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March 2, 2020

**BY ELECTRONIC FILING**

Mr. Adam Teitzman, Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850


**Re: Docket No. 20200001-EI: Fuel and Purchased Power Cost Recovery Clause with  
Generating Performance Incentive Factor**

Dear Mr. Teitzman:

Attached for electronic filing on behalf of Florida Public Utilities Company, please find the Petition for Approval of Final True-Up Amount for 2019, along with the Direct Testimony and Exhibit CDY-1 of Mr. Curtis Young.

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

Sincerely,

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

MEK  
cc:/(Certificate of Service)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. | DOCKET NO. 20200001-EI  
| DATED: March 2, 2020

**FLORIDA PUBLIC UTILITIES COMPANY'S  
PETITION FOR APPROVAL  
OF FUEL ADJUSTMENT AND PURCHASED POWER COST RECOVERY FINAL  
TRUE-UP AMOUNT FOR PERIOD ENDED DECEMBER 2019**

Florida Public Utilities Company (FPUC or Company), by and through its undersigned counsel, hereby files this Petition asking the Florida Public Service Commission (FPSC or Commission) for approval of FPUC's fuel adjustment and purchased power cost recovery final net true-up amount for the period ended December 2019. In support of this request, the Company hereby states:

- 1) FPUC is an electric utility subject to the Commission's jurisdiction. Its principal business address is:

Florida Public Utilities Company  
208 Wildlight Ave.  
Yulee, FL 32097

- 2) The name and mailing address of the persons authorized to receive notices are:

Beth Keating, Esq.  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe Street, Suite 601  
Tallahassee, FL 32301-1839  
[bkeating@gunster.com](mailto:bkeating@gunster.com)  
(850) 521-1706

Mike Cassel  
AVP, Regulatory and Governmental  
Affairs  
Florida Public Utilities Company  
208 Wildlight Ave.  
Yulee, FL 32097  
[mcassel@fpuc.com](mailto:mcassel@fpuc.com)

- 3) Consistent with the requirements for this proceeding, the Company has prefiled the fuel adjustment and purchased power cost recovery true-up forms supplied by the Commission consistent with the requirements for such filings.

- 4) With this Petition, the Company is also submitting the Direct Testimony and Exhibit CDY-1 of Mr. Curtis Young in support of the Company's request for approval of the final true-up amount.
- 5) The final true-up amount for the period ended December 2019 is an under-recovery of \$303,275.
- 7) The Commission-approved total true-up amount to be collected for the period January 2020 through December 2020 by the Company was a \$1,934,452 under-recovery, as reflected in Commission Order No. PSC-2019-0484-FOF-EI.
- 8) The Company now therefore seeks approval to include the final remaining true-up amount, which is an over-recovery of \$1,631,177, in the calculation of cost recovery factors for the period beginning January 2021.

WHEREFORE, FPUC respectfully requests that the Commission approve the Company's final net true-up amounts for the period ended December 2019 as set forth above.

RESPECTFULLY SUBMITTED this 2nd day of March, 2020.



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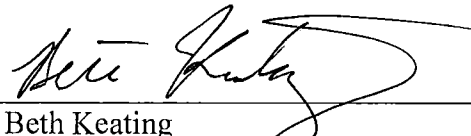
*Attorneys for Florida Public Utilities Company*

**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing Petition for Approval of Final True-Up, as well as the Direct Testimony and Exhibit CDY-1 of Curtis D. Young, has been furnished by Electronic Mail to the following parties of record this 2nd day of March, 2020:

Suzanne Brownless Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 <a href="mailto:sbrownle@psc.state.fl.us">sbrownle@psc.state.fl.us</a>	James D. Beasley/J. Jeffrey Wahlen/Malcolm Means Ausley Law Firm Post Office Box 391 Tallahassee, FL 32302 <a href="mailto:jbeasley@ausley.com">jbeasley@ausley.com</a> <a href="mailto:jwahlen@ausley.com">jwahlen@ausley.com</a> <a href="mailto:mmeans@ausley.com">mmeans@ausley.com</a>
Steven Griffin Beggs & Lane P.O. Box 12950 Pensacola, FL 32591-2950 <a href="mailto:srg@beggslane.com">srg@beggslane.com</a>	James W. Brew/Laura Baker Stone Matheis Xenopoulos & Brew, PC Eighth Floor, West Tower 1025 Thomas Jefferson Street, NW Washington, DC 20007 <a href="mailto:jbrew@smxblaw.com">jbrew@smxblaw.com</a> <a href="mailto:lwb@smxblaw.com">lwb@smxblaw.com</a>
Maria Moncada David Lee Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 <a href="mailto:Maria.Moncada@fpl.com">Maria.Moncada@fpl.com</a> <a href="mailto:David.Lee@fpl.com">David.Lee@fpl.com</a>	Kenneth Hoffman Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, FL 32301 <a href="mailto:Ken.Hoffman@fpl.com">Ken.Hoffman@fpl.com</a>
Ms. Paula K. Brown Tampa Electric Company Regulatory Affairs P.O. Box 111 Tampa, FL 33601-0111 <a href="mailto:Regdept@tecoenergy.com">Regdept@tecoenergy.com</a>	Florida Industrial Users Power Group Jon C. Moyle, Jr. Moyle Law Firm 118 North Gadsden Street Tallahassee, FL 32301 <a href="mailto:jmoyle@moylelaw.com">jmoyle@moylelaw.com</a>
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<p>Russell A. Badders Shane Boyett Gulf Power Company One Energy Place Pensacola, FL 32520-0780 <a href="mailto:Russell.Badders@nexteraenergy.com">Russell.Badders@nexteraenergy.com</a> <a href="mailto:Charles.Boyett@nexteraenergy.com">Charles.Boyett@nexteraenergy.com</a></p>	<p>J.R. Kelly/P. Christensen/S. Morse/T. David Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 <a href="mailto:Kelly.JR@leg.state.fl.us">Kelly.JR@leg.state.fl.us</a> <a href="mailto:Christensen.patty@leg.state.fl.us">Christensen.patty@leg.state.fl.us</a> <a href="mailto:Morse.stephanie@leg.state.fl.us">Morse.stephanie@leg.state.fl.us</a> <a href="mailto:David.Tad@leg.state.fl.us">David.Tad@leg.state.fl.us</a></p>
<p>Matthew Bernier Duke Energy 106 East College Avenue, Suite 800 Tallahassee, FL 32301 <a href="mailto:Matthew.Bernier@duke-energy.com">Matthew.Bernier@duke-energy.com</a></p>	<p>Dianne M. Triplett Duke Energy 299 First Avenue North St. Petersburg, FL 33701 <a href="mailto:Dianne.Triplett@duke-energy.com">Dianne.Triplett@duke-energy.com</a></p>

By:   
Beth Keating  
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215 South Monroe St., Suite 601  
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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

Docket No. 20200001-EI  
Fuel and Purchased Power Cost Recovery Clause  
Direct Testimony of  
Curtis Young  
(2019 Final True-Up)  
on behalf of  
Florida Public Utilities Company

1 Q. Please state your name and business address.

2 A. Curtis Young, 1635 Meathe Road, West Palm Beach, Florida 33411.

3 Q. By whom are you employed?

4 A. I am employed by Florida Public Utilities Company.

5 Q. Could you give a brief description of your background and business experience?

6 A. I am the Senior Regulatory Analyst for Florida Public Utilities Company. I have  
7 performed various accounting and analytical functions including regulatory filings,  
8 revenue reporting, account analysis, recovery rate reconciliations and earnings  
9 surveillance. I'm also involved in the preparation of special reports and schedules  
10 used internally by division managers for decision making projects. Additionally, I  
11 coordinate the gathering of data for the FPSC audits.

12 Q. What is the purpose of your testimony?

13 A. The purpose of my testimony is to present the calculation of the final remaining true-  
14 up amounts for the period January 2019 through December 2019.

15 Q. Have you included any exhibits to support your testimony?

16 A. Yes. Exhibit \_\_\_\_\_ (CDY-1 ) consists of Schedules A, C1 and E1-B for the  
17 Consolidated Electric Division. These schedules were prepared from the records of  
18 the company.

1 Q. What has FPUC calculated as the final remaining true-up amounts for the period  
2 January 2019 through December 2019?

3 A. For the Consolidated Electric Division the final remaining true-up amount is an over  
4 recovery of \$1,631,177.

5 Q. How was this amount calculated?

6 A. It is the difference between the actual end of period true-up amount for the January  
7 through December 2019 period and the total true-up amount to be collected or  
8 refunded during the January - December 2020 period.

9 Q. What was the actual end of period true-up amount for January - December 2019?

10 A. For the Consolidated Electric Division it was \$303,275 under recovery.

11 Q. What was the Commission-approved amount to be collected or refunded during the  
12 January – December 2020 period?

13 A. A consolidated under-recovery of \$1,934,452 to be collected.

14 Q. Does this conclude your direct testimony?

15 A. Yes, it does.

FLORIDA PUBLIC UTILITIES  
 FINAL FUEL AND PURCHASED POWER OVER/(UNDER) RECOVERY  
 FOR THE PERIOD  
 JANUARY 2019 THROUGH DECEMBER 2019

CONSOLIDATED ELECTRIC DIVISION

1 JURISDICTIONAL FUEL COSTS (INCL. ALL ADJUSTMENTS)	\$ 55,932,828
2 JURISDICTIONAL FUEL REVENUES APPLICABLE TO THE PERIOD	<u>57,165,517</u>
3 ACTUAL OVER/(UNDER) RECOVERED FUEL COSTS FOR THE PERIOD	1,232,689
4 ADJUSTMENTS (INCL. REVENUE REFUND TRUE-UP ADJUSTMENT)*	(3,957,772)
5 INTEREST	(53,633)
6 TRUE-UP COLLECTED	3,957,772
7 PRIOR PERIOD TRUE-UP (ACTUAL ENDING 12/18)	<u>(1,482,331)</u>
8 ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (LINE 3 + LINE4 + LINE5 + LINE6 + LINE7)	(303,275)
9 PROJECTED UNDER-RECOVERY PER PROJECTION FILED 7/26/19	<u>(1,934,452)</u>
<b>10 FINAL FUEL OVER/(UNDER) RECOVERY (LINE 8 - LINE 9)</b>	<b><u><u>\$ 1,631,177</u></u></b>



**FLORIDA PUBLIC UTILITIES COMPANY**  
**CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION-EXCLUDING GSLD1**  
**ACTUALS ESTIMATED FOR THE PERIOD: JANUARY 2019 THROUGH DECEMBER 2019**  
**BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED**  
**(EXCLUDES LINE LOSS, EXCLUDES TAXES)**

Schedule E-1B

**CONSOLIDATED**

	ACTUAL Jan 2019	ACTUAL Feb 2019	ACTUAL Mar 2019	ACTUAL Apr 2019	ACTUAL May 2019	ACTUAL Jun 2019	Estimated Jul 2019	Estimated Aug 2019	Estimated Sep 2019	Estimated Oct 2019	Estimated Nov 2019	Estimated Dec 2019	Total
Total System Sales - KWH	49,458,300	50,689,267	36,576,538	43,490,580	49,217,862	63,808,711	63,677,740	63,802,881	63,357,176	51,437,255	46,883,116	50,997,866	633,397,292
West-Rock Purchases - KWH	1,100,000	1,660,000	700,000	1,180,000	1,180,000	590,000	700,000	400,000	900,000	900,000	500,000	700,000	10,040,000
Rayonier Purchases - KWH - On Peak	257,138	17,375	405,716	503,336	325,908	140,022	310,500	310,500	310,500	310,500	310,500	310,500	3,512,195
Rayonier Purchases - KWH - Off Peak	134,524	46,414	738,955	1,096,759	781,238	259,760	589,500	589,500	589,500	589,500	589,500	589,500	6,774,650
Eight Flags Purchases - KWH - KWH	13,766,429	9,583,689	17,099,478	16,306,914	16,338,420	15,285,031	12,500,000	12,800,000	12,400,000	15,500,000	15,200,000	15,800,000	172,579,961
FPL Purchases - KWH	15,952,593	12,110,849	6,435,820	17,107,899	15,062,347	20,462,838	26,467,386	25,219,853	25,566,924	16,965,475	12,211,924	10,368,183	194,015,090
Gulf Purchases - KWH	24,797,417	18,315,462	20,326,293	19,981,205	27,436,089	29,167,339	31,306,575	31,361,913	31,523,953	27,134,816	23,151,348	23,385,966	307,888,377
Generation Demand - KW - FPL	53,591	47,104	38,957	35,824	51,457	74,600	65,500	68,900	69,000	49,500	47,300	46,700	635,833
Generation Demand - KW - Gulf	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	1,092,000
Transmission Demand - KW - FPL	-	33,272	39,339	53,184	60,712	81,794	69,000	72,400	59,900	53,000	50,800	50,200	623,601
Transmission Demand - KW - Southern	57,049	55,832	54,895	54,739	54,857	55,436	55,500	55,500	55,500	55,500	55,500	55,500	665,608
Purchased Power Rates:													
West-Rock Fuel Costs - \$/KWH	0.03612	0.03476	0.03189	0.03189	0.03259	0.03758	0.04221	0.04221	0.04221	0.04221	0.04221	0.04221	0.04221
Rayonier Energy Charge - On Peak - \$/KWH	0.02914	0.02914	0.02914	0.02914	0.02914	0.02914	0.02914	0.02914	0.02914	0.02914	0.02914	0.02914	0.02914
Rayonier Energy Charge - Off Peak - \$/KWH	0.02715	0.02715	0.02715	0.02715	0.02715	0.02715	0.02715	0.02715	0.02715	0.02715	0.02715	0.02715	0.02715
Eight Flags Charge - \$/KWH	0.05196	0.05196	0.05196	0.05196	0.05196	0.05196	0.05196	0.05196	0.05196	0.05196	0.05196	0.05196	0.05196
Base Fuel Costs - \$/KWH - FPL	0.03446	0.03057	0.02961	0.02674	0.03021	0.02936	0.03573	0.03569	0.03569	0.03554	0.03459	0.03459	0.03006
Base Fuel Costs - \$/KWH - GULF	0.974	0.04836	0.04836	0.04836	0.04836	0.04836	0.04836	0.04836	0.04836	0.04836	0.04836	0.04836	0.04836
Energy Charge - \$/KWH - FPL	0.00182	0.00185	0.00217	0.00222	0.00189	0.00173	0.00161	0.00161	0.00159	0.00163	0.00172	0.00215	0.00215
Demand and Non-Fuel:													
Demand Charge - \$/KW - FPL	6.85	7.04	7.37	7.54	6.90	6.37	6.59	6.54	6.78	6.95	7.03	7.05	6.90
Demand Charge - \$/KW - Gulf	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80
Distribution Facility Charge	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253
Transmission Charge \$/KW - FPL	1.85	1.85	1.72	1.68	1.85	1.94	1.85	1.85	1.85	1.85	1.85	1.85	1.85
Transmission Charge \$/KW - Southern	3.01633	2.98080	3.03851	3.01615	2.41913	3.01633	3.01632	3.01632	3.01632	3.01632	3.01632	3.01632	3.01632
Purchased Power Costs:													
RockTenn Fuel Costs	39,736	57,706	22,322	37,628	29,655	22,175	29,549	16,885	29,549	37,991	21,106	29,549	373,851
Rayonier Standby Costs	16,032	1,766	31,885	57,355	44,282	11,772	44,676	44,676	44,676	44,676	44,676	44,676	431,148
Eight Flags	1,265,905	804,229	1,153,311	1,246,011	1,224,348	1,170,121	1,047,750	1,072,896	1,039,368	1,299,210	1,274,064	1,324,356	13,921,569
Gulf Base Fuel Costs	1,231,215	909,380	1,009,219	992,085	1,362,227	1,448,185	1,554,400	1,557,148	1,565,193	1,347,269	1,149,486	1,161,135	15,286,942
FPL Base Fuel Costs	549,787	370,283	190,554	164,999	455,064	601,329	945,744	935,724	917,269	602,992	422,426	311,625	6,467,796
FPL Fuel Adjustment	29,067	22,544	13,941	13,675	28,421	35,471	42,547	42,262	40,742	27,583	20,974	22,340	339,567
Subtotal Fuel Costs	3,131,742	2,165,908	2,421,232	2,511,753	3,143,997	3,289,053	3,664,666	3,669,591	3,636,797	3,359,721	2,932,732	2,893,681	36,820,872
Demand and Non-Fuel Costs:													
Demand Capacity Charge	1,531,632	1,496,279	1,451,876	1,434,801	1,520,001	1,639,912	1,596,353	1,615,065	1,546,940	1,509,335	1,497,345	1,494,075	18,333,796
Dist. Fac. Charge	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	84,253	1,011,034
FERC & Meter Reading	4,759	4,922	4,361	4,535	4,505	5,151	5,301	5,486	5,491	5,505	5,125	4,780	59,921
Transmission Charge	172,079	228,113	233,918	254,463	244,856	326,077	295,338	301,642	278,466	265,672	261,593	260,481	3,122,698
Subtotal Demand & Non-Fuel Costs	1,792,723	1,813,567	1,774,408	1,778,052	1,853,615	2,055,393	1,981,427	2,006,446	1,915,150	1,864,765	1,848,316	1,843,589	22,527,449
Total System Purchased Power Costs	4,924,465	3,979,475	4,195,640	4,289,805	4,997,611	5,344,446	5,646,093	5,676,037	5,551,947	5,224,486	4,781,048	4,737,270	59,348,321
Less Direct Billing To GSLD1 Class:													
Demand	52,290	50,467	30,568	43,957	43,015	43,310	29,138	29,138	29,138	29,138	29,138	29,138	438,435
Commodity	144,384	71,673	46,116	18,783	38,412	72,334	37,760	109,747	105,508	146,031	184,460	136,273	1,111,482
Net Purchased Power Costs	4,727,791	3,857,335	4,118,955	4,227,065	4,916,185	5,228,802	5,579,195	5,537,152	5,417,300	5,049,317	4,567,450	4,571,859	57,798,404
Special Costs*	64,554	6,129	41,721	42,872	(2,458)	26,992	17,850	17,850	19,300	17,850	20,300	271,810	271,810
Total Costs and Charges	4,792,344	3,863,464	4,160,676	4,269,936	4,894,727	5,255,794	5,597,045	5,555,002	5,436,600	5,067,167	4,585,300	4,592,159	58,070,214
Sales Revenues - Fuel Adjustment Revenues:													
RS< 0.09519	1,721,442	1,816,047	1,448,522	1,473,399	1,634,896	1,911,278	1,894,713	1,902,854	1,883,244	1,682,192	1,532,262	1,637,722	20,538,571
RS> 0.10768	690,876	519,744	272,802	283,241	584,259	1,250,725	1,372,118	1,275,915	1,212,310	719,689	381,418	558,229	9,121,326
GS 0.09557	369,597	375,162	324,303	350,150	418,030	546,839	538,885	561,497	547,987	439,185	416,165	456,730	5,344,330
GSD 0.09134	1,101,938	1,058,108	940,923	1,081,551	1,243,996	1,492,030	1,481,341	1,527,685	1,540,933	1,324,892	1,283,035	1,366,724	15,443,156
GSLD 0.08836	592,770	543,460	291,781	744,501	615,851	668,297	711,180	643,917	682,334	577,219	551,994	571,994	7,139,716
LS 0.06947	42,490	43,467	42,483	44,681	44,245	44,483	43,715	43,550	43,723	43,387	43,204	43,117	522,545
Unbilled Fuel Revenues	(2,250,523)	1,183,425	(1,189,949)	1,195,138	(600,560)	861,574	62,500	62,500	62,500	62,500	62,500	62,500	(425,895)
Total Fuel Revenues (Excl. GSLD1)	2,268,590	5,539,413	2,130,865	5,172,662	3,940,717	6,775,026	6,064,452	6,017,918	5,973,031	4,849,064	4,274,995	4,677,016	57,683,749
GSLD1 Fuel 17197	196,574	122,140	76,684	62,740	81,427	115,644	66,898	138,895	134,546	175,169	213,598	165,411	1,549,917
Non-Fuel Revenues	6,618,334	2,155,388	1,718,849	1,946,086	1,605,871	2,807,026	3,167,224	2,975,578	2,546,304	1,941,858	2,369,448	2,711,799	32,563,765
Total Sales Revenue	9,083,598	7,816,942	3,926,398	7,181,468	5,628,015	9,697,895	9,298,575	9,132,381	8,653,981	6,966,091	6,858,040	7,554,226	91,797,431
KWH Sales:													
RS<	17,664,507	17,628,817	15,210,704	15,450,076	17,143,105	20,078,126	19,904,234	19,989,756	19,783,747	17,671,667	16,096,633	17,204,508	213,825,879
RS>	6,414,274	6,059,209	2,533,093	2,630,335	5,441,828	11,614,936	12,742,260	11,848,861	11,258,197	6,683,439	3,542,065	5,184,033	85,952,530
GS	3,865,037	3,924,910	3,389,224	3,660,161	4,370,380	5,722,667	5,388,572	5,875,171	5,733,805	4,595,374	4,354,505	4,779,352	55,908,758
GSD	12,075,157	11,550,441	10,309,238	11,796,013	13,626,164	15,346,585	16,217,127	16,724,484	16,869,517	14,504,381	14,046,153	14,962,351	169,027,611
GSLD	6,708,857	7,150,768	3,302,316	8,107,502	6,970,084	7,563,654	7,596,285	7,287,725	7,722,525	6,532,847	6,297,361	6,447,271	81,487,271
GSLD1	2,100,000	3,750,000	1,210,000	1,210,000	1,030,000	1,840,000	950,000	1,450,000	1,360,000				

