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October 6, 2009

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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. 090001-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Public Utilities Company in the captioned docket are the following revised schedules:

- E1-A
E1-B
E1-B1

These schedules were initially filed August 4, 2009, and the purpose of submitting these revised sheets is to reflect a correction in the calculation for Marianna identified by Staff.

When these schedules were filed, Florida Public Utilities Company also prefiled direct testimony of Curtis D. Young. Since the testimony references factors which have been revised with the current submission, we are refileing that as well.

These revisions affect the schedules for the Northwest (Marianna) Division only.

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning same to me.

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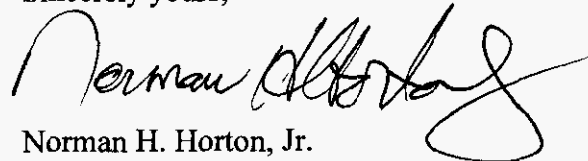
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Ms. Ann Cole
October 6, 2009
Page 2

Thank you for your assistance in this matter. Should you have any questions, please do not hesitate to contact me.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Norman H. Horton, Jr.", with a large, stylized flourish at the end.

Norman H. Horton, Jr.

NHH:amb

Enclosures

cc: Mr. Mark Cutshaw
Mr. Curtis D. Young
Mr. Sid Matlock
Office of Public Counsel
Parties of Record

FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF TRUE-UP SURCHARGE
APPLICABLE TO LEVELIZED FUEL ADJUSTMENT PERIOD
JANUARY 2009 - DECEMBER 2009
BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED revised 10 1 1009

Marianna Division

Under-recovery of purchased power costs for the period
January 2009 - December 2009. (See Schedule E1-B, Calculation
of Estimated Purchased Power Costs and Calculation of True-
Up and Interest Provision for the Twelve Month Period ended
December 2009)(Estimated)

\$ (1,725,320)

Exhibit No. _____
DOCKET NO. 090001-EI
Florida Public Utilities Company
(CDY-2)
Page 1 of 3

REVISED

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

FLORIDA PUBLIC UTILITIES COMPANY
CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION
ACTUAL/ESTIMATED FOR THE PERIOD: JANUARY 2009 - DECEMBER 2009
BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED revised 10_1_1009

Schedule E1-B

MARIANNA DIVISION

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Total
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	
	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	
Total System Sales - KWH	25,565,160	25,637,889	25,076,685	19,853,831	21,681,255	26,419,745	30,180,925	28,606,060	30,522,652	27,526,963	21,417,175	25,751,604	308,239,944
Total System Purchases - KWH	28,474,819	24,989,882	23,545,343	22,679,387	27,126,426	33,879,707	34,799,000	32,240,000	33,447,000	29,298,000	20,896,000	24,786,000	336,171,664
System Billing Demand - KW	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	97,944	1,175,328
Peak Billing Demand-KW	64,674	64,731	64,540	64,981	65,510	65,739	64,469	64,469	64,469	64,469	64,469	64,469	776,989
Purchased Power Rates:													
Energy/Environmental - \$/KWH	0.06738	0.06726	0.06726	0.06726	0.06726	0.06726	0.05800	0.05800	0.05800	0.05800	0.05800	0.05800	
Demand and Non-Fuel:													
Capacity Charge - \$/KWH	8.35000	8.35000	8.35000	8.35000	8.35000	8.35000	8.35000	8.35000	8.35000	8.35000	8.35000	8.35000	
Transmission and Interconnection - \$/KWH	2.27706	2.27706	2.27706	2.27706	2.27706	2.27706	2.16860	2.16860	2.16860	2.16860	2.16860	2.16860	
Distribution Charge	38,871	38,871	38,871	38,871	38,871	38,871	38,871	38,871	38,871	38,871	39,736	39,736	468,182
Purchased Power Costs:													
Base Fuel Costs	1,918,695	1,677,952	1,583,630	1,525,387	1,824,489	2,278,706	2,018,342	1,869,920	1,939,926	1,699,284	1,211,968	1,437,588	20,985,887
Subtotal Fuel Costs	1,918,695	1,677,952	1,583,630	1,525,387	1,824,489	2,278,706	2,018,342	1,869,920	1,939,926	1,699,284	1,211,968	1,437,588	20,985,887
Demand and Non-Fuel Costs:													
Capacity Charge	817,832	817,832	817,832	817,832	817,832	817,832	817,832	817,832	817,832	817,832	817,832	817,832	9,813,984
Transmission and Interconnection	147,267	147,396	146,961	144,748	149,170	91,846	139,807	139,807	139,807	139,807	139,807	139,807	1,666,230
Distribution Facilities Charge (incl. FERC lit chrg)	36,819	40,264	40,094	40,022	39,981	40,197	38,871	38,871	38,871	38,871	39,736	39,736	472,333
Meter Reading and Processing Charge	775	775	775	775	775	775	775	775	775	775	775	775	9,300
Subtotal Demand & Non-Fuel Costs	1,002,893	1,006,267	1,005,662	1,003,377	1,007,758	950,650	997,285	997,285	997,285	997,285	998,150	998,150	11,961,847
Total System Purchased Power Costs	2,921,388	2,684,219	2,589,292	2,528,764	2,832,247	3,229,356	3,015,627	2,867,205	2,937,211	2,696,569	2,210,118	2,435,738	32,947,734
Special Costs	511	491	39,981	(18,082)	(529)	583							24,955
Total Costs and Charges	2,921,899	2,684,710	2,629,273	2,512,682	2,831,718	3,229,939	3,015,627	2,867,205	2,937,211	2,696,569	2,210,118	2,435,738	32,972,689
Sales Revenues - Fuel Adjustment Revenues:													
Residential< .10086 .10086	796,764	803,934	783,367	666,624	683,763	766,136	1,008,839	959,386	1,008,839	840,699	573,653	811,027	9,703,031
Residential> .11085 .11085	458,882	524,653	398,099	130,674	179,732	383,525	479,827	456,306	479,827	399,856	272,843	385,743	4,529,967
Commercial, Small .10259 .10259	217,191	224,581	225,633	181,955	194,982	239,131	290,642	282,094	299,190	264,997	199,460	210,858	2,830,714
Commercial, Large .09818 .09818	657,936	627,216	671,899	576,948	631,511	750,346	742,792	725,803	793,760	691,824	603,121	645,595	8,118,551
Industrial .09409 .09409	401,884	369,156	399,706	374,978	425,048	483,549	478,386	418,085	451,855	523,431	450,264	489,662	5,284,004
Outside Lighting Private .08112 .08112	27,695	27,321	27,153	26,687	27,230	27,228	24,484	24,779	24,484	24,779	25,074	25,074	311,988
Street Lighting-Public .08173 .08173	7,732	7,727	7,726	7,726	7,723	7,729	7,059	7,059	7,059	7,059	7,059	7,059	88,717
Total Fuel Revenues	2,568,084	2,584,588	2,513,383	1,965,592	2,149,989	2,637,644	3,030,029	2,873,512	3,065,014	2,752,645	2,131,474	2,575,018	30,846,972
Non-Fuel Revenues	953,885	972,411	934,358	793,332	833,358	949,746	942,798	288,054	35,952	172,102	362,814	145,560	6,863,366
Total Sales Revenue	3,521,969	3,556,999	3,447,741	2,758,924	2,983,343	3,587,390	3,451,827	3,161,566	3,100,966	2,924,747	2,494,288	2,720,578	37,710,338
KWH Sales:													
Residential< RS	7,901,931	7,972,325	7,767,135	6,610,334	6,779,508	7,596,230	10,002,365	9,512,063	10,002,365	8,335,304	5,687,619	8,041,117	96,208,286
Residential> RS	4,139,732	4,732,993	3,591,318	1,178,824	1,621,388	3,279,427	4,328,615	4,116,428	4,328,615	3,607,179	2,461,370	3,479,867	40,865,756
Commercial, Small GS	2,114,975	2,189,188	2,199,444	1,773,683	1,900,673	2,331,938	2,833,045	2,749,720	2,916,370	2,583,071	1,944,247	2,055,347	27,591,701
Commercial, Large GSD	6,701,385	6,388,466	6,841,557	5,876,469	6,432,234	7,642,602	7,565,615	7,392,573	8,084,744	7,046,487	6,143,017	6,575,624	82,690,773
Industrial GSLD	4,271,188	3,923,340	4,248,024	3,985,216	4,517,352	5,139,088	5,063,092	4,443,456	4,802,365	5,563,092	4,785,456	5,204,183	55,945,833
Outside Lighting Private OL,OL-2	341,359	337,029	334,680	334,780	335,610	335,889	301,828	305,465	301,828	305,465	309,101	309,101	3,852,135
Street Lighting-Public SL-1, 2, 3	94,610	94,548	94,527	94,525	94,490	94,571	86,365	86,365	86,365	86,365	86,365	86,365	1,085,461
Total KWH Sales	25,565,160	25,637,889	25,076,685	19,853,831	21,681,255	26,419,745	30,180,925	28,606,060	30,522,652	27,526,963	21,417,175	25,751,604	308,239,944
True-up Calculation:													to Date
Fuel Revenues	2,568,084	2,584,588	2,513,383	1,965,592	2,149,989	2,637,644	3,030,029	2,873,512	3,065,014	2,752,645	2,131,474	2,575,018	30,846,972
True-up Provision for the Period - collect/(refund)	15,639	15,638	15,638	15,638	15,638	15,638	15,638	15,638	15,638	15,638	15,638	15,638	187,657
Gross Receipts Tax Refund	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Revenue	2,552,445	2,568,950	2,497,745	1,949,954	2,134,351	2,822,006	3,014,391	2,857,874	3,049,376	2,737,007	2,115,836	2,559,380	30,659,315
Total Purchased Power Costs	2,921,899	2,684,710	2,629,273	2,512,682	2,831,718	3,229,939	3,015,627	2,867,205	2,937,211	2,696,569	2,210,118	2,435,738	32,972,689
True-up Provision for the Period	(369,454)	(115,760)	(131,528)	(562,728)	(697,367)	(607,933)	(1,236)	(9,331)	112,165	40,438	(94,282)	123,642	(2,313,374)
Interest Provision for the Period	126	0	(58)	(174)	(308)	(458)	(537)	(534)	(516)	(491)	(494)	(486)	(3,930)
True-up and Interest Provision													
Beginning of Period	404,327	50,638	(49,484)	(185,432)	(712,696)	(1,394,733)	(1,987,486)	(1,973,621)	(1,967,848)	(1,840,561)	(1,784,976)	(1,864,114)	404,327
True-up Collected or (Refunded)	15,639	15,638	15,638	15,638	15,638	15,638	15,638	15,638	15,638	15,638	15,638	15,638	187,657
End of Period, Net True-up	50,638	(49,484)	(185,432)	(712,696)	(1,394,733)	(1,987,486)	(1,973,621)	(1,967,848)	(1,840,561)	(1,784,976)	(1,864,114)	(1,725,320)	(1,725,320)
10% Rule - Interest Provision:													-5.24%
Beginning True-up Amount	404,327	50,638	(49,484)	(185,432)	(712,696)	(1,394,733)	(1,987,486)	(1,973,621)	(1,967,848)	(1,840,561)	(1,784,976)	(1,864,114)	
Ending True-up Amount Before Interest	50,512	(49,484)	(185,374)	(712,522)	(1,394,425)	(1,987,028)	(1,973,084)	(1,967,314)	(1,840,045)	(1,784,485)	(1,863,620)	(1,724,834)	
Total Beginning and Ending True-up	454,839	1,154	(214,858)	(877,954)	(2,107,121)	(3,381,761)	(3,960,570)	(3,940,935)	(3,807,893)	(3,625,046)	(3,648,596)	(3,588,948)	
Average True-up Amount	227,420	577	(107,429)	(438,977)	(1,053,561)	(1,690,881)	(1,980,285)	(1,970,468)	(1,903,947)	(1,812,523)	(1,824,298)	(1,794,474)	
Average Annual Interest Rate	0.6650%	0.7700%	0.6500%	0.4750%	0.3500%	0.3250%	0.3250%	0.3250%	0.3250%	0.3250%	0.3250%	0.3250%	
Monthly Average Interest Rate	0.0554%	0.0642%	0.0542%	0.0396%	0.0292%	0.0271%	0.0271%	0.0271%	0.0271%	0.0271%	0.0271%	0.0271%	
Interest Provision	126	0	(58)	(174)	(308)	(458)	(537)	(534)	(516)	(491)	(494)	(486)	

REVISED

FLORIDA PUBLIC UTILITIES COMPANY
MARIANNA DIVISION
 COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS
 OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR
 FOR THE PERIOD JANUARY 2009 - DECEMBER 2009 revised 10_1_2009

SCHEDULE E1-B1

	DOLLARS				MWH				CENTS/KWH			
	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%	ESTIMATED/ ACTUAL	ESTIMATED/ ORIGINAL	DIFFERENCE AMOUNT	%
1 Fuel Cost of System Net Generation (A3)					0	0	0	0.0%	0.0000	0.0000	0.0000	0.0%
2 Nuclear Fuel Disposal Cost												
3 Coal Car Investment												
4 Adjustments to Fuel Cost (A2, Page 1)												
5 TOTAL COST OF GENERATED POWER	0	0	0	0.0%	0	0	0	0.0%	0.0000	0.0000	0.0000	0.0%
6 Fuel Cost of Purchased Power (Exclusive of Economy) (A7)	20,985,887	19,788,557	1,197,330	6.1%	336,172	341,182	(5,010)	-1.5%	6.24260	5.80000	0.44260	7.6%
7 Energy Cost of Sched C & X Econ Purch (Broker)(A9)												
8 Energy Cost of Other Econ Purch (Non-Broker)(A9)												
9 Energy Cost of Sched E Economy Purch (A9)												
10 Demand and Non Fuel Cost of Purchased Power (A9)	11,961,847	11,969,152	(7,305)	-0.1%	336,172	341,182	(5,010)	-1.5%	3.55825	3.50814	0.05011	1.4%
11 Energy Payments to Qualifying Facilities (A8a)												
12 TOTAL COST OF PURCHASED POWER	32,947,734	31,757,709	1,190,025	3.8%	336,172	341,182	(5,010)	-1.5%	9.80086	9.30814	0.49272	5.3%
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					336,172	341,182	(5,010)	-1.5%				
14 Fuel Cost of Economy Sales (A6)												
15 Gain on Economy Sales (A6)												
16 Fuel Cost of Unit Power Sales (SL2 Partpts)(A8)												
17 Other Fuel Related Costs	24,955											
18 TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17)	24,955	0	24,955	0.0%	0	0	0	0.0%	0.0000	0.0000	0.0000	0.0%
19 NET INADVERTENT INTERCHANGE												
20 TOTAL FUEL AND NET POWER TRANSACTIONS (LINES 5 + 12 + 18 + 19)	32,972,689	31,757,709	1,214,980	3.8%	336,172	341,182	(5,010)	-1.5%	9.80828	9.30814	0.50014	5.4%
21 Net Unbilled Sales	1,392,285	0	1,392,285	0.0%	14,195	0	14,195	0.0%	0.45169	0.00000	0.45169	0.0%
22 Company Use	28,444	31,834	(3,390)	-10.7%	280	342	(62)	-15.2%	0.00823	0.00997	(0.00074)	-7.4%
23 T & D Losses	1,318,919	2,005,718	(686,799)	-34.2%	13,447	21,548	(8,101)	-37.6%	0.42789	0.62818	(0.20029)	-31.9%
24 SYSTEM KWH SALES	32,972,689	31,757,709	1,214,980	3.8%	308,240	319,292	(11,052)	-3.5%	10.69709	9.94629	0.75080	7.6%
25 Wholesale KWH Sales												
26 Jurisdictional KWH Sales	32,972,689	31,757,709	1,214,980	3.8%	308,240	319,292	(11,052)	-3.5%	10.69709	9.94629	0.75080	7.6%
26a Jurisdictional Loss Multiplier	1.000	1.000	0.000	0.0%	1.000	1.000	0.000	0.0%	1.000	1.000	0.00000	0.0%
27 Jurisdictional KWH Sales Adjusted for Line Losses	32,972,689	31,757,709	1,214,980	3.8%	308,240	319,292	(11,052)	-3.5%	10.69709	9.94629	0.75080	7.6%
28 GPIF**												
29 TRUE-UP**	187,657	187,657	0	0.0%	308,240	319,292	(11,052)	-3.5%	0.06088	0.05877	0.00211	3.6%
30 TOTAL JURISDICTIONAL FUEL COST	33,160,346	31,945,366	1,214,980	3.8%	308,240	319,292	(11,052)	-3.5%	10.75796	10.00506	0.75290	7.5%
31 Revenue Tax Factor									1.00072	1.00072	0.00000	0.0%
32 Fuel Factor Adjusted for Taxes									10.76571	10.01226	0.75345	7.5%
33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)									10.766	10.012	0.754	7.5%

*Included for Informational Purposes Only
 **Calculation Based on Jurisdictional KWH Sales

EXHIBIT NO. _____
 DOCKET NO. 090001-E1
 FLORIDA PUBLIC UTILITIES COMPANY
 (CDY-2)
 PAGE 3 OF 3

REVISED

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 090001-EI
CONTINUING SURVEILLANCE AND REVIEW OF
FUEL COST RECOVERY CLAUSES OF ELECTRIC UTILITIES

REVISED

Direct Testimony of
Curtis D. Young
On Behalf of
Florida Public Utilities Company

- 1 Q. Please state your name and business address.
- 2 A. Curtis D. Young, 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. Yes.
- 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 preparation of the various schedules that we have submitted
- 11 to support our calculation of the levelized fuel adjustment factor
- 12 for January 2010 - December 2010.
- 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 A. We have filed Schedules E1-A, E1-B, and E1-B1 for Marianna and E1-
- 19 A, E1-B, and E1-B1 for Fernandina Beach. They are included in
- 20 Composite Prehearing Identification Number CDY-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 2009 -
- 23 December 2009 based on 6 Months Actual and 6 Months Estimated data.
- 24 Q. Please address the calculations of the total true up amount to be

DOCUMENT NUMBER-DATE

10314 OCT-6 8

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1 collected or refunded during January 2010 - December 2010.

2 A. We have determined that at the end of December 2009 based on six
3 months actual and six months estimated, we will under-recover
4 \$1,725,320 in purchased power costs in our Marianna division. In
5 Fernandina Beach we will have under-recovered \$825,258 in purchased
6 power costs.

7 Q. What are the final remaining true-up amounts for the period January
8 2008 - December 2008 for both divisions?

9 A. In Marianna, the final remaining true-up amount was an over-
10 recovery of \$591,984. The final remaining true-up amount for
11 Fernandina Beach was an over-recovery of \$1,659,809.

12 Q. What are the estimated true-up amounts for the period January 2009
13 - December 2009?

14 A. In Marianna, there is an estimated under-recovery of \$2,317,304.
15 Fernandina Beach has an estimated under-recovery of \$2,485,067.

16 Q. Are there any other issues relevant to this docket that you wish to
17 present at this time?

18 A. Yes. On January 26, 2009, Smurfit-Stone Container Corporation filed
19 for bankruptcy protection. Smurfit-Stone is a Florida Public
20 Utilities Company customer in the Northeast Division and is billed
21 under the General Service Large Demand 1 (GSLD1) rate. In order to
22 capture the pre- and post-bankruptcy cost that resulted, two
23 separate bills were generated based on the criteria set forth in
24 the GSLD1 rate structure. Based on the demand components of the
25 billing methodology, the sum of the two bills exceeded the fuel
26 revenue amount that would have been billed if the bankruptcy had
27 not occurred and only one bill was generated. The net amount of the
28 GSLD1 excess fuel revenue adjustment is \$100,076 (see attached
29 Exhibit 1 for this calculation).

1 Q. What effect, if any, has this adjustment had on the fuel cost
2 recoveries of the other remaining customer classes.

3 A. None. The fuel costs allocated to the remaining customer classes
4 and all over and under recoveries for these customers are
5 appropriate and would be the same if the bankruptcy did not occur.

6 Q. What is the appropriate treatment for the GSLD1 fuel billing
7 adjustment?

8 A. Since this adjustment is specific to one GSLD1 Customer and the
9 tariff and fuel clause requires direct pass-through of fuel costs
10 to this type of customer, no over or under recoveries should exist.
11 It would be appropriate to apply the excess fuel revenue billed to
12 this specific GSLD1 customer against the portion of their
13 bankruptcy-related bad debt write-off that is related to fuel
14 revenues. The net result of this adjustment would be a reduction to
15 GSLD1 fuel revenue of \$100,148 (see attached Exhibit 1 for this
16 calculation) and a reduction of the GSLD1 Accounts Receivable (pre-
17 bankruptcy bad debt write-off) on the fuel revenue portion only.

18 Q. Does this conclude your testimony?

19 A. Yes.