

State of Florida



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Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: July 14, 2008
TO: Ann Cole, Office of Commission Clerk
FROM: John Slemkewicz, Division of Economic Regulation *JS*
Ralph Jagger, Office of the General Counsel
RE: *RJ* Docket No. 041441-GU - Florida Public Utilities Company Storm Cost Recovery
Surcharge - Administrative Closing

Per Order No. PSC-05-1040-PAA-GU, this docket could be closed administratively once the staff verified that the true-up has been completed. Staff has reviewed the attached documents and has determined that the appropriate true-up of the storm surcharge has been completed. Therefore, this docket can be closed.)

OK to close 7/15/08 hms

DOCUMENT NUMBER-DATE

06067 JUL 15 8

FPSC-COMMISSION CLERK



RECEIVED SERVICE
COMMISSION
08 JUL 14 AM 9:53
DIVISION OF
ECONOMIC REGULATION

July 10, 2008

Mr. John Slemkewicz
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Dear Mr. Slemkewicz:

We have attached a copy of the storm reserves and storm surcharge data requested.

If you need any additional information or have any questions, you may contact me at (561) 838-1725.

Sincerely,

A handwritten signature in cursive script that reads "Cheryl Martin".

Cheryl Martin
Controller

DOCUMENT NUMBER-DATE

06067 JUL 15 8

FPUC NATURAL GAS DIVISION

Date	Account Description	Beginning Balance	Storm Charges	Collected/ Recovered Amt **	Interest Amt	Overearnings Applied	Ending Balance
2005	Unrecovered Storm Cost 1820.31						-
2006	Unrecovered Storm Cost 1820.31	-	13,286.60				13,286.60
2007	Unrecovered Storm Cost 1820.31	13,286.60				(13,286.60) *	
3 Years Cumulative Change			13,286.60	-	-	(13,286.60)	
2005	Regulatory Asset Storm Resv. 1820.32	-	469,801.37 @	(23,123.79)	5,649.51	-	452,327.09
2006	Regulatory Asset Storm Resv. 1820.32	452,327.09		(203,082.97)	20,795.25	-	270,039.37
2007	Regulatory Asset Storm Resv. 1820.32	270,039.37		(163,543.87)	9,236.19	(115,731.69) *	
3 Years Cumulative Change			469,801.37	(389,750.63)	35,680.95	(115,731.69)	
2005	NG Storm Reserve 2280.12	-	88,515.21			(117,773.49) +	(29,258.28)
2006	NG Storm Reserve 2280.12	(29,258.28)	29,258.28				-
2007	NG Storm Reserve 2280.12	-				(612,773.82) *	(612,773.82)
3 Years Cumulative Change			117,773.49	-	-	(730,547.31)	

YEARLY SUMMARY OF NATURAL GAS STORM HARDENING ACTIVITIES 2005-2007

2005	Unrecovered Cost + RA Resv. + NG Resv.	-	558,316.58	(23,123.79)	5,649.51	(117,773.49) +	423,068.81
2006	Unrecovered Cost + RA Resv. + NG Resv.	423,068.81	42,544.88	(203,082.97)	20,795.25	-	283,325.97
2007	Unrecovered Cost + RA Resv. + NG Resv.	283,325.97	-	(163,543.87)	9,236.19	(741,792.11) *	(612,773.82)
Yearly Cumulative Change			600,861.46	(389,750.63)	35,680.95	(859,565.60)	(612,773.82)

* 2005 OE Interest on OE 741,792.11 10/25/05 Order by Comm. PSC-05-1040-PAA-GU Docket #070107-GU

+ 2002 OE 117,773.49 10/25/05 Order by Comm. PSC-05-1040-PAA-GU

** Maximum 500,187.00 Max storm damage recovery allowed by 10/25/05 Order by Comm. PSC-05-1040-PAA-GU

Storm Charges Recovered
 @ Cost To be Recovered 2005 469,801.37
 Collected/ Recovered Amt ** (389,750.63)
 Interest 35,680.95
 2005 Overearnings Applied (115,731.69)
 Balance as of 12/31/07 -

3 Years Cumulative
 Storm Charges 600,861.46
 Collected/ Recovered Amt ** (389,750.63)
 Interest Amt 35,680.95
 Overearnings Applied (859,565.60)
 NG Reserve 12/31/07 Bal. 2280.12 (612,773.82)

DOCUMENT NUMBER-DATE
 06067 JUL 15 08
 FPSC-COMMISSION CLERK

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
100.2280.12 - Natural Gas Storm Reserve
Dec-07**

Prepared by: N Bhatia
Date: 07/08/08

Approved by: _____
Date: _____

DATE	Accruals/Transfers	Storm Charges	Overearnings (JE 5)	Balance
BALANCES				0.00
Jan-07		0.00		0.00
Feb-07		0.00		0.00
Mar-07		0.00		0.00
Apr-07		0.00		0.00
May-07		0.00		0.00
Jun-07		0.00		0.00
Jul-07		0.00		0.00
Aug-07		0.00		0.00
Sep-07		0.00	610,069.25	610,069.25
Oct-07		0.00		610,069.25
Nov-07		0.00	2,704.57	612,773.82
Dec-07		0.00		612,773.82
	0.00	0.00	612,773.82	

Note: \$117,773 of 2002 excess earnings was ordered by the Commission on 10/25/05 to be considered as an offset to future storm restoration costs. The \$117,773 of excess earnings was offset by March 2006, and the balance of March's storm costs were transferred to account 121.1820.31. Future storm costs will be posted to that account.

Sep-07 Per Order # PSC-05-1040-PAA-GU issued 10/25/05, Docket # 070107-GU, staff recommends the the total 2005 excess earnings of \$735,182, including interest should first be used to offset the uncollected remainder of the NG storm surcharge. FPUC should stop collecting the NG storm surcharge in the first billing cycle within a new calendar month 30 days after the order approving this recommended offset becomes final. The remaining amount of the 2005 excess earning should be applied to the storm reserve to cover future storm-related costs.

	<u>09/30/07</u>
2005 Over-earning Balance #2290.1	735,182.00
Less amt. applied to 121.1820.31 Unrecovered Storm Costs	(13,286.00)
Less amt. applied to 121.1820.32 Regulatory Asset Storm reserve (surcharge)	(118,436.86)
Plus Interest for Aug & Sept on Ovr Ern	6,610.11
	<u>610,069.25</u>
November 2007 Final bal. Trnsf	2,704.57
Remainder Trnsf to 2280.12 for NG Storm Reserve to cover future storm-related costs	<u>\$ 612,773.82</u>

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
100.2280.12 - Natural Gas Storm Reserve
December 2006**

Prepared by: N Bhatia
Date: 07/08/08

Approved by: _____
Date: _____

DATE	Accruals/ Transfers	Storm Charges	Overearnings (JE 5)	Balance
BALANCES				(29,258.28)
Jan-06		23,333.88		(5,924.40)
Feb-06		5,310.62		(613.78)
Mar-06	(1,278.39)	1,892.17		0.00
Apr-06	0.00	0.00		0.00
May-06	0.00	0.00		0.00
Jun-06		10.59		10.59
Jul-06		(10.59)		0.00
Aug-06		0.00		0.00
Sep-06		0.00		0.00
Oct-06		0.00		0.00
Nov-06		0.00		0.00
Dec-06		0.00		0.00
	<u>(1,278.39)</u>	<u>30,536.67</u>	<u>0.00</u>	

Note: \$117,773 of 2002 excess earnings was ordered by the Commission on 10/25/05 to be considered as an offset to future storm restoration costs. The \$117,773 of excess earnings was offset by March 2006, and the balance of March's storm costs were transferred to account 121.1820.31. Future storm costs will be posted to that account.

In June 2006 \$10.59 was posted to this account in error. It was corrected in July

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
100.2280.12 - Natural Gas Storm Reserve
Storm Damage Reserve Summary
December 2005**

Prepared By: Catherine Hulme
Approved By:

DATE	Accruals (JE 19)	Storm Charges	Interest Income	Overearnings (JE 5)	Recovery Amount	Balance
BALANCES	0.00	0.00	0.00	0.00	0.00	0.00
Jan-05	0.00	0.00	0.00	0.00	0.00	0.00
Feb-05	0.00	0.00	0.00	0.00	0.00	0.00
Mar-05	0.00	0.00	0.00	0.00	0.00	0.00
Apr-05	0.00	0.00	0.00	0.00	0.00	0.00
May-05	0.00	0.00	0.00	0.00	0.00	0.00
Jun-05	0.00	0.00	0.00	0.00	0.00	0.00
Jul-05	0.00	0.00	0.00	0.00	0.00	0.00
Aug-05	0.00	0.00	0.00	0.00	0.00	0.00
Sep-05	(59,069.61)	516,443.50	12,427.48	(117,773.49)	(469,801.37)	(117,773.49)
Oct-05	0.00	0.00	408.93	0.00	0.00	(117,364.56)
Nov-05	0.00	0.00	(408.93)	0.00	0.00	(117,773.49)
Dec-05	0.00	88,515.21	0.00	0.00	0.00	(29,258.28)
	<u>(59,069.61)</u>	<u>604,958.71</u>	<u>12,427.48</u>	<u>(117,773.49)</u>	<u>(469,801.37)</u>	

Note: \$117,773 of 2002 excess earnings was ordered by the Commission on 10/25/05 to be considered as an offset to future storm restoration costs

The balance of \$352,027.88 in account 121.1820.31 at Sep 30, 2005 was transferred to:
 100.2280.12: (117,773.49)
 121.1820.32: 469,801.37

The \$408.93 posted in error in Oct 05 was transferred to account 121.1820.32 in Nov 05

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
121.1820.32 - Regulatory Asset Storm Reserve
November-07**

Prepared by: N Bhatia
Date: 7/8/08

Approved by: _____
Date: _____

DATE	Charges to be Recovered	Interest Income	Recovered Amount	Over Earnings (JE5)	Balance
BALANCES	469,801.37	26,444.76	(226,206.76)		270,039.37
Jan-07		1,426.77	(21,939.03)		249,527.11
Feb-07		1,190.63	(21,863.22)		228,854.52
Mar-07		1,208.99	(22,876.81)		207,186.70
Apr-07		1,059.21	(18,491.51)		189,754.40
May-07		1,002.42	(15,339.64)		175,417.18
Jun-07		896.79	(14,443.50)		161,870.47
Jul-07		855.12	(12,783.75)		149,941.84
Aug-07		820.44	(11,733.74)		139,028.54
Sep-07		724.97	(11,020.81)	(118,436.86)	10,295.84
Oct-07		50.85	(13,051.86)		(2,705.17)
Nov-07		0.00	0.00	2,705.17	0.00
Dec-07				Closed	
	469,801.37	35,680.95	(389,750.63)	(115,731.69)	0.00
MAX:	500,187.00	5,295.32	(389,750.63)	(115,731.69)	-

Notes: 1. The maximum amount (including interest and taxes) ordered by the Commission on 10/25/05 to be collected against the storm damage reserve is \$500,187 (before notification is required.) The order provides for true-up provisions The recovery period starts 30 days after the date of issuance of the Agency Action Order which is 11/23/05. Recovery needs to stop after 2.5 years (5/23/08). See copy of Order No. PSC -05-1040-PAA-GU in folder

Sep-07 Per Order # PSC-05-1040-PAA-GU issued 10/25/05, in Docket # 070107-GU, staff recommends the total 2005 excess earnings of \$735,182, including interest should first be used to offset the uncollected remainder of the NG storm surcharge. FPUC should stop collecting the NG storm surcharge in the first billing cycle within a new calendar month 30 days after the order approving this recommended offset becomes final. The remaining amount of the 2005 excess earning should be applied to the storm reserve to cover future storm-related costs.

9/30/2007 Per this order, transfer amount needed from our 2005 over earning account #2290.1 to cover the balance in this account and stop surcharge.

469,801	Storm charges recovered
35,681	Int on Storm charges recovered
505,482	Cumulative costs and interest charged against the storm damage reserve 2280.12
500,187	Max. amount per Order above
5,295	Over charge to the Storm Reserve account
5,295	Over charge to the Storm Reserve account
500,187	Max. amount per Order above
(389,751)	Total collected for storm costs
(115,732)	Transferred from our 2005 OE acct. #2290.1 to cover remaining bal. per new Order on 9/07 (\$118,436.86 transferred in Oct. & \$2704.57 in Nov)
0	Final Account Balance

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
121.1820.32 - Regulatory Asset Storm Reserve
December 2006**

Prepared by: N Bhatia
Date: 7/8/08

Approved by: _____
Date: _____

DATE	Recovery Amount	Interest Income	Recovered Amount	Balance
BALANCES	469,801.37	5,649.51	(23,123.79)	452,327.09
Jan-06		1,960.11	(23,354.58)	430,932.62
Feb-06		1,722.58	(22,776.04)	409,879.16
Mar-06		1,863.66	(20,212.33)	391,530.49
Apr-06		1,780.71	(17,886.92)	375,424.28
May-06		1,831.47	(14,537.23)	362,718.52
Jun-06		1,761.55	(12,663.43)	351,816.64
Jul-06		1,806.10	(12,251.23)	341,371.51
Aug-06		1,754.11	(11,597.70)	331,527.92
Sep-06		1,592.42	(20,419.28)	312,701.06
Oct-06		1,651.93	(12,553.05)	301,799.94
Nov-06		1,546.63	(15,602.09)	287,744.48
Dec-06		1,523.98	(19,229.09)	270,039.37
	<u>469,801.37</u>	<u>26,444.76</u>	<u>(226,206.76)</u>	<u>270,039.37</u>

MAX: 500,187.00 (226,206.76) 273,980.24 *

Notes: 1. The maximum amount (including interest and taxes) ordered by the Commission on 10/25/05 to be collected against the storm damage reserve is \$500,187 (before notification is required.) The order provides for true-up provisions The recovery period starts 30 days after the date of issuance of the Agency Action Order * which is 11/23/05. Recovery needs to stop after 2.5 years (5/23/08). See copy of Order No. PSC -05-1040-PAA-GU in folder

Cumulative costs and interest charged against the storm damage reserve:	496,246
Maximum amount to be collected for the storm damage reserve:	500,187
Total amount collected for the storm damage costs:	226,207

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
121.1820.32 - Regulatory Asset Storm Reserve
Storm Damage Reserve Summary
December 2005**

Prepared By: Catherine Hulme
Approved by:

DATE	Recovery Amount	Interest Income	Recovered Amount	Balance	Maximum Amount
BALANCES	0.00			0.00	
Jan-05	0.00			0.00	
Feb-05	0.00			0.00	
Mar-05	0.00			0.00	
Apr-05	0.00			0.00	
May-05	0.00			0.00	
Jun-05	0.00			0.00	
Jul-05	0.00			0.00	
Aug-05	0.00			0.00	
Sep-05	469,801.37			469,801.37	500,187.00
Oct-05	0.00			469,801.37	500,187.00
Nov-05	0.00	1,585.38		471,386.75	500,187.00
	0.00	1,972.45		473,359.20	500,187.00
Dec-05			(3,529.55)		
	0.00	2,091.68	(19,594.24)	452,327.09	500,187.00
	<u>469,801.37</u>	<u>5,649.51</u>	<u>(23,123.79)</u>		

- Notes: 1. The maximum amount (including interest and taxes) ordered by the Commission on 10/25/05 to be charged against the storm damage reserve is \$500,187
The recovery period starts 30 days after the date of issuance of the Agency Action Order
See copy of Order No. PSC -05-1040-PAA-GU in folder
2. The balance of \$352,027.88 in account 121.1820.31 at Sep 30, 2005 was transferred to:
100.2280.12: (\$117,773.49)
121.1820.32: 469,801.37
3. \$408.93 of interest income for Oct 05 was transferred from account 100.2280.12 in Nov 05
4. The recovery proceeds for Nov 05 (11/23-11/30) of \$3,529.55 were booked in Dec 05

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
121.1820.31 - Unrecovered Storm Costs
Nov-07**

Prepared by: _____ N Bhatia
Date: _____ 12/20/07

Approved by: _____
Date: _____

DATE	Accruals/Transfers	Storm Charges (JE 34)	Over earnings (JE 5)	Balance
BALANCES				13,286.60
Jan-07		0.00		13,286.60
Feb-07		0.00		13,286.60
Mar-07		0.00		13,286.60
Apr-07		0.00		13,286.60
May-07		0.00		13,286.60
Jun-07		0.00		13,286.60
Jul-07		0.00		13,286.60
Aug-07		0.00		13,286.60
Sep-07		0.00	(13,286.00)	0.60
Oct-07		0.00		0.60
Nov-07		0.00	(0.60)	0.00
Dec-07			Closed	
	0.00	0.00	(13,286.60)	

Note: \$117,773 of 2002 excess earnings was ordered by the Commission on 10/25/05 to be considered as an offset to future storm restoration costs.
The \$117,773 of excess earnings was offset by March 2006, and the balance of 2006's storm costs were transferred to this account to be considered for future relief.
All additional storm costs will be posted to this account for consideration for future relief.
As of 12/31/06, total storm relate costs not recovered was \$13,286.60

Sep-07 Per Order # PSC-05-1040-PAA-GU issued 10/25/05, in Docket # 070107-GU, staff recommends the the total 2005 excess earnings of \$735,182, including interest should first be used to offset the uncollected remainder of the NG storm surcharge. FPUC should stop collecting the NG storm surcharge in the first billing cycle within a new calendar month 30 days after the order approving this recommended offset becomes final. The remaining amount of the 2005 excess earning should be applied to the storm reserve to cover future storm-related costs.

9/30/2007 Per this order, \$13,286.60 was transferred from our 2005 over earning account #2290.1 to cover the balance in this account.

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
121.1820.31 - Unrecovered Storm Costs
December 2006**

Prepared by: N Bhatia

Date: 7/8/08

Approved by: _____

Date: _____

DATE	Accruals/Transfers	Storm Charges (JE 34)	Over earnings (JE 5)	Balance
BALANCES				0.00
Jan-06				0.00
Feb-06				0.00
Mar-06	1,278.39			1,278.39
Apr-06		2,685.00		3,963.39
May-06				3,963.39
Jun-06				3,963.39
Jul-06		10.59		3,973.98
Aug-06		992.41		4,966.39
Sep-06		8,320.21		13,286.60
Oct-06				13,286.60
Nov-06				13,286.60
Dec-06				13,286.60
	<u>1,278.39</u>	<u>12,008.21</u>	<u>0.00</u>	

Note: \$117,773 of 2002 excess earnings was ordered by the Commission on 10/25/05 to be considered as an offset to future storm restoration costs. The \$117,773 of excess earnings was offset by March 2006, and the balance of March's storm costs were transferred to this account. Future storm costs will be posted to this account.

**Florida Public Utilities Company
NATURAL GAS DIVISIONS
121.1820.31 - Accumulated Provisions for Property Insurance
Storm Damage Reserve Summary
December 2005**

Prepared By: Catherine Hulme
Approved by:

DATE	Accruals (JE 19)	Storm Charges	Interest Income (JE 6)	Overearnings (JE 5)	Balance	Maximum
BALANCES FORWARD	(59,069.61)	555,334.40	0.00	(79,810.49)	416,454.30	
Jan-05	0.00	0.00	0.00	0.00	416,454.30	
Feb-05	0.00	1,200.00	0.00	0.00	417,654.30	
Mar-05	0.00	3,156.33	5,548.13	0.00	426,358.76	
Apr-05	0.00	0.00	1,046.53	0.00	427,405.29	
May-05	0.00	(2,609.65)	0.00	0.00	424,795.64	
Jun-05	0.00	1,335.45	2,161.51	(37,963.00)	390,329.60	
Jul-05	0.00	2,998.35	1,144.27	0.00	394,472.22	
Aug-05	0.00	3,901.24	1,237.65	0.00	399,611.11	
Sep-05	0.00	(48,872.62)	1,289.39	0.00	352,027.88	
Transferred to 2280.12	59,069.61	(516,443.50)	(12,427.48)	117,773.49	0.00	
Oct-05	0.00	0.00	0.00	0.00	0.00	
Nov-05	0.00	0.00	0.00	0.00	0.00	
Dec-05	0.00	0.00	0.00	0.00	0.00	
	<u>0.00</u>	<u>(0.00)</u>	<u>0.00</u>	<u>0.00</u>		

Note:

The balance of \$352,027.88 at Sep 30, 2005 was transferred to:
100.2280.12: (117,773.49)
121.1820.32: 469,801.37