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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

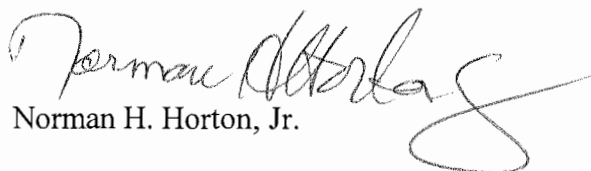
Re: Docket No. 050001-EI

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

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
_____)

**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?

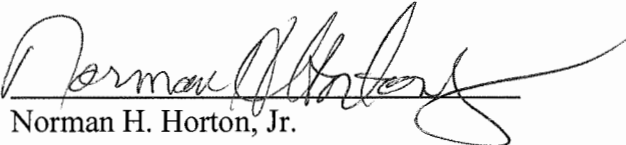
FPUC's Position: Yes. If approved the true-up amounts and factors to be applied should be adjusted to reflect the surcharge.

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.
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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:

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