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June 22, 1998

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Betty Easley Conference Center, Room 110 Tallahassee, Florida 32399-0850

Re: Docket No. 980001-EI Dear Ms. Bayo:

cc: All Parties of Record

WAS .

Enclosed herewith for filing in the above-referenced docket on behalf of Florida Public Utilities Company ("FPUC") are the following documents:

- Original and fifteen copies of Petition for Approval of Florida Public Utilities Company's Fuel Adjustment and Purchased Power Cost Recovery Factors, 06592-98
 - Original and fifteen copies of Direct Testimony of George M. Bachman, and 06593-98

HAND DELIVERY

3. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and fifteen copies of the Composite Exhibit GMB-1 for the Marianna and Fernandina Beach divisions. Original and Fernandina Beach divisions. Original

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power)	Docket No. 980001-EI
Cost Recovery Clause and Generating)	
Performance Incentive Factor.)	Filed: June 22, 1998
)	

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

Florida Public Utilities Company ("FPU"), by and through its undersigned counsel, submits this Petition for approval of FPU's proposed fuel adjustment and purchased power cost recovery factors for each of its two electric divisions for the period October 1998 through December 1998. In support of its Petition, FPU states as follows:

All notices, pleadings and orders should be directed to:

Kenneth A. Hoffman, Esq. Rutledge, Ecenia, Underwood, Purnell & Hoffman, P.A. P. O. Box 551 Tallahassee, FL 32302-0551 (850) 681-6788

and

Mr. Jack English President Florida Public Utilities Company P. O. Box 3395 West Palm Beach, Florida 33402-3395

2. The exact name of Petitioner and the address of its principal business office is:

Florida Public Utilities Company P. O. Box 3395 West Palm Beach, Florida 33402-3395

- 3. In accordance with the procedures established in this docket, FPU has prepared and filed direct testimony¹ and Composite Exhibit GMB-1² in support of its proposed fuel and purchased power adjustment factors. This eviden Jemonstrates that the total fuel and purchased power adjustment factors for the period October 1998 through December 1998 should be 2.112 cents-per-KWH for the Marianna division and 2.006 cents-per-KWH for the Fernandina Beach division.
- 4. As demonstrated in the direct testimony and Exhibit GMB-1, the final remaining fuel and purchased power adjustment true-up amounts for the period October 1997 through March 1998 is an over-recovery of \$125,045 for Marianna, and an over-recovery of \$121,303 for Fernandina Beach.
- 5. The testimony and exhibits also demonstrate that based upon actual data for April and May, 1998 and projected data for June 1998 through September 1998, the estimated fuel and purchased power adjustment true-up amounts for the period April 1998 through September 1998 are an over-recovery of \$47,885 for Marianna, and an over-recovery of \$125,825 for Fernandina Beach.
- 6. The total true-up amounts to be refunded for the period October 1998 through December 1998 are \$172,930 for Marianna and \$247,128 for Fernandina Beach. The appropriate levelized fuel adjustment and purchased power cost recovery factors for the period October 1998 through December 1998, adjusted for line loss multipliers and including taxes, are as follows:

¹The direct testimony of Mr. George Bachman is filed with this Petition and is incorporated herein.

²Composite Exhibit GMB-1, which consists of Schedules E-1, E1-A, E1-B, E-1B-1, E-2, E-7 and E-10 for Marianna (pages 1-8) and Schedules E-1, E1-A, E1-B, E-1B-1, E -2, E-7, E-8, and E-10 for Fernandina Beach (pages 9-18), is being filed with this Petition and is incorporated herein.

MARIANNA

Rate Schedule	Adjustment
RS	\$0.04140
GS	\$0.04070
GSD	\$0.03580
GSLD	\$0.03440
OL	\$0.02592
SL	\$0.02601
GS GSD GSLD OL	\$0.04070 \$0.03580 \$0.03440 \$0.02592

FERNANDINA BEACH

Rate Schedule	Adjustment
RS	\$0.03595
GS	\$0.03446
GSD	\$0.03164
CSL	\$0.02253
OL	\$0.02253
SL	\$0.02253

 FPU's approved fuel adjustment and purchased power cost recovery factors should be effective for all meter readings or, or after October 1, 1998, beginning with the first or applicable billing cycle for the period October, 1998.

WHEREFORE, Florida Public Utilities Company requests the Commission to approve its above-stated fuel adjustment and purchased power cost recovery factors for the Marianna and Fernandina Beach divisions to be applied to customer bills for the period October 1998 through December 1998, and to billings thereafter until such time as another cost recovery factor is approved by the Commission.

Dated this 22nd day of June, 1998.

Respectfully submitted,

Kenneth A (Hoffman, Esq. Rutledge, Ecenne, Underwood, Purnell & Hoffman, P.A.

P. O. Box 551

Tallahassee, FL 32302-0551

(850) 681-6788

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was furnished by U.S. Mail to the following this 22nd day of June, 1998:

Leslie J. Paugh, Esq. Florida Public Service Commission 2540 Shumard Oak Boulevard Room 370 Gerald L. Gunter Building Tallahassee, Florida 32399-0850

James Beasley, Esq. Ausley McMullen P. O. Box 391 Tallahassee, FL 32302

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KENNETH A. DOFFMAN, ESQ