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October 4, 2016

**VIA E-PORTAL – ELECTRONIC FILING**

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

**Re: Docket No. 160002-EG – Energy Conservation Cost Recovery Clause**

Dear Ms. Stauffer:

Attached for electronic filing, please find Florida Public Utilities Company's Prehearing Statement.

Should you have any questions whatsoever, please do not hesitate to contact me. Thank you for your assistance in this matter.

Sincerely,



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

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Energy Conservation Cost     )  
Recovery Clause.                     )  
\_\_\_\_\_ )             Filed: October 4, 2016

**FLORIDA PUBLIC UTILITIES COMPANY'S  
PREHEARING STATEMENT**

Consistent with Order No. 16-0102-PCO-EG, issued March 11, 2016, as subsequently modified, Florida Public Utilities Company ("FPUC") hereby submits this Prehearing Statement:

a.     All Known Witnesses

<u>Witness</u>	<u>Subject</u>	<u>Issue</u>
Curtis Young	Final True Up 2015	1
Kira I. Lake	2016 Cost Recovery Amounts and Factors for 2017	2 - 4

b.     All Known Exhibits

<u>Witness</u>	<u>Exhibit</u>	<u>Title</u>
Curtis D. Young	CDY-1(composite)	Schedules CT-1, CT-2, CT-3, CT-4, CT-5 and CT-6
Kira I. Lake	KIL-1 (composite)	Schedules C-1, C-2, C-3, C-4, and C-5

c. FPUC's Statement of Basic Position

FPUC: The Commission should approve Florida Public Utilities Company's final net true-up for the period January through December 2015, the estimated true-up for the period January through December, 2016, and the projected conservation program expenses for the period January through December, 2017.

d. FPUC's Position on the Issues

**GENERIC CONSERVATION COST RECOVERY ISSUES**

**ISSUE 1: What are the final conservation cost recovery true-up amounts for the period January 2015 through December 2015?**

FPUC: The Company under-recovered \$117,309, resulting in a final end of period true-up amount over-recovery of \$85,928.

**ISSUE 2: What are the total conservation cost recovery amounts to be collected during the period January 2017 through December 2017?**

FPUC: FPUC seeks to recover \$639,081 over the period January 2017 through December 2017.

**ISSUE 3: What are the conservation cost recovery factors for the period January 2017 through December 2017?**

FPUC: The Company asks for approval of a consolidated levelized conservation cost recovery factor for this period of \$.00100 per KWH.

**ISSUE 4: What should be the effective date of the new conservation cost recovery factors for billing purposes?**

FPUC: The factor should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2017 through December 2017. Billing cycles may start before January 1, 2017 and the last cycle may be read after December 31, 2017, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

**ISSUE 7: Should the Commission approve revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding?**

FPUC: Yes. The Commission should approve revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision.

e. Stipulated Issues

While not a party to any stipulations at this time, FPUC believes that it should be possible to reach a stipulation on each of the issues as they pertain to FPUC.

f. Pending Motions

FPUC filed a Notice of Joinder in the Joint Petition for Waiver of Rule 25-17.015(1)(b), F.A.C., filed by the other investor-owned utilities on August 19, 2016. The Joint Petition for Waiver is scheduled to be considered by the Commission on October 11, 2016.

Docket No. 160002-EG  
October 4, 2016

g. Pending Confidentiality Claims or Requests

FPUC's Request for Confidentiality of Certain Information in Audit Workpapers, filed July 15, 2016.

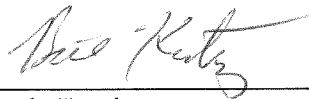
h. Objections to Witness Qualifications as an Expert

FPUC has no objections to any witnesses' qualifications at this time.

i. Compliance with Order No. 16-0102-PCO-EG

FPUC has complied with all requirements of the Order Establishing Procedure entered in this docket.

RESPECTFULLY SUBMITTED this 4th day of October, 2016.



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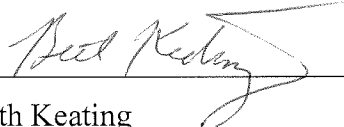
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**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 4th day of October, 2016.

Florida Public Utilities Company Mike Cassel 1750 S 14th Street, Suite 200 Fernandina Beach, FL 32034 <a href="mailto:mcassel@fpuc.com">mcassel@fpuc.com</a>	Jon C. Moyle, Jr., Esq. Moyle Law Firm 118 North Gadsden St. Tallahassee, FL 32301 <a href="mailto:jmoyle@moylelaw.com">jmoyle@moylelaw.com</a>
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