandina Beach Division, the appropriate levelized fuel adjustment and purchased power cost recovery factors for the period January 2008 through December 2008, adjusted for line loss multipliers and including taxes are as follows:

MARIANNA

| Rate Schedule | <u>Adjustment</u> |
|-----------------------------------|-------------------|
| RS | \$.07945 |
| GS | \$.07840 |
| GSD | \$.07483 |
| GSLD | \$.07151 |
| OL, OL1 | \$.06097 |
| SL1, SL2 and SL3 | \$.06146 |
| Step rate for RS | |
| RS with less than 1,000 kWh/month | \$.07610 |
| RS with more than 1,000 kWh/month | \$.08610 |

FERNANDINA BEACH

| Rate Schedule | <u>Adjustment</u> |
|-----------------------------------|-------------------|
| RS | \$.06963 |
| GS | \$.06811 |
| GSD | \$.06481 |
| GSLD | \$.06533 |
| OL | \$.05005 |
| SL | \$.04961 |
| Step rate for RS | |
| RS with less than 1,000 kWh/month | \$.06628 |
| RS with more than 1,000 kWh/month | \$.07628 |

- The Company also proposes to implement a step-billing process for customers where consumption in any given month is less than 1,000 kWh. This will reduce the impact of the increases to be experienced and provide an incentive to conserve energy. The adjustment for the step rate is shown above and on the filed exhibits.
- 8) The fuel adjustment factors, represent properly calculated factors comprised of appropriate components and should be approved.

WHEREFORE, Florida Public Utilities Company petitions the Commission to approve the fuel adjustment and purchased power cost recovery factors and step-billing as submitted.

DATED this 5^{th} day of September, 2007.

Respectfully submitted, MESSER, CAPARELLO & SELF, P. A. 2618 Centennial Place Tallahassee, FL 32308 (850) 222-0720

NORMAN H. HORTON, JR., ESO

Attorneys for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing have been served by U. S. Mail this 5th day of September, 2007 upon the following:

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