

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

September 5, 2017

E-PORTAL FILING

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

Re: Docket No. 20170150-EI - Petition for limited proceeding to include reliability and modernization projects in rate base, by Florida Public Utilities Company.

Dear Ms. Stauffer:

Attached, please find Florida Public Utilities Company's responses to staff's third set of data requests in the referenced docket.

As always, please don't hesitate to let me know if you have any questions. Thank you for your assistance with this filing.

Kind regards,



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

cc:/ (Office of Public Counsel)

Re: Docket No. 20170150-EI- Petition for limited proceeding to include reliability and modernization projects in rate base by Florida Public Utilities Company.

Florida Public Utilities Company's Response to Staff's Third Data Request

1. Please refer to Florida Public Utilities Company's (FPUC) Responses to Staff's First Data Request, in Docket No. 20170150-EI, Nos. 1 and 4, as well as Attachment A (Excel file) submitted with these responses.
 - a. Please identify the Florida Public Service Commission (FPSC) Order authorizing the annual depreciation rate of 4.4% associated with account "[b]attery [s]torage (363)," shown in cell D100.
 - b. FPSC Rule 25-6.0142(3), Florida Administrative Code (F.A.C.), requires that: "[t]he Director of the Division of Economics, Florida Public Service Commission, shall be notified annually of additions and subdivisions to the utility's retirement unit List with explanations of the nature and justification." Has FPUC filed such an update detailing the addition of battery storage equipment investments (that are included for recovery in the Company's petition in this docket) to any of its pre-existing Federal Energy Regulatory Commission Accounts that are listed on FPSC Order No. PSC-15-0575-PAA-EI?1
 - c. Please confirm that the total investment amount associated with "[b]attery [s]torage (363)," shown in cell AH77, is included in the 2017 total Jurisdictional Per Books Plant in Service amount (\$10,679,670) found in the Direct Testimony of FPUC Witness Cassel, Exhibit MDC-1, Page 2 of 7, Line 3, Column 1.
 - d. Please confirm that the Accumulated Depreciation amount associated with "[b]attery [s]torage (363)," shown in cell AH81 is included in the 2017 total Accumulated Provision for Depreciation and Amortization amount (negative \$209,778) found in the Direct Testimony of FPUC Witness Cassel, Exhibit MDC-1, Page 2 of 7, Line 3, Column 2.
 - e. Please confirm that the depreciation expense amount associated with "[b]attery [s]torage (363)," found in cell AH116, is included in the 2017 Adjusted Jurisdictional Amount (\$461,353) found in FPUC Witness Cassel's Exhibit MDC-1, Page 4 of 7, Line 11, column 7.
 - f. Please explain why the expense amount contained in cell AH106, for account "Structures (352)" is a negative \$11,612.

Company Response:

- a) **FPUC has determined the amount charged to the battery storage account #363, which depreciates at a rate of 4.4%, was placed there in error. This amount is related to the rebuild of the Chip Mill substation and should be in**

¹ Order No. PSC-15-0575-PAA-EI, issued December 21, 2015, in Docket No. 150162-EI, *In re: Petition for approval of 2015 depreciation study by Florida Public Utilities Company.*

the station equipment account #362, which depreciates at 2.4%. The impact of this correction is a reduction to the revenue requirement of \$20,806 and is reflected in the revised Attachment A filed in response to this request.

- b) FPUC has not filed an annual update detailing the addition of battery storage equipment investments. The balance in account 363 (battery storage) was placed there in error.**
- c) See FPUC's response to part A above.**
- d) See FPUC's response to part A above.**
- e) See FPUC's response to part A above.**
- f) The expense amount contained in cell AH106, for account "Structures (352) is negative because it reflects a credit made to the FPL Interconnect project for equipment owned by FPUC and being transferred to FPL as part of the project.**

Docket No. 20170150-EI – Petition for limited proceeding to include reliability and modernization projects in rate base, by Florida Public Utilities Company.

ATTACHMENT A

Florida Public Utilities Company
Limited Proceeding Electric
Estimated First Year Revenue Requirements

Docket No.
Exhibit MDC-1 Page 1 of 7
Schedule A-1

1 Project Capital Cost	\$ 15,241,515
2 13-Month Average Projected Capital Cost	\$ 12,060,074
Revenue Requirement Calculation	Projected 2017
3 Jurisdictional Adjusted Rate Base	\$ 11,861,352
4 Rate of Return on Rate Base	5.7200%
5 Required Jurisdictional Net Operating Income (Line 2 x 3)	<u>\$ 678,469</u>
6 Required Net Operating Income (Line 4)	\$ 678,469
7 Jurisdictional Adjusted Net Operating Income (Loss)	\$ (425,334)
8 Net Operating Income Deficiency (Excess) (Line 5-6)	<u>\$ 1,103,804</u>
9 Net Operating Income Multiplier	1.6335
10 Revenue Requirement (Line 7 x 8)	<u><u>\$ 1,803,063</u></u>

Florida Public Utilities Company
 Limited Proceeding Electric
 Modernization & Storm Hardening Initiatives

Exhibit MDC-2 Page 1 of 2
 Docket No.: 0

Initiative	Project	Cost Completed	2017 Forecast	Total	Revenue Requirement
FPL Interconnect	FPL Interconnect	\$ 941,208	\$ 1,989,460	\$ 2,930,668	\$ 307,283
Install New SCADA at JLT and SD	Modernization/Safety	\$ 1,058,910		\$ 1,058,910	\$ 139,858
Loop Underground Feed in Amelia Park Subdivision NE Division	Modernization/Safety	\$ 38,255		\$ 38,255	\$ 4,318
Miscellaneous Underground Cable Replacement Northwest Division	Modernization/Safety	\$ 10,867	\$ 100,000	\$ 110,867	\$ 8,919
Purchase and Install Electronic Recloser NW Division	Modernization/Safety	\$ 124,961	\$ 25,000	\$ 149,961	\$ 19,951
Replace Conduit/Cable-Forrest Ridge Condos NE Division	Modernization/Safety	\$ 225,929		\$ 225,929	\$ 30,585
SHN Reclosers NE Division	Modernization/Safety		\$ 100,000	\$ 100,000	\$ 8,481
Substation Voltage Regulators NW Division	Modernization/Safety	\$ 198,183	\$ 60,000	\$ 258,183	\$ 29,917
Apalachicola River Crossing	Storm Hardening		\$ 1,500,000	\$ 1,500,000	\$ 119,596
Decayed Pole Replacements from Osmose Pole Inspections Both Divisions	Storm Hardening	\$ 572,919	\$ 150,000	\$ 722,919	\$ 108,795
Extend Underground Feeder #312 Airport to S. Fletcher -Cond./SW. NE Division	Storm Hardening	\$ 701,257	\$ -	\$ 701,257	\$ 86,420
Overhead Reconductor Along South Fletcher (Atlantic to Sadler) NE Division	Storm Hardening	\$ 580,320	\$ 952,273	\$ 1,532,592	\$ 151,729
Phase Down HWY-73	Storm Hardening	\$ 40,939		\$ 40,939	\$ 5,895
RE-Build AIP Substation NE Division	Storm Hardening	\$ 3,124,123		\$ 3,124,123	\$ 415,385
Replace 69KV Pole with Concrete NE Division	Storm Hardening	\$ 2,550,431		\$ 2,550,431	\$ 346,611
Storm Harden Prison Feeder From Substation to High School NW Division	Storm Hardening	\$ 76,481		\$ 76,481	\$ 10,972
Storm Hardening -Jackson County Hospital Feeder NW Division	Storm Hardening		\$ 120,000	\$ 120,000	\$ 8,350
		\$ 10,244,782	\$ 4,996,733	\$ 15,241,515	\$ 1,803,063
Filed					\$ 1,823,869
Difference					\$ (20,806)

Florida Public Utilities Company
 Limited Proceeding Electric Reliability
 Calculation of the Projected Revenue Requirements
 October 1, 2015 through December 31, 2017

Item	Beginning Balance	Current Year Investment			2015 Year End Total/Balance
		Actual 2015 Oct	Actual 2015 Nov	Actual 2015 Dec	
					\$ 2,075,263
Qualified Investment					
Qualified Inv. - Underground Conduit- Current Year 1070 Activity(366)				\$ 7,732	\$ 7,732
Qualified Inv. - Underground Conduit - Closed 1070 Activity to Plant					\$ -
Qualified Inv. - Underground Cond. & Devices- Current Year 1070 Activity (367)				\$ 163,208	\$ 163,208
Qualified Inv. - Underground Cond. & Devices - Closed 1070 Activity to Plant					\$ -
Qualified Inv. - Structures Current Year 1070 Activity (352)			\$ 381,711		\$ 381,711
Qualified Inv. -Structures - Closed 1070 Activity to Plant					\$ -
Qualified Inv. - Concrete Poles Current Year 1070 Activity (3551)	\$ 5,633	\$ 9,687	\$ 1,594	\$ 80,150	\$ 97,064
Qualified Inv. - Concrete Poles - Closed 1070 Activity to Plant					\$ -
Qualified Inv. - OH & Burried Transformers Current Year 1070 Activity (368)	\$ 128			\$ 3,283	\$ 3,410
Qualified Inv. -OH & Burried Transformers - Closed 1070 Activity to Plant					\$ -
Qualified Inv. - OH Conductors & Devices Trans.- Current Year 1070 Activity (356)	\$ 946		\$ 197,434	\$ 62,327	\$ 260,707
Qualified Inv. - OH Conductors & Devices Trans.- Closed 1070 Activity to Plant					\$ -
Qualified Inv. - OH Conductors & Devices Dist.- Current Year 1070 Activity (365)	\$ 18,661	\$ 20,593	\$ 4,107	\$ 28,506	\$ 71,868
Qualified Inv. - OH Conductors & Devices - Dist. Closed 1070 Activity to Plant				\$ (22,184)	\$ (22,184)
Qualified Inv. - Station Equipment Current Year 1070 Activity (353)			\$ 367,804	\$ 37,693	\$ 405,496
Qualified Inv. - Station Equipment - Closed 1070 Activity to Plant					\$ -
Qualified Inv. - Distribution Poles Current Year 1070 Activity (364)	\$ 227,419	\$ 43,272	\$ 31,609	\$ 31,797	\$ 334,097
Qualified Inv. - Distribution Poles - Closed 1070 Activity to Plant		\$ (740)	\$ (2,095)	\$ (297,233)	\$ (300,069)
Qualified Inv. - Distribution Structures Current Year 1070 Activity (361)					\$ -
Qualified Inv. - Distribution Structures - Closed 1070 Activity to Plant					\$ -
Qualified Inv. - Station Equipment Current Year 1070 Activity (362)	\$ 151,491	\$ 9,568	\$ 84,287	\$ 104,624	\$ 349,970
Qualified Inv. - Station Equipment - Closed 1070 Activity to Plant					\$ -
Qualified Inv. - Power Operated Equipment- Current Year 1070 Activity (396)					\$ -
Qualified Inv. - Power Operated Equipment - Closed 1070 Activity to Plant					\$ -
Qualified Inv. - Station Equipment Current Year 1070 Activity (362)					\$ -
Qualified Inv. - Station Equipment - Closed 1070 Activity to Plant					\$ -
Underground Conduit - Current 1010 Activity (Acct. 366)	\$ -	\$ -	\$ -	\$ -	\$ -
Underground Conductors & Devices - Current 1010 Activity (Acct. 367)	\$ -	\$ -	\$ -	\$ -	\$ -
Structures - Current 1010 Activity (Acct. 352)	\$ -	\$ -	\$ -	\$ -	\$ -
Qualified Investment - Concrete Poles Current Year 1010 Activity (Acct. 3551)	\$ -	\$ -	\$ -	\$ -	\$ -
Overhead & Burried Transformers Current Year 1010 Activity (Acct. 368)	\$ -	\$ -	\$ -	\$ -	\$ -
OH Conductors & Devices Transmission- Current Year 1010 Activity (Acct. 356)	\$ -	\$ -	\$ -	\$ -	\$ -
OH Conductors & Devices Distribution- Current Year 1010 Activity (Acct. 365)	\$ -	\$ -	\$ -	\$ 22,184	\$ 22,184
Station Equipment - Current Year 1010 Activity (Account 353)	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Poles Current Year 1010 Activity (Acct. 364)	\$ 740	\$ 2,095	\$ 297,233	\$ -	\$ 300,069
Distribution Structure Current Year 1010 Activity (Acct. 361)	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment Current Year 1010 Activity (Acct. 362)	\$ -	\$ -	\$ -	\$ -	\$ -
Power Operated Equipment- Current Year 1070 Activity (Acct. 396)	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment Current Year 1010 Activity (Acct. 362)	\$ -	\$ -	\$ -	\$ -	\$ -

Florida Public Utilities Company
 Limited Proceeding Electric Reliability
 Calculation of the Projected Revenue Requirements
 October 1, 2015 through December 31, 2017

Item	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Current Year Investment	\$ 8,692,877
	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Year End
Qualified Investment													Total/Balance	
Qualified Inv. - Underground Conduit- Current Year 1070 Activity(366)	\$ 29,600	\$ 4,675	\$ (1,697)	\$ 1,319	\$ 933	\$ 665	\$ (242)	\$ 692	\$ 40	\$ 570	\$ 276,281	\$ 148,318	\$ 461,154	
Qualified Inv. - Underground Conduit - Closed 1070 Activity to Plant		\$ (6,208)	\$ 1,697	\$ (1,319)		\$ (37,027)	\$ (491)	\$ 389	\$ (760)	\$ (266)		\$ (424,902)	\$ (468,886)	
Qualified Inv. - Underground Cond. & Devices- Current Year 1070 Activity (367)	\$ 26,922										\$ 604	\$ 30,495	\$ 61,932	
Qualified Inv. - Underground Cond. & Devices - Closed 1070 Activity to Plant						\$ (190,129)						\$ (35,010)	\$ (225,139)	
Qualified Inv. - Structures Current Year 1070 Activity (352)													\$ -	
Qualified Inv. -Structures - Closed 1070 Activity to Plant													\$ -	
Qualified Inv. - Concrete Poles Current Year 1070 Activity (3551)	\$ 9,145	\$ 208	\$ 21,060	\$ 916,891	\$ 295,308	\$ 21,331	\$ 2,125	\$ 1,713	\$ 320,719	\$ 26,605		\$ 484,932	\$ 2,100,038	
Qualified Inv. - Concrete Poles - Closed 1070 Activity to Plant							\$ (1,363,133)		\$ (2,813)	\$ 398,368		\$ (1,229,524)	\$ (2,197,101)	
Qualified Inv. - OH & Burried Transformers Current Year 1070 Activity (368)	\$ 2,192	\$ 4,156	\$ 10,932	\$ 47,013	\$ 20,294	\$ 19,401	\$ 17,142	\$ 27,405	\$ 2,028	\$ 18,777	\$ 10,559	\$ 192,167	\$ 372,067	
Qualified Inv. -OH & Burried Transformers - Closed 1070 Activity to Plant		\$ (4,644)	\$ (10,932)	\$ (5,896)		\$ (46,002)	\$ (63,610)	\$ (47,250)	\$ (16,056)	\$ (6,614)		\$ (204,474)	\$ (375,477)	
Qualified Inv. - OH Conductors & Devices Trans.- Current Year 1070 Activity (356)	\$ 1,288	\$ 385,748	\$ 40,634	\$ 68,425	\$ 21,908	\$ 1,585	\$ 158	\$ 128	\$ (164,764)	\$ (13,806)	\$ 488	\$ 142,853	\$ 484,646	
Qualified Inv. - OH Conductors & Devices Trans.- Closed 1070 Activity to Plant							\$ (610,698)		\$ (210)	\$ 178,652		\$ (143,341)	\$ (575,597)	
Qualified Inv. - OH Conductors & Devices Dist.- Current Year 1070 Activity (365)	\$ 6,911	\$ 5,743	\$ 34,097	\$ 345,092	\$ 120,417	\$ 15,278	\$ 27,652	\$ 18,914	\$ (104,490)	\$ 12,404	\$ 44,254	\$ 238,153	\$ 764,426	
Qualified Inv. - OH Conductors & Devices - Dist. Closed 1070 Activity to Plant		\$ (8,733)	\$ (10,082)	\$ (2,298)		\$ (32,637)	\$ (512,669)	\$ (32,590)	\$ (4,163)	\$ 138,549		\$ (349,487)	\$ (814,110)	
Qualified Inv. - Station Equipment Current Year 1070 Activity (353)	\$ 18,543	\$ 2,237	\$ 7,259	\$ 86,822	\$ 37,398	\$ 138,283	\$ 20,373	\$ 10,083	\$ 157,422	\$ 15,454		\$ 76,128	\$ 570,002	
Qualified Inv. - Station Equipment - Closed 1070 Activity to Plant												\$ (607,694)	\$ (607,694)	
Qualified Inv. - Distribution Poles Current Year 1070 Activity (364)	\$ 25,100	\$ 21,648	\$ 38,776	\$ 18,894	\$ 42,373	\$ 20,477	\$ 32,057	\$ 43,147	\$ 43,626	\$ 25,419	\$ 79,708	\$ 109,352	\$ 500,575	
Qualified Inv. - Distribution Poles - Closed 1070 Activity to Plant		\$ (9,799)	\$ (5,778)	\$ (1,663)		\$ (7,371)		\$ (6,989)	\$ (3,005)	\$ (2,784)		\$ (493,830)	\$ (531,218)	
Qualified Inv. - Distribution Structures Current Year 1070 Activity (361)													\$ -	
Qualified Inv. - Distribution Structures - Closed 1070 Activity to Plant													\$ -	
Qualified Inv. - Station Equipment Current Year 1070 Activity (362)	\$ 17,820	\$ 643,023	\$ 222,673	\$ 266,147	\$ 201,345	\$ 257,729	\$ 435,011	\$ 97,453	\$ (141,561)	\$ (41,105)	\$ 1,036	\$ 312,868	\$ 2,272,438	
Qualified Inv. - Station Equipment - Closed 1070 Activity to Plant							\$ (1,826,086)		\$ (376,029)	\$ 301,839		\$ (722,132)	\$ (2,622,408)	
Qualified Inv. - Power Operated Equipment- Current Year 1070 Activity (396)													\$ -	
Qualified Inv. - Power Operated Equipment - Closed 1070 Activity to Plant													\$ -	
Qualified Inv. - Station Equipment Current Year 1070 Activity (362)								\$ 975,999	\$ 81,678			\$ 47,923	\$ 1,105,600	
Qualified Inv. - Station Equipment - Closed 1070 Activity to Plant												\$ (1,105,600)	\$ (1,105,600)	
Underground Conduit - Current 1010 Activity (Acct. 366)	\$ -	\$ 6,208	\$ (1,697)	\$ 1,319	\$ -	\$ 37,027	\$ 491	\$ (389)	\$ 760	\$ 266	\$ -	\$ 424,902	\$ 468,886	
Underground Conductors & Devices - Current 1010 Activity (Acct. 367)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 190,129	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,010	\$ 225,139	
Structures - Current 1010 Activity (Acct. 352)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Qualified Investment - Concrete Poles Current Year 1010 Activity (Acct. 3551)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,363,133	\$ -	\$ 2,813	\$ (398,368)	\$ -	\$ 1,229,524	\$ 2,197,101	
Overhead & Burried Transformers Current Year 1010 Activity (Acct. 368)	\$ -	\$ 4,644	\$ 10,932	\$ 5,896	\$ -	\$ 16,002	\$ 63,610	\$ 47,250	\$ 16,056	\$ 6,614	\$ -	\$ 204,474	\$ 375,477	
OH Conductors & Devices Transmission- Current Year 1010 Activity (Acct. 356)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 610,698	\$ -	\$ 210	\$ (178,652)	\$ -	\$ 143,341	\$ 575,597	
OH Conductors & Devices Distribution- Current Year 1010 Activity (Acct. 365)	\$ -	\$ 8,733	\$ 10,082	\$ 2,298	\$ -	\$ 32,637	\$ 512,669	\$ 32,590	\$ 4,163	\$ (138,549)	\$ -	\$ 349,487	\$ 814,110	
Station Equipment - Current Year 1010 Activity (Account 353)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 607,694	\$ 607,694	
Distribution Poles Current Year 1010 Activity (Acct. 364)	\$ -	\$ 9,799	\$ 5,778	\$ 1,663	\$ -	\$ 7,371	\$ -	\$ 6,989	\$ 3,005	\$ 2,784	\$ -	\$ 493,830	\$ 531,218	
Distribution Structure Current Year 1010 Activity (Acct. 361)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Station Equipment Current Year 1010 Activity (Acct. 362)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,826,086	\$ -	\$ 376,029	\$ (301,839)	\$ -	\$ 722,132	\$ 2,622,408	
Power Operated Equipment- Current Year 1070 Activity (Acct. 396)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Station Equipment Current Year 1010 Activity (Acct. 362)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,105,600	\$ 1,105,600	

Florida Public Utilities Company
 Limited Proceeding Electric Reliability
 Calculation of the Projected Revenue Requirements
 October 1, 2015 through December 31, 2017

13-Month
Average

Item

Qualified Investment

Qualified Inv. - Underground Conduit- Current Year 1070 Activity(366)
 Qualified Inv. - Underground Conduit - Closed 1070 Activity to Plant
 Qualified Inv. - Underground Cond. & Devices- Current Year 1070 Activity (367)
 Qualified Inv. - Underground Cond. & Devices - Closed 1070 Activity to Plant
 Qualified Inv. - Structures Current Year 1070 Activity (352)
 Qualified Inv. -Structures - Closed 1070 Activity to Plant
 Qualified Inv. - Concrete Poles Current Year 1070 Activity (3551)
 Qualified Inv. - Concrete Poles - Closed 1070 Activity to Plant
 Qualified Inv. - OH & Burried Transformers Current Year 1070 Activity (368)
 Qualified Inv. -OH & Burried Transformers - Closed 1070 Activity to Plant
 Qualified Inv. - OH Conductors & Devices Trans.- Current Year 1070 Activity (356)
 Qualified Inv. - OH Conductors & Devices Trans.- Closed 1070 Activity to Plant
 Qualified Inv. - OH Conductors & Devices Dist.- Current Year 1070 Activity (365)
 Qualified Inv. - OH Conductors & Devices - Dist. Closed 1070 Activity to Plant
 Qualified Inv. - Statlon Equipment Current Year 1070 Activity (353)
 Qualified Inv. - Statlon Equipment - Closed 1070 Activity to Plant
 Qualified Inv. - Distribution Poles Current Year 1070 Activity (364)
 Qualified Inv. - Distribution Poles - Closed 1070 Activity to Plant
 Qualified Inv. - Distribution Structures Current Year 1070 Activity (361)
 Qualified Inv. - Distribution Structures - Closed 1070 Activity to Plant
 Qualified Inv. - Station Equipment Current Year 1070 Activity (362)
 Qualified Inv. - Station Equipment - Closed 1070 Activity to Plant
 Qualified Inv. - Power Operated Equipment- Current Year 1070 Activity (396)
 Qualified Inv. - Power Operated Equipment - Closed 1070 Activity to Plant
 Qualified Inv. - Station Equipment Current Year 1070 Activity (362)
 Qualified Inv. - Station Equipment - Closed 1070 Activity to Plant

Underground Conduit - Current 1010 Activity (Acct. 366)
 Underground Conductors & Devices - Current 1010 Activity (Acct. 367)
 Structures - Current 1010 Activity (Acct. 352)
 Qualified Investment - Concrete Poles Current Year 1010 Activity (Acct. 3551)
 Overhead & Burried Transformers Current Year 1010 Activity (Acct. 368)
 OH Conductors & Devices Transmission- Current Year 1010 Activity (Acct. 356)
 OH Conductors & Devices Distribution- Current Year 1010 Activity (Acct. 365)
 Station Equipment - Current Year 1010 Activity (Account 353)
 Distribution Poles Current Year 1010 Activity (Acct. 364)
 Distribution Structure Current Year 1010 Activity (Acct. 361)
 Station Equipment Current Year 1010 Activity (Acct. 362)
 Power Operated Equipment- Current Year 1070 Activity (Acct. 396)
 Station Equipment Current Year 1010 Activity (Acct. 362)

Florida Public Utilities Company
 Limited Proceeding Electric Reliability
 Calculation of the Projected Revenue Requirements
 October 1, 2015 through December 31, 2017

Item	Beginning Balance	Current Year Investment			Year End Total/Balance
		Actual 2015 Oct	Actual 2015 Nov	Actual 2015 Dec	
Cumulative					
Cumulative - Underground Conduit 1070 (366)	\$ -	\$ -	\$ -	\$ 7,732	\$ 7,732
Cumulative - Underground Conductors and Devices 1070 (367)	\$ -	\$ -	\$ -	\$ 163,208	\$ 163,208
Cumulative - Structures 1070 (352)	\$ -	\$ -	\$ 381,711	\$ 381,711	\$ 381,711
Cumulative - Concrete Poles Current Year 1070 Activity (3551)	\$ 5,633	\$ 15,320	\$ 16,913	\$ 97,064	\$ 97,064
Cumulative - Overhead & Burried Transformers Current Year 1070 Activity (368)	\$ 128	\$ 128	\$ 128	\$ 3,410	\$ 3,410
Cumulative - OH Conductors & Devices Trans.- Current Year 1070 Activity (356)	\$ 946	\$ 946	\$ 198,380	\$ 260,707	\$ 260,707
Cumulative - OH Conductors & Devices Dist.- Current Year 1070 Activity (365)	\$ 18,661	\$ 39,255	\$ 43,362	\$ 49,684	\$ 49,684
Cumulative - Station Equipment Current Year 1070 Activity (353)	\$ -	\$ -	\$ 367,804	\$ 405,496	\$ 405,496
Cumulative - Distribution Poles Current Year 1070 Activity (364)	\$ 227,419	\$ 269,951	\$ 299,464	\$ 34,028	\$ 34,028
Cumulative - Distribution Structures Current Year 1070 Activity (361)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Station Equipment Current Year 1070 Activity (362)	\$ 151,491	\$ 161,059	\$ 245,346	\$ 349,970	\$ 349,970
Cumulative - Power Operated Equipment- Current Year 1070 Activity (396)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Station Equipment Current Year 1070 Activity (362)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Underground Conduit 1010 (Acct. 366)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Underground Conductors and Devices 1010 (Acct. 367)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Structures 1010 (Acct. 352)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Concrete Poles Current Year 1010 Activity (Acct. 3551)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - OH & Burried Transformers Current Year 1010 Activity (Acct. 368)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - OH Cond. & Devices Trans.- Current Year 1010 Activity (Acct. 356)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - OH Cond. & Devices Dist.- Current Year 1010 Activity (Acct. 365)	\$ -	\$ -	\$ -	\$ 22,184	\$ 22,184
Cumulative - Station Equipment Current Year 1010 Activity (Account 353)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Distribution Poles Current Year 1010 Activity (Acct. 364)	\$ -	\$ 740	\$ 2,835	\$ 300,069	\$ 300,069
Cumulative - Distribution Structures Current Year 1010 Activity (Acct. 361)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Station Equipment Current Year 1010 Activity (Acct. 362)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Power Operated Equipment- Current Year 1010 Activity (Acct. 396)	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative - Station Equipment Current Year 1010 Activity (Acct. 362)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Investment	\$ 404,277	\$ 487,397	\$ 1,555,942	\$ 2,075,263	\$ 2,075,263
Total Qualified Investment	\$ 404,277	\$ 487,397	\$ 1,555,942	\$ 2,075,263	\$ 2,075,263
Less: Accumulated Depreciation		\$ -	\$ (2)	\$ (12)	\$ (12)
Net Book Value	\$ 404,277	\$ 487,397	\$ 1,555,940	\$ 2,075,251	\$ 2,075,251
Remove Beginning CWIP Balance at 9/15					

Depreciation Rates

Approved Depreciation Rate - Underground Conduit (366)	1.80%	1.80%	1.80%
Approved Depreciation Rate - Underground Conductors & Devices (367)	3.20%	3.20%	3.20%
Approved Depreciation Rate - Structures (352)	1.80%	1.80%	1.80%
Approved Depreciation Rate - Concrete Poles (3551)	2.90%	2.90%	2.90%
Approved Depreciation Rate - Transformers (368)	4.00%	4.00%	4.00%
Approved Depreciation Rate - OH Conductors & Devices Transmission (356)	2.50%	2.50%	2.50%
Approved Depreciation Rate - OH Conductors & Devices Distribution (365)	3.40%	3.40%	3.40%
Approved Depreciation Rate - Station Equipment (353)	2.60%	2.60%	2.60%
Approved Depreciation Rate - Distribution Poles (364)	3.90%	3.90%	3.90%
Approved Depreciation Rate - Distribution Structures (361)	1.70%	1.70%	1.70%
Approved Depreciation Rate - Station Equipment (362)	2.40%	2.40%	2.40%
Approved Depreciation Rate - Power Operated Equipment (396)	4.40%	4.40%	4.40%
Approved Depreciation Rate - Station Equipment (362)	2.40%	2.40%	2.40%

Florida Public Utilities Company
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 Calculation of the Projected Revenue Requirements
 October 1, 2015 through December 31, 2017

13-Month
Average

Item

Cumulative	
Cumulative - Underground Conduit 1070 (366)	\$ 17,493
Cumulative - Underground Conductors and Devices 1070 (367)	\$ 119,759
Cumulative - Structures 1070 (352)	\$ 352,778
Cumulative - Concrete Poles Current Year 1070 Activity (3551)	\$ (71,319)
Cumulative - Overhead & Buried Transformers Current Year 1070 Activity (368)	\$ 11,839
Cumulative - OH Conductors & Devices Trans.- Current Year 1070 Activity (356)	\$ 743,744
Cumulative - OH Conductors & Devices Dist.- Current Year 1070 Activity (365)	\$ 17,723
Cumulative - Station Equipment Current Year 1070 Activity (353)	\$ 315,805
Cumulative - Distribution Poles Current Year 1070 Activity (364)	\$ 275,310
Cumulative - Distribution Structures Current Year 1070 Activity (361)	\$ -
Cumulative - Station Equipment Current Year 1070 Activity (362)	\$ 1,551
Cumulative - Power Operated Equipment- Current Year 1070 Activity (396)	\$ -
Cumulative - Station Equipment Current Year 1070 Activity (362)	\$ -
Cumulative - Underground Conduit 1010 (Acct. 366)	\$ 539,589
Cumulative - Underground Conductors and Devices 1010 (Acct. 367)	\$ 302,055
Cumulative - Structures 1010 (Acct. 352)	\$ 86,856
Cumulative - Concrete Poles Current Year 1010 Activity (Acct. 3551)	\$ 1,846,006
Cumulative - OH & Buried Transformers Current Year 1010 Activity (Acct. 368)	\$ 457,389
Cumulative - OH Cond. & Devices Trans.- Current Year 1010 Activity (Acct. 356)	\$ 941,454
Cumulative - OH Cond. & Devices Dist.- Current Year 1010 Activity (Acct. 365)	\$ 885,299
Cumulative - Station Equipment Current Year 1010 Activity (Account 353)	\$ 699,360
Cumulative - Distribution Poles Current Year 1010 Activity (Acct. 364)	\$ 1,178,142
Cumulative - Distribution Structures Current Year 1010 Activity (Acct. 361)	\$ -
Cumulative - Station Equipment Current Year 1010 Activity (Acct. 362)	\$ 2,637,919
Cumulative - Power Operated Equipment- Current Year 1010 Activity (Acct. 396)	\$ -
Cumulative - Station Equipment Current Year 1010 Activity (Acct. 362)	\$ 1,105,600
Total Investment	\$ 12,464,351
Total Qualified Investment	\$ 12,464,351

Less: Accumulated Depreciation	\$ (198,722)
Net Book Value	<u>\$ 12,265,630</u>
Remove Beginning CWIP Balance at 9/15	<u>\$ 404,278</u>
	<u>\$ 11,861,352</u>
	0.0572
	\$ 678,469.35

Depreciation Rates

Approved Depreciation Rate - Underground Conduit (366)	1.80%
Approved Depreciation Rate - Underground Conductors & Devices (367)	3.20%
Approved Depreciation Rate - Structures (352)	1.80%
Approved Depreciation Rate - Concrete Poles (3551)	2.90%
Approved Depreciation Rate - Transformers (368)	4.00%
Approved Depreciation Rate - OH Conductors & Devices Transmission (356)	2.50%
Approved Depreciation Rate - OH Conductors & Devices Distribution (365)	3.40%
Approved Depreciation Rate - Station Equipment (353)	2.60%
Approved Depreciation Rate - Distribution Poles (364)	3.90%
Approved Depreciation Rate - Distribution Structures (361)	1.70%
Approved Depreciation Rate - Station Equipment (362)	2.40%
Approved Depreciation Rate - Power Operated Equipment (396)	4.40%
Approved Depreciation Rate - Station Equipment (362)	2.40%

Florida Public Utilities Company
 Limited Proceeding Electric Reliability
 Calculation of the Projected Revenue Requirements
 October 1, 2015 through December 31, 2017

<u>Item</u>	<u>Beginning</u> <u>Balance</u>	<u>Current Year Investment</u>			<u>\$ 2,075,263</u>
		<u>Actual</u> <u>2015</u> <u>Oct</u>	<u>Actual</u> <u>2015</u> <u>Nov</u>	<u>Actual</u> <u>2015</u> <u>Dec</u>	<u>2015</u> <u>Year End</u> <u>Total/Balance</u>
Investment Expenses					
Depreciation Expense - Underground Conduit (366)		\$ -	\$ -	\$ -	-
Depreciation Expense - Underground Conductors & Devices (367)		\$ -	\$ -	\$ -	-
Depreciation Expense - Structures (352)		\$ -	\$ -	\$ -	-
Depreciation Expense - Concrete Poles (3551)		\$ -	\$ -	\$ -	-
Depreciation Expense -Transformers (368)		\$ -	\$ -	\$ -	-
Depreciation Expense - Overhead Conductors & Devices Transmission (356)		\$ -	\$ -	\$ -	-
Depreciation Expense- Overhead Conductors & Devices Distribution (365)		\$ -	\$ -	\$ -	-
Depreciation Expense - Station Equipment (353)		\$ -	\$ -	\$ -	-
Depreciation Expense - Distribution Poles (364)		\$ 2	\$ 9	\$ 12	12
Depreciation Expense - Distribution Structures (361)		\$ -	\$ -	\$ -	-
Depreciation Expense - Station Equipment (362)		\$ -	\$ -	\$ -	-
Depreciation Expense - Power Operated Equipment (396)		\$ -	\$ -	\$ -	-
Depreciation Expense - Station Equipment (362)		\$ -	\$ -	\$ -	-
Property Taxes 2%				\$	-
Corporate Overhead/Services					-
 Total Expense		<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 9</u>	<u>\$ 12</u>

Florida Public Utilities Company
 Limited Proceeding Electric Reliability
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 October 1, 2015 through December 31, 2017

Item	Actual	Actual	Actual	Actual	Actual to 5/26	Forecast	Forecast	Forecast	Forecast	Forecast	Current Year Investment			\$ 4,877,654
	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	Forecast	Forecast	Forecast	2017
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total/Balance</u>	Year End
Investment Expenses														
Depreciation Expense - Underground Conduit (366)	\$ 703	\$ 703	\$ 703	\$ 719	\$ 733	\$ 733	\$ 804	\$ 804	\$ 804	\$ 954	\$ 954	\$ 954	\$ 954	\$ 9,568
Depreciation Expense - Underground Conductors & Devices (367)	\$ 600	\$ 600	\$ 600	\$ 602	\$ 602	\$ 602	\$ 685	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 7,804
Depreciation Expense - Structures (352)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,366	\$ 4,731
Depreciation Expense - Concrete Poles (3551)	\$ 5,310	\$ 5,310	\$ 5,310	\$ 4,146	\$ 4,146	\$ 4,146	\$ 4,233	\$ 4,233	\$ 4,233	\$ 4,233	\$ 4,233	\$ 4,233	\$ 2,366	\$ 53,763
Depreciation Expense - Transformers (368)	\$ 563	\$ 563	\$ 563	\$ 647	\$ 647	\$ 647	\$ 680	\$ 693	\$ 783	\$ 783	\$ 783	\$ 783	\$ 783	\$ 8,136
Depreciation Expense - Overhead Conductors & Devices Transmission (356)	\$ 1,199	\$ 1,199	\$ 1,199	\$ 1,001	\$ 1,001	\$ 1,001	\$ 1,014	\$ 1,014	\$ 1,014	\$ 1,014	\$ 1,014	\$ 1,014	\$ 6,913	\$ 18,585
Depreciation Expense - Overhead Conductors & Devices Distribution (365)	\$ 2,369	\$ 2,369	\$ 2,369	\$ 1,987	\$ 2,017	\$ 2,017	\$ 2,341	\$ 2,658	\$ 2,658	\$ 2,658	\$ 2,941	\$ 2,941	\$ 2,941	\$ 29,327
Depreciation Expense - Station Equipment (353)	\$ 1,317	\$ 1,317	\$ 1,317	\$ 1,382	\$ 1,382	\$ 1,382	\$ 1,430	\$ 1,430	\$ 1,430	\$ 1,430	\$ 1,430	\$ 1,430	\$ 2,227	\$ 17,472
Depreciation Expense - Distribution Poles (364)	\$ 2,702	\$ 2,702	\$ 2,702	\$ 2,867	\$ 3,096	\$ 3,096	\$ 3,368	\$ 3,655	\$ 4,143	\$ 4,143	\$ 4,143	\$ 4,143	\$ 4,143	\$ 40,759
Depreciation Expense - Distribution Structures (361)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation Expense - Station Equipment (362)	\$ 5,245	\$ 5,245	\$ 5,245	\$ 5,285	\$ 5,285	\$ 5,285	\$ 5,285	\$ 5,285	\$ 5,285	\$ 5,285	\$ 5,285	\$ 5,285	\$ 5,285	\$ 63,301
Depreciation Expense - Power Operated Equipment (396)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation Expense - Station Equipment (362)	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 2,211	\$ 26,534
Property Taxes 2%	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 17,838	\$ 214,052
Corporate Overhead/Services	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 50,000
Total Expense	\$ 44,224	\$ 44,224	\$ 44,224	\$ 42,852	\$ 43,127	\$ 43,127	\$ 44,055	\$ 44,690	\$ 45,267	\$ 45,417	\$ 48,066	\$ 54,761	\$ 544,033	Expense

Florida Public Utilities Company
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<u>Item</u>	13-Month Average
	Full Year Dep. & Tax
Investment Expenses	
Depreciation Expense - Underground Conduit (366)	\$ 11,445
Depreciation Expense - Underground Conductors & Devices (367)	\$ 32,005
Depreciation Expense - Structures (352)	\$ (11,612)
Depreciation Expense - Concrete Poles (3551)	\$ 50,791
Depreciation Expense - Transformers (368)	\$ 9,394
Depreciation Expense - Overhead Conductors & Devices Transmission (356)	\$ 82,953
Depreciation Expense - Overhead Conductors & Devices Distribution (365)	\$ 39,376
Depreciation Expense - Station Equipment (353)	\$ 26,720
Depreciation Expense - Distribution Poles (364)	\$ 108,213
Depreciation Expense - Distribution Structures (361)	\$ -
Depreciation Expense - Station Equipment (362)	\$ 63,422
Depreciation Expense - Power Operated Equipment (396)	\$ -
Depreciation Expense - Station Equipment (362)	\$ 26,534
Property Taxes 2%	\$ 306,006
Corporate Overhead/Services	\$ 50,000
 Total Expense	 <u>\$ 795,247</u> <u>\$ 795,247</u>