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Writer's E-Mail Address: bkeating@gunster.com

September 14, 2011

BY HAND DELIVERY

Ms. Ann Cole Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 110003-GU - Purchased Gas Adjustment ("PGA") True-Up.

Dear Ms. Cole:

Enclosed for filing in the referenced Docket, please find the original and 15 copies of Florida Public Utilities Company's Petition for Approval of PGA Factor, along with the supporting Testimony of Ms. Cheryl Martin and her Composite Exhibit CMM-1. The referenced Attachment is also provided in native format on CD.

Thank you for your assistance with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,

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Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 (850) 521-1706

DOCUMENT NUMBER (CATE 06634 SEP 14 =



215 South Monroe Street, Suite 601 Tallahassee, FL 32301-1804 p 850-521-1980 f 850-576-0902 GUNSTER.COM **B_ACTIVE 4898640.1** Fort Lauderdale | Jacksonville | Miami | Palm Beach | Stuart | Tallahassee | Vero Beach | West Palm Beach

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Adjustment (PGA) True-Up

Docket No. 110003-GU

Filed: September 14, 2011

PETITION FOR APPROVAL OF THE PURCHASED GAS (PGA) FACTOR FOR FLORIDA PUBLIC UTILITIES COMPANY

Florida Public Utilities Company ("FPUC" or "the Company") hereby files its petition for

approval of its Purchased Gas Adjustment ("PGA") factor to be applied for service to be rendered

during the projected period of January 1, 2012 through December 31, 2012. In support of this

Petition, FPUC states:

1. The Company is a natural gas utility with its principal office located at:

)

Florida Public Utilities Company 401 South Dixie Highway West Palm Beach, FL 33401

The name and mailing address of the persons authorized to receive notices are: 2.

| Beth Keating | Cheryl Martin |
|----------------------------------|----------------------------------|
| Gunster, Yoakley & Stewart, P.A. | Florida Public Utilities Company |
| 215 South Monroe St., Suite 618 | 401 S Dixie Hwy. |
| Tallahassee, FL 32301 | West Palm Beach, FL 33401 |
| (850) 521-1706 | |

- Pursuant to the requirements in this docket, FPUC, concurrently with the filing of this 3. petition. files testimony and Schedules E-1, E-1R, E-2, E-3, E-4, and E-5 (Exhibit CMM-1) for its consolidated gas division to support the calculation of the PGA recovery (cap) factor for the period January 2012 through December 2012.
- As indicated in the testimony of Ms. Cheryl Martin, FPUC has calculated its total net true-up 4. (including interest and applicable regulatory assessment fees) for the period January 2010 through December 2010 to be an under-recovery of \$2,562,014, inclusive of interest.

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- Schedule E-4 also shows the projected true-up for the current period January 2011 through December 2011 is an over-recovery of \$2,151,001, inclusive of interest.
- 6. The total true-up as shown on Schedule E-4 is an under-recovery of \$411,013, to be applied to the projected period.
- 7. The projected period costs include amounts associated with anticipated capacity costs for extending service to unserved areas in Nassau County. These costs are reflected in Schedules E-1 and E-3, which are incorporated in composite Exhibit CMM-1 to the Direct Testimony of Cheryl M. Martin. The Company seeks recovery of these costs consistent with prior Commission rulings allowing recovery of similar such costs. Overall, this expansion in Nassau County will not only benefit customers that currently do not have access to gas service, but will also benefit all of FPUC's customers in that it will enable the Company to allocate fixed costs over a broader base of customers.
- 8. Based on the estimated therm purchases for resale during the projected period, Schedule E-1 reflects that the maximum purchased gas cost recovery factor is 79.064 cents per therm. This rate includes not only the projected cost of gas purchased, but also the prior period true-up and revenue tax factors.

WHEREFORE, FPUC respectfully requests that the Commission enter its Order approving the Company's proposed PGA cost recovery factor of 79.064 cents per therm to be applied to customer's bills for the period January 2012 through December 2012.

RESPECTFULLY SUBMITTED this 14th day of September, 2011.

Beth Keating Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 618
Tallahassee, FL 32301
(850) 521-1706
Attorneys for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of FPUC's Petition for Approval of the Purchased Gas (PGA) True-Up Amount in Docket No. 110003-GU has been furnished by regular U.S. Mail to the following parties of record this 14th day of September, 2011:

| Cheryl Martin | Ansley Watson, Jr. |
|--|-----------------------------------|
| Florida Public Utilities Company | MacFarlane Ferguson Law Firm |
| 401 South Dixie Hwy.West Palm Beach, FI | |
| 33401 | Tampa, FL 33601-1531 |
| | |
| | J.R. Kelly/Patricia Christensen |
| | Office of Public Counsel |
| | c/o The Florida Legislature |
| | 111 West Madison Street |
| | Room 812 |
| | Tallahassee, FL 32399-1400 |
| | |
| Paula Brown | Mr. Stuart L. Shoaf |
| Peoples Gas System | St. Joe Natural Gas Company, Inc. |
| P.O. Box 111 | P.O. Box 549 |
| Tampa, FL 33601-0111 | Port St. Joe, FL 32457-0549 |
| | |
| TECO Energy, Inc. | Elizabeth Wade/David Weaver/Brian |
| Javier Cuebas | Sulmonetti |
| P.O. Box 111 | AGL Resources Inc. |
| Tampa, FL 33601-0111 | Ten Peachtree Place |
| | Location 1470 |
| | Atlanta, GA 30309 |
| Melvin Williams | Jennifer Crawford |
| | Florida Public Service Commission |
| Florida City Gas 933 East 25 th Street | 2540 Shumard Oak Boulevard |
| | Tallahassee, FL 32399 |
| Hialeah, FL 33013-3498 | |
| | |

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