

MESSER CAPARELLO & SELF, P.A.

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February 12, 2009

COMMISSION  
CLERK

**BY HAND DELIVERY**

Ms. Ann Cole, Director  
Commission Clerk and Administrative Services  
Room 110, Easley Building  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Re: Docket 090001-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Public Utilities Company are the following documents:

1. An original and 15 copies of the Petition of Florida Public Utilities Company for Approval of Mid Course Correction;
2. An original and 15 copies of the Direct Testimony of Mark Cutshaw; and
3. An original and 15 copies of Schedules E-1, E-1A, E-2, E-7, E-8, E10, and F1.

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning the same to me.

COM \_\_\_\_\_

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SGA 1

ADM \_\_\_\_\_

CLK \_\_\_\_\_

Thank you for your assistance with this filing.

Sincerely yours,

Norman H. Horton, Jr.

NHH/amb  
Enclosures

cc: Ms. Cheryl M. Martin  
Parties of Record

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Fuel and Purchased Power Cost )  
Recovery Clause and Generating )  
Performance Incentive Factor )  
\_\_\_\_\_ )

Docket No. 090001-EI  
Filed: February 12, 2009

**PETITION OF FLORIDA PUBLIC UTILITIES COMPANY  
FOR APPROVAL OF MID COURSE CORRECTION**

Florida Public Utilities Company ("FPUC"), hereby files this petition and requests approval by the Public Service Commission ("Commission") of a revision to the purchased power cost recovery factor to be effective upon approval by the Commission. In support of this petition, FPUC states:

1) FPUC is a public utility subject to the jurisdiction of the Commission pursuant to Chapter 366, Florida Statutes. The exact name of Petitioner and the address of its principal office is

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

2) The names and mailing addresses of the persons authorized to receive notices and communications with respect to this Petition are:

Norman H. Horton, Jr.  
Messer, Caparello & Self, P. A.  
2618 Centennial Place  
Tallahassee, FL 32308  
(850)222-0720

Mr. Cutis D. Young  
Senior Regulatory Accountant  
Florida Public Utilities Company  
Post Office Box 3395  
West Palm Beach, FL 33402-3395  
(561)838-1735

3) In Order No. PSC-08-0824-FOF-EI, issued December 22, 2008, in Docket 080001-EI, the Commission approved a factor for FPUC to use to recover purchased power costs in its Northeast division for 2009. The factor currently applied to customer bills in the Northeast Division is 6.419

cents per KWH and is based upon projections and calculations which were reviewed by the Commission in the most recent purchased power cost recovery proceedings. Since FPUC does not generate any power but purchases all of its power from other providers, the projections are based on the requirements of the purchased power agreements.

4) Since the factor was approved for FPUC, the Company has received notification from the power provider for the Northeast Division that fuel costs, which are charged to the Company, will increase significantly effective March 1, 2009. These increases exceed the projected costs provided in Docket No. 080001-EI and will create a substantial under recovery this year.

5) As reflected in the attached schedules and testimony of Mr. Mark Cutshaw, the Company projects an underrecovery of \$2,671,081 as of year end. This is a significant amount which if not currently recovered, will add to the projected recovery in 2010. The attached schedules reflect an overrecovery through the end of March 2009 of \$1,637,098 which has been applied to the projections but even with the overrecovery, the projected underrecovery for 2009 due to the increase in the purchased power cost will be \$2,671,081.

6) In order to at least reduce the projected underrecovery, the Company requests that the Commission authorize an adjustment to the previously authorized recovery factor. As reflected on the attached schedules, the revised recovery factor to be applied to bills from April 2009 – December 2009 is 6.851 cents per KWH in the Northeast Division. With this revision a residential customer using 1,000 KWH will pay \$133.72, an increase of \$11.33 from the previous period.


7) The Company is requesting this revision at this time in order to avoid possibly higher increases in 2010 and to mitigate an added financial burden of customers. A revision now enables recovery of the costs in the period when incurred. The Company also requests that the Commission

approve this mid-course correction without a hearing. A hearing will unduly delay recovery of the underrecovered amounts and impose unnecessary demands on personnel resources for all parties as well as cause all parties to incur additional expenses. The Commission will have an opportunity to review and analyze the data more thoroughly with the scheduled review in Docket 090001-EI. The Commission will have the opportunity to make adjustments as may be necessary at that time and flow any adjustment through to the customers, thus they will be protected from any change which may be found to be imprudent.

WHEREFORE, Florida Public Utilities Company requests that the Commission approve a revision of the purchased power cost recovery factor to 6.851 cents per KWH for the Northeast Division effective at the time of the Commission vote and to continue in effect until subsequent modification by this Commission.

DATED this 12<sup>th</sup> day of February, 2009.

Respectfully submitted,  
MESSER, CAPARELLO & SELF, P. A.  
2618 Centennial Place  
Tallahassee, FL 32308  
(850) 222-0720

  
NORMAN H. HORTON, JR., ESQ.

Attorneys 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 12<sup>th</sup> day of February, 2009 upon the following:

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