

FLORIDA PUBLIC SERVICE COMMISSION

Item 11

VOTE SHEET

FILED JUL 10, 2014
DOCUMENT NO. 03604-14
FPSC - COMMISSION CLERK

July 10, 2014

Docket No. 140025-EI – Application for rate increase by Florida Public Utilities Company.

Issue 1: Should the \$5,852,171 permanent base rate increase and its associated tariff revisions requested by FPUC be suspended pending a final decision in this docket?

Recommendation: Yes. The \$5,852,171 permanent base rate increase and its associated tariff revisions requested by FPUC should be suspended pending a final decision in this docket.

APPROVED

Issue 2: Is FPUC's proposed rate base of \$54,511,326 for the interim historical test year for the 12-month period ended September 30, 2013, appropriate?

Recommendation: Yes. FPUC's proposed rate base of \$54,511,326 for the interim historical test year for the 12-month period ended September 30, 2013, is appropriate.

APPROVED

COMMISSIONERS ASSIGNED: Edgar, Balbis, Brown

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Julie M

Lin E

M. P. L.

REMARKS/DISSENTING COMMENTS:

Docket No. 140025-EI – Application for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 3: Are FPUC's proposed return on equity of 10.00 percent and overall cost of capital of 6.37 percent appropriate for the purpose of determining interim rates?

Recommendation: No. Although FPUC's proposed return on equity of 10.00 percent is appropriate, the Company's proposed overall cost of capital of 6.37 percent is not appropriate. The appropriate overall cost of capital for purposes of determining interim rates is 6.13 percent.

APPROVED

Issue 4: Is FPUC's proposed net operating income of \$1,981,784 for the interim historical test year for the 12 months ended September 30, 2013, appropriate?

Recommendation: Yes. FPUC's proposed net operating income of \$1,981,784 for the interim historical test year for the 12-month period ended September 30, 2013, is appropriate.

APPROVED

Issue 5: Is FPUC's proposed net operating income multiplier of 1.6335 appropriate?

Recommendation: Yes. The appropriate net operating income multiplier for purposes of determining interim rates is 1.6335.

APPROVED

Issue 6: Should FPUC's requested interim rate increase of \$2,433,314 and percentage increase factor of 14.91 percent be granted?

Recommendation: No. An interim rate increase of \$2,221,168 with a percentage increase factor of 13.61 percent should be granted.

APPROVED

Docket No. 140025-EI – Application for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 7: How should the interim revenue increase for FPUC be distributed among the rate classes?

Recommendation: The percentage increase factor recommended in Issue 6 should be applied uniformly to all existing base rates and charges to derive the interim base rates and charges, as required by Rule 25-6.0435, Florida Administrative Code (F.A.C.). The interim rates should be made effective for all meter readings made on or after 30 days from the date of the vote approving any interim increase. FPUC should file revised tariff sheets for administrative approval that reflect the Commission-approved percentage increase factor and resulting interim rates. FPUC should give notice to customers of the interim increase commencing with the first bill for service that reflects the approved increase. A copy of the notice should be submitted to staff for approval prior to its issuance.

APPROVED

Issue 8: What is the appropriate security to guarantee the amount collected subject to refund?

Recommendation: The appropriate security to guarantee the funds collected subject to refund is a corporate undertaking contingent on receipt of a written guarantee by CUC.

APPROVED

Issue 9: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission's final resolution of the Company's requested rate increase.

APPROVED