

ORIGINAL**Matilda Sanders**

From: Ann Bassett [abassett@lawfla.com]
Sent: Monday, October 03, 2005 4:11 PM
To: Filings@psc.state.fl.us
Subject: docket 050001-EI
Attachments: 2005-10-03, FPUC's Preliminary List of Issues and Positions.pdf

The person responsible for this electronic filing is:

Norman H. Horton, Jr.
 Messer, Caparello & Self, P.A.
 P.O. Box 1876
 Tallahassee, FL 32302-1876
 (850) 222-0720
nhorton@lawfla.com

The Docket No. is 050001-EI Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor

This is being filed on behalf of Florida Public Utilities Company

Total Number of Pages is 6

Florida Public Utilities Company's Preliminary List of Issues and Positions.

Ann Bassett
 Messer, Caparello & Self, P.A.
 Phone: 850-201-5225
abassett@lawfla.com

CMP _____
 COM 5 _____
 CTR _____
 ECR _____
 GCL _____
 OPC _____
 RCA _____
 SCR _____
 SGA _____
 SEC 1 _____
 OTH _____

10/4/2005

DOCUMENT NUMBER-DATE

09384 OCT-3 2005

FPSC-COMMISSION CLERK

ORIGINAL

LAW OFFICES
Messer, Caparello & Self
A Professional Association

Post Office Box 1876
Tallahassee, Florida 32302-1876
Internet: www.lawfla.com

October 3, 2005

BY ELECTRONIC FILING

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

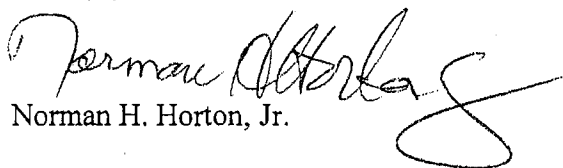
Re: Docket No. 050001-EI

Dear Ms. Bayo:

Enclosed for filing on behalf of Florida Public Utilities Company for filing is an electronic version of Florida Public Utilities Company's Preliminary List of Issues and Positions in the above referenced docket.

Thank you for your assistance in this matter.

Sincerely,


Norman H. Horton, Jr.

NHH:amb
Enclosures

cc: Ms. Cheryl Martin
Parties of Record

DOCUMENT NUMBER - DATE

09384 OCT-3-05

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power)	
Cost Recovery Clause and Generating)	Docket No. 050001-EI
Performance Incentive Factor.)	Filed: October 3, 2005
<hr/>		

**FLORIDA PUBLIC UTILITIES COMPANY'S
PRELIMINARY LIST OF ISSUES AND POSITIONS**

Florida Public Utilities Company ("FPUC"), by and through its undersigned counsel, submits its preliminary list of issues and positions in connection with the hearing that is scheduled for November 7-9, 2005, in the above-styled docket.

ISSUES AND POSITIONS

GENERIC FUEL ADJUSTMENT ISSUES (Witness G. Bachman)

Issue 1: **What are the appropriate fuel adjustment true-up amounts for the period January 2004 through December 2004?**

FPUC's Position:

Marianna:	\$966,961	(underrecovery)
Fernandina Beach:	\$466,181	(underrecovery)

Issue 2: **What are the appropriate estimated fuel adjustment true-up amounts for the period January, 2005 through December, 2005?**

FPUC's Position:

Marianna:	\$246,528	(underrecovery)
Fernandina Beach:	\$489,390	(underrecovery)

Issue 3: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January, 2006 through December, 2006?

FPUC's Position:

Consolidated: \$285,297 (to be collected)

Issue 4: What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2006 through December 2006?

FPUC's Position:

Consolidated: 1.00072

Issue 5: What are the appropriate projected net fuel and purchased power cost recovery amounts to be included in the recovery factor for the period January 2006 through December 2006?

FPUC's Position:

Consolidated: \$29,046,444

Issue 6: What are the appropriate levelized fuel cost recovery factors for the period January 2006 through December 2006?

FPUC's Position:

Consolidated: 2.278¢/kwh

Issue 7: 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?

FPUC's Position:

Consolidated: 1.0000 All Rate Schedules

Issue 8: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

FPUC's Position:

Consolidated:

<u>Rate Schedule</u>	<u>Adjustment</u>
RS	\$.03890
GS	\$.03839
GSD	\$.03576
GSLD	\$.03376
OL, OL1	\$.02737
SL, SL2, SL3	\$.02724

Issue 9: What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

FPUC's Position: FPU's approved fuel adjustment and purchased power cost recovery factors should be effective for all meter readings on or after January 1, 2006, beginning with the first or applicable billing cycle for the period January, 2006.

Issue 10: What are the appropriate actual benchmark levels for calendar year 2005 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FPUC's Position: No position at this time.

Issue 11: What are the appropriate estimated benchmark levels for calendar year 2006 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

COMPANY SPECIFIC ISSUES

FPUC's Position: No position at this time.

Issue 14A: Has Florida Public Utilities Company made the adjustments as noted in Audit Exception No. 1 to Audit No. 05-028-4-2 to its Northeast Division's fuel revenues?

FPUC's Position: Yes.

Issue 14B: What is the appropriate regulatory treatment for fees paid to Christensen and Associates to perform FPUC's request for proposals for wholesale capacity and energy commencing 2008 and develop a rate-smoothing surcharge for 2006 and 2007?

FPUC's Position: Fees paid to Christensen Associates are appropriate for inclusion in the fuel adjustment factor.

ISSUE 14C: Should the Commission grant Florida Public Utilities Company's request to adopt a surcharge to its fuel factor(s) to phase in future higher wholesale capacity and energy costs, expected to begin in January 2008?

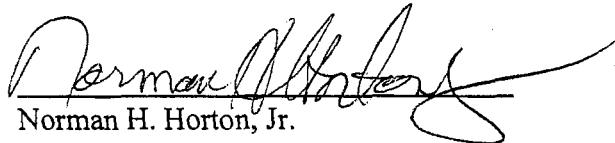
FPUC's Position: Yes. If approved the true-up amounts and factors to be applied should be adjusted to reflect the surcharge.

Issue 14D: Should the Commission grant Florida Public Utilities Company's request to adopt a consolidated fuel factor for its two divisions?

FPUC's Position: Yes.

Dated this 3rd day of October, 2005.

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 the foregoing have been served by U. S. Mail this 3rd day of October, 2005 upon the following:

Adrienne Vining, Esq.
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Blvd., Room 370
Tallahassee, FL 32399-0850

John Butler, P.A.
Squire, Sanders & Dempsey, LLP
200 South Biscayne Boulevard, Suite 4000
Miami, Florida 33131-2398

Patricia Ann Christensen*
Associate Public Counsel
Office of the Public Counsel
c/o The Florida Legislature
111 West Madison St., Rm 812
Tallahassee, FL 32399-1400

Mark Hoffman, Esq.
Legal Department
CSX Transportation
500 Water Street, 14th Floor
Jacksonville, FL 32202

Timothy J. Perry, Esq.
McWhirter, Reeves, Davidson Kaufman
& Arnold, P.A.
117 S. Gadsden St
Tallahassee, FL 32301

Ms. Angela Llewellyn
Administrator, Regulatory Coordination
Tampa Electric Co.
P.O. Box 111
Tampa, FL 33601-0111

James A. McGee, Esq.
Progress Energy Florida, Inc.
P.O. Box 14042
St. Petersburg, FL 33733-4042

John W. McWhirter, Esq.
McWhirter, Reeves, Davidson Kaufman
& Arnold, P.A.
400 N. Tampa Street, Suite 2450
Tampa, FL 33602

Jon C. Moyle, Jr.
Moyle, Flanigan, Katz, Raymond & Sheehan, P.A.
118 N. Gadsden Street
Tallahassee, FL 32301

Gary Perko, Esq.
Hopping, Green Sams and Smith
P.O. Box 6526
Tallahassee, FL 32314

Ms. Susan D. Ritenour
Secretary and Treasurer
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780

Jeffrey A. Stone, Esq.
Russell A. Badders, Esq.
Beggs & Lane Law firm
P.O. Box 12950
Pensacola, FL 32591-2950

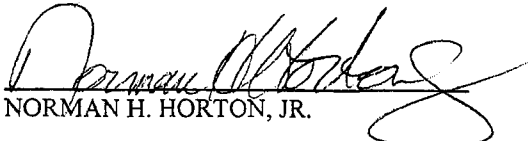
William G. Walker, III
Florida Power & Light Company
215 S. Monroe St., Suite 810
Tallahassee, FL 32301-1859

Lee L. Willis, Esq.
James D. Beasley, Esq.
Ausley & McMullen
Post Office Box 391
Tallahassee, FL 32302

Robert Scheffel Wright
John Thomas LaVia, III
Landers & Parsons, P.A.
P.O. Box 271
Tallahassee, FL 32302

Lieutenant Colonel Karen White
Major Craig Paulson
AFCEA/ULT
139 Barnes Drive
Tyndall Air Force Base, FL 32403

Michael B. Twomey
P.O. Box 5256
Tallahassee, FL 32314-5256


NORMAN H. HORTON, JR.