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Public Service Commission

September 5, 2019

Beth Keating
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STAFF'S FIRST DATA REQUEST
via e-mail

RE: Docket No. 20190155-EI – Petition for establishment of regulatory assets for expenses not recovered during restoration for Hurricane Michael, by Florida Public Utilities Company.

Docket No. 20190156-EI – Petition for a limited proceeding to recover incremental storm restoration costs, capital costs, revenue reduction for permanently lost customers, and regulatory assets related to Hurricane Michael, by Florida Public Utilities Company.

Dear Ms. Keating and Mr. Munson:

By this letter, the Commission staff requests that Florida Public Utilities Company (FPUC) provide responses to the following data requests:

For Question Nos. 1-9, please refer to the direct testimony of FPUC's witness Cutshaw.

1. Please refer to page 3, lines 21-22. Please describe what effects, if any, that storm hardening had on the restoration efforts.
2. Please refer to page 3, lines 21-23, and page 4, line 1. Please indicate whether or not FPUC has increased, or plans to increase, the number of hardened poles in its service territory due to their success as compared to non-hardened poles during Hurricane Michael.
 - a. If not, please explain.
3. Please refer to page 4, lines 1-3. Please explain how the underground systems were damaged during the clean-up activities.

4. Please refer to page 5, lines 3-11. Please explain how FPUC handled the “logistics difficulties” during Hurricane Michael.
5. Please refer to page 5, lines 8-11. Please indicate whether or not FPUC’s inventory was sufficient during the restoration process.
 - a. If additional resources were required, please explain why, and identify any difficulties experienced in acquiring these resources.
6. Please refer to page 5, lines 13-17.
 - a. Please identify and describe the “special equipment and boats” discussed on line 16.
 - b. How were the “special equipment and boats” acquired? (i.e. rented, purchased, already in inventory, etc.)
 - c. What were the costs associated with the “special equipment and boats”? (i.e. rental, price, fuel, etc.)
 - d. Are the costs for the “special equipment and boats” listed under the “Equipment Rental” on FPUC witness Napier’s exhibit MDN-4?
7. Please refer to page 7, lines 2-5. What resources did FPUC receive from SEE?
8. Please refer to page 8, lines 2-4. Did FPUC reject any resources from SEE?
 - a. If so, please explain why.
9. Please refer to page 10, lines 9-11. What resources did FPUC need outside of those provided by SEE?

For Question Nos. 10-13, please refer to the direct testimony of FPUC’s witness Cassel.

10. Please refer to page 6, lines 5-8. Please detail the vehicle fuel supply disruptions FPUC experienced during its restoration process. As part of this response, please explain how these issues were rectified.
11. Please refer to page 8, lines 13-15.
 - a. How much equipment needed to be replaced due to the storm?
 - b. Has the new equipment resulted in any increases in efficiency?
12. Please refer to page 8, lines 20-23, and page 9, lines 1-4. For the equipment that was affected by Hurricane Michael, but did not require replacement, please

indicate whether or not FPUC has inspected the equipment to prevent future failure or issues. If not, please explain why not.

13. Please refer to page 8, lines 21-23 and page 9, lines 1-4. Please describe any anticipated future maintenance, and the estimated cost associated with it, that will be needed as a result of Hurricane Michael.
14. Please refer to Attachment A, Schedule A-1, Please identify the total bill impact for a typical residential customer for the estimated revenue requirement.
 - a. Please refer to page 11, paragraph 21 of FPUC's petition (Docket No. 20190156-EI). Please explain why FPUC believes it is proper to include uncollectable amounts which were due prior to the storm event, but which were not charged to the storm reserve.
15. Please refer to Section C, paragraphs 16 and 17, of FPUC's petition (Docket No. 20190155-EI). Paragraph 17 reads:

“FPUC is requesting this approach, because it avoids a more long-term impact on its depreciation expense. If these costs are not included in a regulatory asset, they would be recovered in future years through the Company's next depreciation study. Consequently, annual depreciation expense would significantly increase over the amount of the currently requested annual amortization.”

 - a. If FPUC's petition is approved, will the annual amortization expense “be recovered in future years”?
 - b. Please detail the calculations and results using cost amounts being sought for recovery in this proceeding that support or prove the statement that “annual depreciation expense would significantly increase over the amount of the currently requested annual amortization.”
16. Please refer to Exhibit A of FPUC's petition (Docket No. 20190155-EI), page 3.
 - a. Please describe the process FPUC employed to determine the values shown in the “Undepreciated Retirement” column, including how FPUC determined the reserve position of the retired assets associated with its request.
 - b. Please confirm that the costs associated with asset removal, and credits associated with gross salvage, are actuals (i.e. per book amounts).

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Please file all responses electronically no later than October 5, 2019, from the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6212 if you have any questions.

Sincerely,

/s/Rachael Dziechciarz
Rachael Dziechciarz
Senior Attorney

RAD/cf

cc: Office of Commission Clerk
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