ORIGINAL

RUTLEDGE, ECENIA, UNDERWOOD, PURNELL & HOFFMAN

PROFESSIONAL ASSOCIATION ATTORNEYS AND COUNSELORS AT LAW

STEPHEN A ECENIA
JOHN R ELLIS
KENNETH A HOFFMAN
THOMAS W KONRAD
MICHAEL G MAIDA
J STEPHEN MENTON
R DAVID PRESCOTT
HAROLD F X PURNELL

GARY R RUTLEDGE R MICHAEL UNDERWOOD

WAS ____Enclosures

__cc: All Parties of Record

POST OFFICE BOX 551, 32302-0551 215 SOUTH MONROE STREET, SUITE 420 TALLAHASSEE, FLORIDA 32301-1841 OF COUNSEL CHARLES / DUDLEY

TELEPHONE (850) 681-6788 TELECOPIER (850) 681-6515 GOVERNMENTAL CONSULTANTS PATRICK R MALOY AMY J YOUNG

October 5, 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 HAND DELIVERY

RECEIVED FOSC

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

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;

Original and fifteen copies of Direct Testimony of George M. Bachman; and 10893-98

ACK AFA U	3. Original and	i fifteen copies of the Composite Exhibit GMB-2 for the Marianna and		
APP	— Please acknowledge	e receipt of these documents by stamping the extra copy of this letter		
CAF	"filed" and returning the same to me.			
CMU				
CTR	Thank you for your	assistance with this filing.		
EAG) DO	Thank you for your	Sincerely,		
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Kenneth A. Hoffman RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER - DATE

10892 OCT-58

FPSC-RECORDS/REPORTING

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: October 5, 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 January 1999 through December 1999. 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. George Bachman Director Florida Public Utilities Company P. O. Box 3395 West Palm Beach, Florida 33402-3395

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

DOCUMENT NUMBER-DATE

10892 OCT-58

- 3. In accordance with the procedures established in this docket, FPU has prepared and filed direct testimony¹ and Composite Exhibit GMB-2² in support of its proposed fuel and purchased power adjustment factors. This evidence demonstrates that the total fuel and purchased power adjustment factors for the period January 1999 through December 1999 should be 2.293 cents-per-KWH for the Marianna division and 2.042 cents-per-KWH for the Fernandina Beach division.
- 4. As demonstrated in the direct testimony and Exhibit GMB-2, 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 1998 through August 1998 and projected data for September 1998 through December 1998, the estimated fuel and purchased power adjustment true-up amounts for the period April 1998 through December 1998 are an over-recovery of \$64,938 for Marianna, and an under-recovery of \$(5.409) for Fernandina Beach.
- 6. The total true-up amounts to be refunded for the period January 1999 through December 1999 are \$60,107 for Marianna and \$126,712 for Fernandina Beach. The appropriate levelized fuel adjustment and purchased power cost recovery factors for the period January 1999

^{&#}x27;The direct testimony of Mr. George Bachman is filed with this Petition and is incorporated herein.

³Composite Exhibit GMB-2, 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.

through December 1999, adjusted for line loss multipliers and including taxes, are as follows:

MARIANNA

Rate Schedule	Adjustment
RS	\$0.04077
GS	\$0.04014
GSD	\$0.03584
GSLD	\$0.03461
OL	\$0.02730
SL	\$0.02695

FERNANDINA BEACH

Rate Schedule	Adjustment
RS	\$0.03762
GS	\$0.03599
GSD	\$0.03297
CSL	\$0.02310
OL	\$0.02310
SL	\$0.02310

 FPU's approved fuel a.ljustment and purchased power cost recovery factors should be effective for all meter readings on or after January 1, 1999, beginning with the first or applicable billing cycle for the period January, 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 January 1999 through December 1999, and to billings thereafter ur.til such time as another cost recovery factor is approved by the Commission.

Dated this 5th day of October, 1998.

Respectfully submitted,

Kenneth A. Hottman, Esq.

Rutledge, Eceria, Underwood, Purnell & Hoffman, P.A. P. O. Box 551

Tallahassee, FL 32302-0551

(850) 681-6788

CERTIFICATE OF SERVICE

I LEREBY CERTIFY that a copy of the foregoing was furnished by U.S. Mail to the following this 5th day of October, 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

Jeffrey Stone, Esq. Beggs & Lane P. O. Box 12950 Pensacola, FL 32576-2950

Joseph A. McGlothlin, Esq. Vicki Kaufman, Esq. McWhirter Law Firm 117 S. Gadsden Street Tallahassee, FL 32301

John W. McWhirter, Jr., Esq. McWhirter Law Firm P. O. Box 3350 Tampa, FL 33601-3350

James A. McGee, Esq. Florida Power Corporation P. O. Box 14042 St. Petersburg, FL 33733-4042

Matthew Childs, Esq. 215 S. Monroe Street Suite 601 Tallahassee, FL 32301 Roger Howe, Esq. Office of Public Counsel 111 W. Madison St., #812 Tallahassee, FL 32399-1400

KENNETH A HOFFMAN, ESQ