

Docket No. 20190156-EI
Florida Public Utilities Company
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.

Witness: **Direct Testimony of Debra M. Dobiac,**
Appearing on Behalf of the Staff of the Florida Public Service Commission

Date Filed: July 10, 2020

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **COMMISSION STAFF**

3 **DIRECT TESTIMONY OF DEBRA M. DOBIAC**

4 **DOCKET NO. 20190156-EI**

5 **JULY 10, 2020**

6 **Q. Please state your name and business address.**

7 A. My name is Debra M. Dobiac. My business address is 2540 Shumard Oak Boulevard,
8 Tallahassee, Florida, 32399.

9 **Q. By who are you presently employed?**

10 A. I am employed by the Florida Public Service Commission (FPSC or Commission) in the
11 Office of Auditing and Performance Analysis. I have been employed by the Commission since
12 January 2008.

13 **Q. Please describe your current responsibilities.**

14 A. Currently, I am a Public Utility Analyst with the responsibilities of managing regulated
15 utility financial audits. I am also responsible for creating audit work programs to meet a specific
16 audit purpose.

17 **Q. Briefly review your educational and professional background.**

18 A. I graduated with honors from Lakeland College in 1993 and have a Bachelor of Arts
19 degree in accounting. Prior to my work at the Commission, I worked for six years in internal
20 auditing at the Kohler Company and First American Title Insurance Company. I also have
21 approximately 12 years of experience as an accounting manager and controller.

22 **Q. Have you presented testimony before this Commission or any other regulatory**
23 **agency?**

24 A. Yes. I testified in the Aqua Utilities Florida, Inc. Rate Case, Docket No. 20080121-WS,
25 the Water Management Services, Inc. Rate Case, Docket No. 20110200-WU, and the Utilities,

1 Inc. of Florida Rate Case, Docket No. 20160101-WS. I also provided testimony for the Water
2 Management Services, Inc. Rate Case, Docket No. 20100104-WU, the Gulf Power Company
3 Rate Cases, Docket Nos. 20110138-EI and 20130140-EI, the Fuel and Purchased Power
4 Recovery Clause (Hedging Activities) for Gulf Power Company, Docket Nos. 20130001-EI,
5 20140001-EI, and 20190001-EI, the Fuel and Purchased Power Recovery Clause (Hedging
6 Activities) for Florida Power & Light Company, Docket No. 20180001-EI, Florida Public
7 Utilities Company's Limited Proceeding to recover incremental Storm Restoration Costs, Docket
8 No. 20180061-EI, and the Gulf Power Company Limited Proceeding to recover incremental
9 Storm Restoration Costs, Docket No. 20190038-EI.

10 **Q. What is the purpose of your testimony today?**

11 A. The purpose of my testimony is to sponsor the staff auditor's reports issued on February
12 3, 2020 (Audit Control No. 2019-329-1-2) and June 8, 2020 (Audit Control No. 2020-108-1-1),
13 which addresses Florida Public Utilities Company's (FPUC or Utility) petition and revised
14 petition for limited proceeding for recovery of incremental storm restoration costs related to
15 Hurricanes Michael and Dorian. These reports are filed with my testimony and are identified as
16 Exhibit DMD-1 and Exhibit DMD-2.

17 **Q. Was this report prepared by you or under your direction?**

18 A. Yes, it was prepared under my direction.

19 **Q. Please describe the work you performed.**

20 A. I have separated the work performed into several categories.

21 Payroll, Overtime, and Related Costs

22 We scheduled payroll, overhead, and related costs by storm, capital, and cost of removal
23 cost types. We selected a judgmental sample of costs for detail testing and traced the amounts to
24 the payroll register and allocation schedules. No exceptions were noted.

25 Fuel

1 We scheduled fuel costs by storm, capital, and cost of removal cost types. We selected a
2 judgmental sample of costs for detail testing and traced the amounts to the payroll allocation
3 schedules, employee expense reports, or supporting invoices. No exceptions were noted.

4 Contractors

5 We scheduled contractors' costs by storm, capital, and cost of removal cost types. We
6 selected a judgmental sample of costs for detail testing and traced the amounts to the payroll
7 allocation schedules, employee expense reports, or supporting invoices with cost allocation by
8 work order schedules. No exceptions were noted.

9 Materials

10 We scheduled materials by storm, capital, and cost of removal cost types. We selected a
11 judgmental sample of costs for detail testing and traced the items to the payroll allocation
12 schedules, employee expense reports, inventory system printouts, or supporting invoices. No
13 exceptions were noted.

14 Logistics

15 We scheduled logistics costs by storm, capital, and cost of removal cost types. We
16 selected a judgmental sample of costs for detail testing and traced the items to the payroll
17 allocation schedules, employee expense reports, or supporting invoices. No exceptions were
18 noted.

19 Other Costs

20 We scheduled other costs by storm, capital, and cost of removal cost types. We selected
21 a judgmental sample of costs for detail testing and traced the items to the supporting invoices.
22 No exceptions were noted.

23 Non-Incremental Costs

24 Under Audit Control No. (ACN) 2019-329-1-2, we scheduled payroll and overhead costs
25

1 by storm, capital, and cost of removal cost types. We traced the amounts to the payroll schedule,
2 supporting documentation, and removed the capitalized payroll costs. We reviewed the Utility-
3 provided schedule comparing base rate payroll per the last rate case with 2017 and 2018 payroll
4 costs. No exceptions were noted.

5 Under ACN 2020-108-1-1, we scheduled payroll and overhead costs by storm, capital,
6 and cost of removal cost types. We traced the amounts to the payroll schedule, supporting
7 documentation, and removed the capitalized payroll costs. No exceptions were noted.

8 Capitalizable Costs

9 Under ACN 2019-329-1-2, we scheduled capitalizable costs by capital, and cost of
10 removal cost types. We tested the capitalizable costs to determine if the Utility included for
11 recovery only those costs that are allowed by Rule 25-6.0143, Florida Administrative Code
12 (F.A.C.), by tracing a judgmental sample of capitalized costs to the supporting documentation.
13 No exceptions were noted.

14 Under ACN 2020-108-1-1, we scheduled capitalizable costs by capital, and cost of
15 removal cost types. We noted that the capitalizable costs tested under ACN 2019-329-1-2
16 included proforma adjustments. In this audit, we noted that the actual capitalizable costs were
17 less than the prior proforma estimates and ensured that the Utility included for recovery only
18 those costs that are allowed by the applicable Rule 25-6.0143, F.A.C. No exceptions were noted.

19 The capitalized costs included an amount of \$1,000,000, which was supported by a
20 vendor contract. The project has not been completed as of May 29, 2020.

21 Actual Costs Subsequent to December 31, 2019

22 Under ACN 2020-108-1-1, we requested and reviewed the supporting journal entries and
23 documentation for the actual costs recorded between December 31, 2019 and May 29, 2020. No
24 exceptions were noted.

25 **Q. Please review the findings in this report.**

1 A. There were no findings.

2 **Q. Does that conclude your testimony?**

3 A. Yes, it does.

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State of Florida



Public Service Commission

Office of Auditing and Performance Analysis
Bureau of Auditing
Tallahassee District Office

Auditor's Report

Florida Public Utilities Company
Storm Recovery Cost Audit – Hurricane Michael

As of December 31, 2019

Docket No. 20190156-EI
Audit Control No. 2019-329-1-2
January 24, 2020

Handwritten signature of Debra M. Dobiac in black ink.

Debra M. Dobiac
Audit Manager

Handwritten signature of George Simmons in blue ink.

George Simmons
Audit Staff

Handwritten signature of Marisa N. Glover in blue ink.

Marisa N. Glover
Reviewer

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Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Accounting and Finance in its audit service request dated November 21, 2019. We have applied these procedures to the attached schedules prepared by Florida Public Utilities Company in support of its filing for storm recovery costs in Docket No.20190156-EI.

The report is intended only for internal Commission use.

Objectives and Procedures

General

Definitions

FPUC or Utility refers to Florida Public Utilities Company.

Background

On August 7, 2019, the Utility filed a petition for a limited proceeding to record costs associated with Hurricane Michael as a regulatory asset, which would be amortized over 30 years and recovered through working capital and amortization expense. This methodology of cost recovery will not use a surcharge nor have any effect on the storm reserve. The regulatory asset would be comprised of the incremental storm restoration costs related to Hurricane Michael as per Rule 25-6.0143, Florida Administrative Code (F.A.C.) for costs incurred with proforma adjustments from October 1, 2018 through December 31, 2019. This audit's scope was limited to the regulatory asset of \$39,172,503 as shown in Exhibit MDN-4, page 1 of 1, filed with the petition.

Expense

Payroll, Overhead, and Related Costs

Objectives: The objectives were to determine whether payroll, overtime, and related costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We scheduled payroll, overhead, and related costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the amounts to the payroll register and allocation schedules. No exceptions were noted.

Fuel

Objectives: The objectives were to determine whether fuel costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We scheduled fuel costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the amounts to the payroll allocation schedules, employee expense reports, or supporting invoices. No exceptions were noted.

Contractors

Objectives: The objectives were to determine whether contractors costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We scheduled contractors' costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the amounts to the payroll

allocation schedules, employee expense reports, or supporting invoices with cost allocation by work order schedules. No exceptions were noted.

Materials

Objectives: The objectives were to determine whether materials were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We scheduled material by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the items to the payroll allocation schedules, employee expense reports, inventory system printouts, or supporting invoices. No exceptions were noted.

Logistics

Objectives: The objectives were to determine whether logistics costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We scheduled logistics costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the items to the payroll allocation schedules, employee expense reports, or supporting invoices. No exceptions were noted.

Other Costs

Objectives: The objectives were to determine whether other costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We scheduled other costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the items to the supporting invoices. No exceptions were noted.

Other

Non-Incremental Costs

Objectives: The objective was to determine whether the non-incremental costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143, Florida Administrative Code (F.A.C.).

Procedures: We scheduled payroll and overhead costs by storm, capital, and cost of removal cost types. We traced the amounts to the payroll schedule, supporting documentation, and removed the capitalized payroll costs. We reviewed the Utility provided schedule comparing base rate payroll per the last rate case with 2017 and 2018 payroll costs. No exceptions were noted.

Capitalizable Costs

Objectives: The objectives were to determine whether the capitalizable costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143(1) (d), F.A.C.

Procedures: We scheduled capitalizable costs by capital, and cost of removal cost types. We tested the capitalizable costs to determine if the Utility included for recovery only those costs that are allowed by the applicable Rule by tracing a judgmental sample of capitalized costs to the supporting documentation. No exceptions were noted.

Proforma Adjustments

Objectives: The objective is to review storm costs that were recorded subsequent to December 31, 2019.

Procedures: Included in the storm costs were proforma adjustments based on estimates for costs incurred but not completed as of June 30, 2019. We reviewed the supporting documentation for these costs, which included recorded final amounts from June 30, 2019 through December 31, 2019. We noted that the proforma storm cost estimates were \$487,450 as compared to the actual costs of \$406,730. Storm costs will be decreased by \$80,720 (\$487,450 - \$406,730) in a revised filing. We noted that the estimated capitalized costs were \$1,253,189 as compared to actual costs of \$1,203,235. Capitalized costs will be decreased by \$49,954 (\$1,253,189 - \$1,203,235). We also noted that the cost of removal cost estimates were \$83,920 and agreed with the actual costs. The Utility expects to file a revised filing regarding the proformas.

The estimated capitalized costs included an amount of \$1,000,000, which was supported by a vendor contract. The project has not been completed. The Utility also used a cost rate of 4 percent for calculating interest on the unamortized reserve deficiency balance. Audit staff did not recalculate interest nor determine the source of the rate. No further work performed.

Audit Findings

None

Exhibits

Exhibit 1: Storm Cost Recovery for Incremental Expenses

Florida Public Utilities Company
Storm Cost Recovery for Incremental Expenses

MDN-4 Page 1 of 1
 Docket No.: 0

Line No.	Description	Reference	Total	Storm Reserve Balance
1	Pre-Storm Reserve Balance			N/A
2	Estimated Storm Related Restoration Costs			
3	Regular Payroll		\$ 566,555	
4	Overtime Payroll		\$ 481,430	
5	Payroll Overhead Allocations		\$ 345,472	
6	Department Cost Allocation on Capital		\$ 40,433	
7	Employee Expenses		\$ 67,980	
8	Contractor Costs		\$ 54,526,703	
9	Logistics		\$ 1,437,895	
10	Fuel		\$ 1,441,964	
11	Equipment Rental		\$ 232,334	
12	Materials		\$ 6,612,654	
13	Call Center Costs		\$ 26,516	
14	Uncollectible Account Expense		\$ 120,321	
15	Other		\$ 129,542	
16	Subtotal-Storm Related Restoration Costs	Lines 3:15	\$ 66,029,798	
17	Less: Estimated Non-Incremental Costs			
18	Regular Payroll		\$ (113,316)	
19	Overtime Payroll		\$ (11,827)	
20	Payroll Overhead Allocations		\$ (60,039)	
21	Subtotal-Estimated Non-Incremental Costs	Lines 17:20	\$ (185,182)	
22	Less: Capitalizable Costs		\$ (28,218,969)	
23	Total Recoverable Restoration Costs - System	lines (16+21+22)	\$ 37,625,647	
24	Jurisdictional Factor		100%	
25	Total Recoverable Restoration Costs-Retail	lines (23x24)	\$ 37,625,647	\$ 37,625,647
26	Net Recoverable Retail Restoration Costs	line 25 -line 1		\$ 37,625,647
27	Bond Issuance Costs			
28	Beginning Balance for Recovery	line 26-line 27		\$ 37,625,647
29	Plus: Interest on Unamortized Reserve Deficiency Balance thru 12/19			\$ 1,546,856
30	Plus: Amount to Replenish Reserve			
31	Retail Storm Recovery Amount before Regulatory Assessment Fee	lines 28:30		\$ 39,172,503

(a) Docket 20180061-EI addressed recovery of the recovery of a \$1.5M reserve balance. No additional reserve is requested here.
 (b) Non-Incremental storm costs were never recorded in Storm Work Orders. Estimated costs from 10-10-18 to 12-2-18 for the NW division are included in restoration costs and removed in non-incremental costs. Additional non-incremental costs were incurred in other months but could not be estimated since we do not recorded non-incremental as storm.

State of Florida



Public Service Commission

Office of Auditing and Performance Analysis
Bureau of Auditing
Tallahassee District Office

Auditor's Report

Florida Public Utilities Company
Storm Recovery Cost Audit – Hurricane Michael and Dorian

As of December 31, 2019

Docket No. 20190156-EI
Audit Control No. 2020-108-1-1
June 1, 2020

A handwritten signature in black ink, appearing to read "Debra M. Dobiac".

Debra M. Dobiac
Audit Manager

A handwritten signature in blue ink, appearing to read "Marisa N. Glover".

Marisa N. Glover
Reviewer

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Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Accounting and Finance in its audit service request dated April 16, 2020. We have applied these procedures to the attached schedule prepared by Florida Public Utilities Company in support of its filing for storm recovery costs in Docket No.20190156-EI.

The report is intended only for internal Commission use.

Objectives and Procedures

General

Definitions

FPUC or Utility refers to Florida Public Utilities Company.

Background

On August 7, 2019, the Utility filed a petition for a limited proceeding to recover incremental storm costs totaling \$39,172,503 associated with Hurricane Michael. In this petition the Utility also requests to record these costs as a regulatory asset, which would be amortized over 30 years and recovered through working capital and amortization expense. This methodology of cost recovery will not use a surcharge nor have any effect on the storm reserve. The regulatory asset would be comprised of the incremental storm restoration costs related to Hurricane Michael as per Rule 25-6.0143, Florida Administrative Code (F.A.C.) for costs incurred from October 1, 2018 through June 30, 2019 with proforma adjustments from July 1, 2019 through December 31, 2019. An auditor's report was issued on February 3, 2020 under Audit Control No. (ACN) 2019-329-1-2 that reviewed these costs in the initial filing.

On March 11, 2020, the Utility filed a revised petition to recover incremental storm costs totaling \$41,337,758. This amount includes costs incurred after July 1, 2019 associated with Hurricanes Michael and Dorian with proforma adjustments for costs incurred in 2020. This instant audit's scope was limited to testing those costs incurred between July 1, 2019 and December 31, 2019 and any documentation available for proforma costs incurred in 2020. Please see Exhibit 2 attached to this report for a breakdown of the storm costs incurred as reflected on each petition.

Expense

Payroll, Overhead, and Related Costs

Objectives: The objectives were to determine whether payroll, overtime, and related costs were properly stated, recorded in the period incurred, and related to Hurricane Michael and Dorian.

Procedures: We scheduled payroll, overhead, and related costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the amounts to the payroll register and allocation schedules. No exceptions were noted.

Fuel

Objectives: The objectives were to determine whether fuel costs were properly stated, recorded in the period incurred, and related to Hurricane Michael and Dorian.

Procedures: We scheduled fuel costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the amounts to the payroll allocation schedules, employee expense reports, or supporting invoices. No exceptions were noted.

Contractors

Objectives: The objectives were to determine whether contractors costs were properly stated, recorded in the period incurred, and related to Hurricane Michael and Dorian.

Procedures: We scheduled contractors' costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the amounts to the payroll allocation schedules, employee expense reports, or supporting invoices with cost allocation by work order schedules. No exceptions were noted.

Materials

Objectives: The objectives were to determine whether materials were properly stated, recorded in the period incurred, and related to Hurricane Michael and Dorian.

Procedures: We scheduled materials by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the items to the payroll allocation schedules, employee expense reports, inventory system printouts, or supporting invoices. No exceptions were noted.

Logistics

Objectives: The objectives were to determine whether logistics costs were properly stated, recorded in the period incurred, and related to Hurricane Michael and Dorian.

Procedures: We scheduled logistics costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the items to the payroll allocation schedules, employee expense reports, or supporting invoices. No exceptions were noted.

Other Costs

Objectives: The objectives were to determine whether other costs were properly stated, recorded in the period incurred, and related to Hurricane Michael and Dorian.

Procedures: We scheduled other costs by storm, capital, and cost of removal cost types. We selected a judgmental sample of costs for detail testing and traced the items to the supporting invoices. No exceptions were noted.

Other

Non-Incremental Costs

Objectives: The objective was to determine whether the non-incremental costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143, Florida Administrative Code (F.A.C.).

Procedures: We scheduled payroll and overhead costs by storm, capital, and cost of removal cost types. We traced the amounts to the payroll schedule, supporting documentation, and removed the capitalized payroll costs. No exceptions were noted.

Capitalizable Costs

Objectives: The objectives were to determine whether the capitalizable costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143(1) (d), F.A.C.

Procedures: We scheduled capitalizable costs by capital, and cost of removal cost types. We noted that the capitalizable costs tested under ACN 2019-329-1-2 included proforma adjustments. In the instant audit, we noted that the actual capitalizable costs were less than the prior proforma estimates and ensured that the Utility included for recovery only those costs that are allowed by the applicable Rule. No exceptions were noted.

Actual Costs Subsequent to December 31, 2019

Objectives: The objective is to review actual storm costs that were recorded subsequent to December 31, 2019.

Procedures: We requested and reviewed the supporting journal entries and documentation for the actual costs recorded between December 31, 2019 and May 29, 2020. No exceptions were noted.

Audit Findings

None

Exhibits

Exhibit 1: Storm Cost Recovery for Incremental Expenses

Florida Public Utilities Company Storm Cost Recovery for Incremental Expenses		Revised MDN-4 Page 1 of 1 Docket No.: 20190156-EI		
Line No.	Description	Reference	Total	Storm Reserve Balance
1	Pro-Storm Reserve Balance			N/A
2	Estimated Storm Related Restoration Costs			
3	Regular Payroll		\$ 609,196	
4	Overtime Payroll		\$ 490,433	
5	Payroll Overhead Allocations		\$ 371,902	
6	Department Cost Allocation on Capital		\$ 46,027	
7	Employee Expenses		\$ 77,555	
8	Contractor Costs		\$ 57,147,169	
9	Logistics		\$ 1,754,780	
10	Fuel		\$ 1,475,235	
11	Equipment Rental		\$ 232,334	
12	Materials		\$ 4,813,193	
13	Call Center Costs		\$ 26,516	
14	Uncollectible Account Expense		\$ 120,321	
15	Other		\$ 165,297	
16	Subtotal-Storm Related Restoration Costs	Lines 3:15	\$ 67,329,959	
17	Less: Estimated Non-Incremental Costs			
18	Regular Payroll		\$ (113,316)	
19	Overtime Payroll		\$ (11,827)	
20	Payroll Overhead Allocations		\$ (60,039)	
21	Subtotal-Estimated Non-Incremental Costs	Lines 17:20	\$ (185,182)	
22	Less: Capitalizable Costs		\$ (27,398,298)	
23	Total Recoverable Restoration Costs - System	lines (16+21+22)	\$ 39,746,479	
24	Jurisdictional Factor		100%	
25	Total Recoverable Restoration Costs-Retail	lines (23+24)	\$ 39,746,479	\$ 39,746,479
26	Net Recoverable Retail Restoration Costs	line 25 -line 1		\$ 39,746,479
27	Bond Issuance Costs			
28	Beginning Balance for Recovery	line 26-line 27		\$ 39,746,479
29	Plus: Interest on Unamortized Reserve Deficiency Balance thru 12/19			\$ 1,591,279
30	Plus: Amount to Replenish Reserve			
31	Retail Storm Recovery Amount before Regulatory Assessment Fee	lines 28:30		\$ 41,337,758
<p>(a) Docket 20180051-EI addressed recovery of the recovery of a \$1.5M reserve balance. No additional reserve is requested here.</p> <p>(b) Non-incremental storm costs were never recorded in Storm Work Orders. Estimated costs from 10-10-18 to 12-2-18 for the NW division are included in restoration costs and removed in non-incremental costs. Additional non-incremental costs were incurred in other months but could not be estimated since we do not recorded non-incremental as storm.</p>				
13-Month Average Calculation:				
	December		\$ 41,337,758	
	January		\$ 40,993,277	
	February		\$ 40,648,795	
	March		\$ 40,304,314	
	April		\$ 39,959,833	
	May		\$ 39,615,351	
	June		\$ 39,270,870	
	July		\$ 38,926,389	
	August		\$ 38,581,907	
	September		\$ 38,237,426	
	October		\$ 37,892,945	
	November		\$ 37,548,463	
	December		\$ 37,203,982	
	13-Month Average		\$ 39,270,870	

Exhibit 2: Storm Costs By Petitions

Florida Public Utilities Company Storm Restoration Costs Dkt. No: 20190156-EI										
Description	ACN: 2019-329-1-2			Activity			ACN 2020-108-1-1			
	Per GL		Per Audit	6/30/2019 - 12/31/2019			Per GL		Proformas	Per Audit
	Michael	Proformas		Michael	Proformas	Total	Michael	Dorian		
	6/30/2019						12/31/2019	12/31/2019		
Regular Payroll	\$ 453,239	\$ 113,316	\$ 566,555	145,739	(113,316)	32,423	\$ 598,978	\$ 10,218		\$ 609,196
Overtime Payroll	469,603	11,827	481,430	16,266	(11,827)	4,439	485,869	4,564		490,433
Payroll Overhead Allocations	285,433	60,039	345,472	84,553	(60,039)	24,515	369,986	1,916		371,902
Department Cost Allocation	40,433		40,433	5,594	-	5,594	46,027	-		46,027
Employee Expenses	67,980		67,980	-	-	-	67,980	9,576		77,555
Contractor Costs	53,266,838	1,259,864	54,526,703	174,821	1,676,605	1,851,426	53,441,659	769,040	2,936,470	57,147,169
Logistics	1,437,896		1,437,896	3,656	15,000	18,656	1,441,552	298,229	15,000	1,754,781
Fuel	1,441,964		1,441,964	(74)	-	(74)	1,441,890	33,345		1,475,235
Equipment Rental	232,334		232,334	-	-	-	232,334	-		232,334
Materials	5,802,187	810,467	6,612,654	749,323	(2,561,788)	(1,812,465)	6,551,510	13,004	(1,751,320)	4,813,193
Call Center Costs	26,516		26,516	-	-	-	26,516	-		26,516
Uncollectible	120,321		120,321	-	-	-	120,321	-		120,321
Other	129,542		129,542	-	-	-	129,542	35,755		165,298
Sub-total	\$ 63,774,285	\$ 2,255,513	\$ 66,029,799	\$ 1,179,880	\$(1,055,364)	\$ 124,515	\$ 64,954,165	\$ 1,175,646	\$ 1,200,149	\$ 67,329,960
Interest	792,630	754,227	1,546,856	780,067	(752,726)	27,342	1,572,697	17,081	1,501	1,591,279
Sub-total	\$ 64,566,915	\$ 3,009,740	\$ 67,576,655	\$ 1,959,947	\$(1,808,090)	\$ 151,857	\$ 66,526,862	\$ 1,192,727	\$ 1,201,650	\$ 68,921,239
Less Capitalized Costs	(25,881,859)	(2,337,109)	(28,218,968)	(1,516,439)	2,337,109	820,670	(27,398,298)	-	-	(27,398,298)
Less Non Incremental Costs	-	(185,182)	(185,182)	(185,182)	185,182	(0)	(185,182)	-	-	(185,182)
Total	\$38,685,055	\$ 487,450	\$ 39,172,505	\$ 258,326	\$ 714,200	\$ 972,527	\$ 38,943,382	\$ 1,192,727	\$ 1,201,650	\$ 41,337,759

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: 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.

DOCKET NO. 20190156-EI

DATED: July 10, 2020

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the testimony of Debra M. Dobiac on behalf of the staff of the Florida Public Service Commission was electronically filed with the Office of Commission Clerk, Florida Public Service Commission, and copies were furnished by electronic mail to the following on this 10th day of July, 2020.

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