

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for establishment of regulatory assets for expenses not recovered during restoration for Hurricane Michael, by Florida Public Utilities Company.

DOCKET NO. 20190155-EI

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

In re: Petition for approval of 2019 depreciation study by Florida Public Utilities Company.

DOCKET NO. 20190174-EI
ORDER NO. PSC-2020-0347-AS-EI
ISSUED: October 8, 2020

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman
ART GRAHAM
JULIE I. BROWN
DONALD J. POLMANN
ANDREW GILES FAY

APPEARANCES:

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601, Tallahassee, Florida 32301
On behalf of Florida Public Utilities Company (FPUC).

PATRICIA A. CHRISTENSEN, A. MIREILLE FALL-FRY, and J.R. KELLY,
ESQUIRES, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-
1400
On behalf of Office of the Public Counsel (OPC).

RACHAEL DZIECHCIARZ, ASHLEY WEISENFELD, and BIANCA
LHERISSON, ESQUIRES, Florida Public Service Commission, 2540 Shumard
Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission (Staff).

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Advisor to the Florida Public Service Commission.

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Florida Public Service Commission General Counsel.

FINAL ORDER APPROVING SETTLEMENT AGREEMENT

BY THE COMMISSION:

Background

On August 7, 2019, Florida Public Utilities Company (FPUC) filed a petition to establish regulatory assets for expenses incurred during restoration for Hurricane Michael in Docket No. 20190155-EI. On the same day, FPUC also filed a 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. This petition was filed in Docket No. 20190156-EI. The Office of Public Counsel (OPC) filed notices of intervention in Docket Nos. 20190155-EI and 20190156-EI on August 14, 2019, which were acknowledged by Order Nos. PSC-2019-0373-PCO-EI and PSC-2019-0374-PCO-EI, respectively.

By Order No. PSC-2019-0501-PCO-EI, issued in Docket No. 20190156-EI on November 22, 2019, we approved FPUC and OPC's joint motion for approval of stipulation for implementation of an interim rate increase subject to refund. We found that the interim rate increase would allow for FPUC to offset its projected reduction in fuel costs with the storm restoration costs, subject to refund, and would avoid rate shock for FPUC's customers. By Order No. PSC-2020-0060-PCO-EI, issued on February 24, 2020, Docket Nos. 20190155-EI and 20190156-EI were consolidated for purposes of administrative efficiency, including a hearing, should it be necessary. On March 11 and 12, 2020, FPUC filed revised petitions in Docket No. 20190156-EI to reflect several updates to the August 7, 2019 petitions, including the addition of Hurricane Dorian expenses to FPUC's recovery request.

On September 3, 2019, in Docket No. 20190174-EI, FPUC filed a petition for approval of its 2019 Depreciation Study pursuant to Rule 25-6.0436, Florida Administrative Code (F.A.C.), and Order No. PSC-2019-0322-PAA-EI, issued on August 7, 2019.¹ OPC filed a notice of intervention in Docket No. 20190174-EI on September 10, 2019, which was acknowledged by Order No. PSC-2019-0381-PCO-EI, issued on September 18, 2019. On April 21, 2020, Docket

¹ See Docket No. 20190130-EI, *In re: Petition for waiver of depreciation study filing requirement in Rule 25-6.0436(4)(a), F.A.C., by Florida Public Utilities Company.*

No. 20190174-EI was consolidated with Docket Nos. 20190155-EI and 20190156-EI by Order No. PSC-2020-0121-PCO-EI for administrative efficiency.

On August 31, 2020, FPUC and OPC (the Parties) filed a Joint Motion for Approval of Stipulation and Settlement (Joint Motion), and attached the Stipulation and Settlement Agreement (Settlement Agreement), attached hereto as Attachments A and B. At the Parties' request, the prehearing conference was cancelled, and in lieu of a Prehearing Order, a Procedural Order (Order No. PSC-2020-0313-PCO-EI) was issued on September 16, 2020.

A final hearing was held on September 21, 2020, in which the direct testimony of FPUC witnesses Michael Cassel, Michelle Napier, Mark Cutshaw, and Patricia S. Lee; the direct testimony of OPC witnesses Helmuth Schultz and David Garrett; the direct testimony of Staff witnesses Debra M. Dobiac and Carl Vinson; and the rebuttal testimony of FPUC witnesses Michael Cassel, Michelle Napier, Mark Cutshaw, and Patricia S. Lee were entered into the record as though read. The stipulated Comprehensive Exhibit List and corresponding exhibits were also entered into the record. In addition, the Parties discussed the highlights of the Settlement Agreement and how approval of the Settlement Agreement is in the public interest. At the conclusion of the hearing, the Parties waived briefs and a bench vote was taken.

We have jurisdiction pursuant to Sections 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

Settlement Agreement

The Parties contend that the Settlement Agreement resolves all matters contained in Docket Nos. 20190155-EI, 20190156-EI, and 20190174-EI. The key terms of the Settlement Agreement include the establishment of two regulatory assets for portions of the costs FPUC incurred due to system restoration activities following Hurricanes Michael and Dorian. The amount of the first regulatory asset is approximately \$6.8 million, to be recovered over 10 years by an increase to base rates, and the amount of the second regulatory asset is approximately \$45.8 million, to be recovered over 5 years by a surcharge.² Further, FPUC will be permitted to recover an additional \$2.2 million in annual revenue associated with new plant investment, also by an increase to base rates. The changes to base rates and the surcharge will be effective November 1, 2020, and the interim rates approved by us by Order No. PSC-2019-0501-PCO-EI, issued on November 22, 2019, will cease on October 31, 2020. In addition, FPUC agreed to implement the Storm Restoration Cost Improvements consistent with those approved by settlement in Docket Nos. 20170271-EI and 20170272-EI (prior storm-cost recovery dockets for Tampa Electric Company and Duke Energy Florida, LLC, respectively). FPUC further agreed to implement OPC's adjusted asset lives and resulting depreciation rates related to FPUC's 2019 Depreciation Study.

² As indicated in Revised Tariff Sheet No. 68, attached to Exhibit B of the Settlement Agreement (*see* Document No. 05344-2020), the surcharge will be recovered from November 2020 through December 2025.

Decision

The standard for approval of a settlement agreement is whether it is in the public interest.³ A determination of public interest requires a case-specific analysis based on consideration of the proposed settlement taken as a whole.⁴ Approving the Settlement Agreement promotes regulatory economy and administrative efficiency, and avoids the time and expense associated with litigating the settled issues in the above-referenced dockets.

Based upon the Parties' motion, our review of the Settlement Agreement, and the evidence and testimony on the record, we find that the Settlement Agreement is in the public interest and is hereby approved. The Settlement Agreement resolves all of the issues in Docket Nos. 20190155-EI, 20190156-EI, and 20190174-EI.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Joint Motion for Approval of Stipulation and Settlement, submitted by Florida Public Utilities Company and the Office of Public Counsel, is hereby approved. It is further

ORDERED that the Stipulation and Settlement Agreement, attached hereto as Attachments A and B, and incorporated by reference, is hereby approved. It is further

ORDERED that the stipulations, findings, and rulings herein are hereby approved. It is further

ORDERED that Florida Public Utilities Company shall abide by the stipulations, findings, and rulings herein. It is further

ORDERED that if no appeal is filed, Docket Nos. 20190155-EI, 20190156-EI, and 20190174-EI shall be closed.

³ Order No. PSC-13-0023-S-EI, issued on January 14, 2013, in Docket No. 120015-EI, *In re: Petition for increase in rates by Florida Power & Light Company*; Order No. PSC-11-0089-S-EI, issued February 1, 2011, in Docket Nos. 080677 and 090130, *In re: Petition for increase in rates by Florida Power & Light Company* and *In re: 2009 depreciation and dismantlement study by Florida Power & Light Company*; Order No. PSC-10-0398-S-EI, issued June 18, 2010, in Docket Nos. 090079-EI, 090144-EI, 090145-EI, 100136-EI, *In re: Petition for increase in rates by Progress Energy Florida, Inc.*, *In re: Petition for limited proceeding to include Bartow repowering project in base rates, by Progress Energy Florida, Inc.*, *In re: Petition for expedited approval of the deferral of pension expenses, authorization to charge storm hardening expenses to the storm damage reserve, and variance from or waiver of Rule 25-6.0143(1)(c), (d), and (f), F.A.C., by Progress Energy Florida, Inc.*, and *In re: Petition for approval of an accounting order to record a depreciation expense credit, by Progress Energy Florida, Inc.*; Order No. PSC-05-0945-S-EI, issued September 28, 2005, in Docket No. 050078-EI, *In re: Petition for rate increase by Progress Energy Florida, Inc.*

⁴ Order No. PSC-13-0023-S-EI, at p. 7.

By ORDER of the Florida Public Service Commission this 8th day of October, 2020.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

RAD

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.



FILED 8/31/2020
DOCUMENT NO. 05303-2020
FPSC - COMMISSION CLERK

Writer's E-Mail Address: bkeating@gunster.com

August 28, 2020

VIA E-PORTAL

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

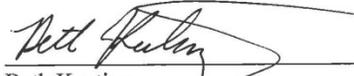
Re: Docket No. 20190156-EI - Petition for a limited proceeding to recover incremental storm restoration costs, capital costs, revenue reduction for permanently lost customers, and regulatory assets related to Hurricane Michael, by Florida Public Utilities Company.

Dear Mr. Teitzman:

Attached for electronic filing, please find the Joint Motion of Florida Public Utilities Company and the Office of Public Counsel for Approval of Stipulation and Settlement. The Stipulation and Settlement is included as Attachment A to the Joint Motion. The Joint Movants note that tariff sheets referenced as Exhibit B to the Stipulation and Settlement will be provided under separate cover early next week.

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

Sincerely,


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

MEK

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
In re: Petition for establishment of regulatory assets for expenses not recovered during restoration for Hurricane Michael, by Florida Public Utilities Company.	DOCKET NO. 20190155-EI
In re: Petition for approval of 2019 depreciation study by Florida Public Utilities Company.	DOCKET NO. 20190174-EI
	DATED: August 28, 2020

**JOINT MOTION OF FLORIDA PUBLIC UTILITIES COMPANY
AND THE OFFICE OF PUBLIC COUNSEL FOR APPROVAL OF
STIPULATION AND SETTLEMENT**

Florida Public Utilities Company ("FPUC" or "Company") and the Office of Public Counsel ("OPC") (collectively, "Joint Movants" or "Parties") by and through their undersigned attorneys, respectfully move the Florida Public Service Commission ("Commission") to approve the Stipulation and Settlement ("Storm Settlement") attached hereto as Attachment "A". The Joint Movants have entered into this Storm Settlement in resolution of all issues in the above-referenced Dockets. In support hereof, the Joint Movants state as follows:

1. On August 7, 2019, FPUC petitioned the Florida Public Service Commission ("the Commission") for a limited proceeding for a revenue increase to recover \$28.2 million associated with capital additions and the cost of removal in the wake of Hurricane Michael, a regulatory asset in the amount of \$39.2 million that consists of incremental storm restoration costs arising from Hurricane Michael, and a regulatory asset in the amount of \$1.6 million also

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)

arising from the impacts of Hurricane Michael for total costs of \$69 million with the effective day of such rate increase to be January 2, 2020 (“Limited Proceeding”).

2. OPC filed a notice of its intervention on August 14, 2019.
3. On September 3, 2019, FPUC filed its 2019 Depreciation Study, which was assigned Docket No. 20190174-EI.
4. These Dockets were consolidated for hearing by Order No. PSC-2020-0060-PCO-EI, issued February 24, 2020.
5. On March 11, 2020, FPUC filed revised petitions with the Commission for a limited proceeding for a revenue increase to recover \$19,146,827 associated with capital additions in the wake of Hurricane Michael, a regulatory asset in the amount of \$41,337,758 that consists of incremental storm restoration costs arising from Hurricanes Michael and Dorian, a regulatory asset in the amount of \$504,448 for lost customers, another regulatory asset for operations and maintenance expenses not recovered in the amount of \$984,283, and a regulatory asset in the amount of \$8,251,471 related to cost of removal and other accumulated depreciation adjustments also arising from the impacts of Hurricane Michael on depreciation expense, for total costs of \$70,224,787, and an annual incremental revenue requirement of \$11,884,648.
6. These consolidated dockets were set for hearing and a procedural schedule was established by Order No. PSC-2020-0121-PCO-EI, issued April 21, 2020, and thereafter modified by Order No. PSC-2020-0174-PCO-EI, issued June 2, 2020.
7. The Storm Settlement is the result of good faith efforts to address the issues in this proceeding in a manner that will provide regulatory certainty with regard to FPUC’s rates and recovery by the Company of its significant losses resulting from Hurricane Michael, and to a lesser extent, Hurricane Dorian. The Joint Movants represent that approval of this Storm

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)

Settlement will avoid the unnecessary expense and uncertainty associated with further litigation, including a potential full rate proceeding. The Storm Settlement results in rates and a surcharge that are fair, just, and reasonable. Therefore, the Joint Movants submit the Storm Settlement is in the public interest and respectfully request its approval as further described below.

8. The Storm Settlement provides planning and rate certainty for a period through at least September 1, 2021, as the Joint Movants agree that the FPUC shall not file a test year notification letter before that date.

9. In furtherance of this Joint Motion and approval of the Storm Settlement, the Joint Movants waive any right to seek reconsideration of, or otherwise appeal, any decision of the Commission approving, in its entirety, this Storm Settlement.

10. The Storm Settlement provides, among other things:

- FPUC will be allowed to recover \$2,165,706 associated with the Company's Request for a Limited Proceeding to recover new plant, and \$1,189,374, associated with a regulatory asset established in the amount of \$6,842,378 for Accumulated Depreciation cost of removal and undepreciated plant. This regulatory asset would be amortized over 10 years. The Parties further agree that it is appropriate to recover these amounts through an annual revenue increase to FPUC's base rates in the amount of \$3,355,080.
- FPUC will establish a regulatory asset for Storm Costs in the amount of \$45,794,544, including interest, which shall be amortized over 6 years with interest applied at FPUC's actual blended debt rate used in the March 11, 2020, revised petitions. These Storm Costs shall be recovered through a surcharge to be

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)

applied on a per kwh basis (“Storm Surcharge”) calculated to recover \$7,658,985 annually.

- FPUC’s new Base Rates and new Storm Surcharge should be allowed to become effective for all meters read on or after November 1, 2020, at which time the Interim Rates approved by Order No. PSC-2019-0501-PCO-EI shall cease.
- The Parties have agreed that the adjusted asset lives and resulting adjustments to FPUC’s depreciation rates proposed by OPC’s Witness David Garrett will be reflected in FPUC’s new Depreciation Rates. With those changes accepted, FPUC’s new Depreciation Rates should otherwise reflect the net salvage values, reserve allocations, and reserve amortization as filed by FPUC with the Testimony of FPUC Witness Patricia Lee on May 8, 2020, with the new rates effective January 1, 2020.
- FPUC agrees it will implement Storm Restoration Cost Process Improvements consistent with those approved by the Commission in Dockets Nos. 20170271-EI (TECO) and 20170272-EI (Duke).
- The Parties have also agreed to a storm cost recovery process to address cost recovery in the event of future damaging storms. This process will remain in place until the effective date of new rates approved by the Commission in the Company’s next full base rate proceeding.

11. To date, no other parties have intervened in this proceeding. As the only two parties to the proceeding have executed the Storm Settlement, no party will be prejudiced by the proposed procedure or the Commission’s approval of the Storm Settlement. Should any new

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)

party seek to intervene at any point in the future, in accordance with Commission rules, such party would then take the case as they find it.

12. The Joint Movants represent that the Storm Settlement provides an equitable and just balance of the positions of the parties on the issues in this proceeding. The Joint Movants submit approval of the Storm Settlement is in the best interests of both the Company and its customers, and therefore, respectfully request approval of same.

13. For the sake of efficiency, the Joint Movants request the Commission rule on this Joint Motion For Approval of Stipulation and Settlement during the period of September 8-10, the time that is presently scheduled for the technical hearing in this proceeding.

14. FPUC commits to making experts available to the Commission to address questions, if any, regarding Storm Settlement.

15. Commission approval of this Joint Motion is consistent with the Commission's long-standing policy to encourage settlements that provide benefits to the customers and avoid unnecessary additional litigation expense.

WHEREFORE, the Joint Movants hereby respectfully request that the Commission grant this Joint Motion, approve the Stipulation and Settlement attached hereto as Attachment "A", and allow the Company to implement the rates included in the tariff sheets incorporated therein

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)

as "Exhibit B" effective November 1, 2020.

Respectfully submitted this 28th day of August, 2020, by:

s/ Patricia A. Christensen
Patricia A. Christensen, Esquire
Bar No. 989789
Office of the Public Counsel
c/o The Florida Legislature
111 West Madison St., Rm 812
Tallahassee, FL 32399-1400
Office of Public Counsel


Beth Keating, Esquire
Bar No. 0022756
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301

(850) 521-1706
Attorneys for Florida Public Utilities Company

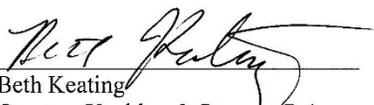
Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 28th day of August, 2020:

Florida Public Utilities Company Mike Cassel 208 Wildlight Ave. Yulee, FL 32097 mcassel@fpuc.com	Ashley Weisenfeld Rachael Dziechciarz Bianca Lherisson Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 aweisenf@psc.state.fl.us rdzicche@psc.state.fl.us blheriss@psc.state.fl.us
	Office of Public Counsel J.R. Kelly/Patricia Christensen/Mireille Fall-Fry c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Kelly.jr@leg.state.fl.us christensen.patty@leg.state.fl.us fall-fry.mireille@leg.state.fl.us

By:


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

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)

ATTACHMENT A

Stipulation and Settlement

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
In re: Petition for establishment of regulatory assets for expenses not recovered during restoration for Hurricane Michael, by Florida Public Utilities Company.	DOCKET NO. 20190155-EI
In re: Petition for approval of 2019 depreciation study by Florida Public Utilities Company.	DOCKET NO. 20190174-EI
	DATED: August 28, 2020

STIPULATION AND SETTLEMENT

WHEREAS, Florida Public Utilities Company (“FPUC” or “Company”) and the Office of Public Counsel (“OPC”) have signed this Stipulation and Settlement regarding the Company’s requests for relief, which initiated each of the above-referenced Dockets, (“Storm Settlement”); and

WHEREAS, unless the context clearly intends otherwise, the term “Party” or “Parties” shall mean a signatory or signatories to this Storm Settlement; and

WHEREAS, Hurricane Michael, as a Category 5 Hurricane, inflicted unprecedented and catastrophic damage in both breadth and scope to FPUC’s facilities in its Northwest Electric Division; and

WHEREAS, on August 7, 2019, FPUC petitioned the Florida Public Service Commission (“the Commission”) for a limited proceeding for a revenue increase to recover \$28.2 million associated with capital additions and the cost of removal in the wake of Hurricane Michael, a regulatory asset in the amount of \$39.2 million that consists of incremental storm restoration costs arising from Hurricane Michael, and a regulatory asset in the amount of \$1.6

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

million also arising from the impacts of Hurricane Michael for total costs of \$69 million with the effective day of such rate increase to be January 2, 2020 (“Limited Proceeding”); and

WHEREAS, on September 3, 2019, FPUC filed its 2019 Depreciation Study; and

WHEREAS, by Order No. PSC-2019-0501-PCO-EI, issued November 22, 2019, the Commission approved the Joint Motion of FPUC and OPC seeking approval of the Stipulation for Implementation of Rate Increase Subject to Refund, pursuant to which Interim Rates became effective January 2, 2020; and

WHEREAS, the referenced Dockets were consolidated for hearing by Order No. PSC-2020-0060-PCO-EI, issued February 24, 2020; and

WHEREAS, on March 11, 2020, FPUC filed revised petitions with the Commission for a limited proceeding for a revenue increase to recover \$19,146,827 associated with capital additions in the wake of Hurricane Michael, a regulatory asset in the amount of \$41,337,758 that consists of incremental storm restoration costs arising from Hurricanes Michael and Dorian, a regulatory asset in the amount of \$504,448 for lost customers, another regulatory asset for operations and maintenance expenses not recovered in the amount of \$984,283, and a regulatory asset in the amount of \$8,251,471 related to cost of removal and other accumulated depreciation adjustments also arising from the impacts of Hurricane Michael on depreciation expense, for total costs of \$70,224,787, and an annual incremental revenue requirement of \$11,884,648; and

WHEREAS, these consolidated dockets have been set for hearing and a procedural schedule was established by Order No. PSC-2020-0121-PCO-EI, issued April 21, 2020, and thereafter modified by Order No. PSC-2020-0174-PCO-EI, issued June 2, 2020; and

WHEREAS, pursuant to the Prehearing Officer’s scheduling orders, FPUC and OPC have submitted the testimony and exhibits of their respective witnesses; and

WHEREAS, Commission Staff has conducted its audits and submitted such audits as exhibits to the testimony of Commission Staff’s witnesses; and

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

WHEREAS, extensive discovery has been conducted in these consolidated Dockets involving the production of thousands of pages of documents;

WHEREAS, pursuant to the established schedule, these consolidated Dockets are set for hearing to begin on September 8, 2020; and

WHEREAS, after full and extensive review of the testimony and discovery produced, the Parties have engaged in good faith discussion and have reached a full and complete resolution of all matters in these consolidated Dockets; and

WHEREAS, the legal system, as well as the Commission, favors settlement of disputes, including interim solutions, for a variety of reasons, including that they are in the public interest; and

WHEREAS, the Parties to this Storm Settlement, individually and collectively, agree that this Storm Settlement, when taken as a whole, is in the public interest; and

WHEREAS, the Parties are not in agreement on all legal and policy questions raised in these proceedings, but have mutually agreed in compromise, without conceding either Party's position on the legal and policy questions is correct, to adjustments to the amounts requested for recovery by FPUC, as well as the mechanism for recovery; and

WHEREAS, the Parties have entered into this Storm Settlement in compromise of positions taken in accord with their rights and interests under Chapters 350, 366 and 120, Florida Statutes, as applicable, and as part of a negotiated exchange of consideration among the Parties, each Party has agreed to concessions to the other with the expectation, intent, and understanding such that all provisions of this Storm Settlement, upon approval by the Commission, will be enforced by the Commission as to all matters addressed herein with respect to both Parties; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, which the Parties agree constitute good and valuable consideration, the Parties hereby stipulate and agree as follows:

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

I. Cost Recovery

1. The Parties agree that it is appropriate for FPUC to recover \$2,165,706 associated with the Company's Request for a Limited Proceeding to recover new plant, and \$1,189,374, associated with a regulatory asset established in the amount of \$6,842,378 for Accumulated Depreciation cost of removal and undepreciated plant. This asset would be amortized over 10 years. The Parties further agree that it is appropriate to recover these amounts through an annual revenue increase to FPUC's base rates in the amount of \$3,355,080.
2. FPUC will establish a regulatory asset for Storm Costs in the amount of \$45,794,544, including interest, which shall be amortized over 6 years with interest applied at FPUC's actual blended debt rate used in the March 11, 2020, revised petitions. These Storm Costs shall be recovered through a surcharge to be applied on a per kwh basis ("Storm Surcharge") calculated to recover \$7,658,985 annually.
3. The Parties agree that the new Base Rates and new Storm Surcharge shall be effective for all meters read on or after November 1, 2020, at which time the Interim Rates approved by Order No. PSC-2019-0501-PCO-EI shall cease.
4. Based upon the agreed-upon incremental annual revenue requirement and annual surcharge amount identified in paragraphs 1 and 2, the Parties acknowledge that it is anticipated FPUC will over-collect interim revenues. The Parties agree that a true-up will be timely conducted following the Interim Rate termination date of October 31, 2020. The identified over-collected amount shall be refunded to FPUC's customers as a reduction to FPUC's Fuel Clause beginning January 1, 2021.
5. The Parties have agreed that the adjusted asset lives and resulting adjustments to FPUC's depreciation rates proposed by OPC's Witness David Garrett will be reflected in FPUC's new Depreciation Rates. The Parties agree, with the exception of the changes to implement OPC Witness Garrett's recommended adjusted asset lives, that it is appropriate for FPUC's new Depreciation Rates to otherwise reflect the net salvage values, reserve allocations, and reserve amortization as filed by FPUC with the

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

Testimony of FPUC Witness Patricia Lee on May 8, 2020, with the new rates effective January 1, 2020.

II. Process Changes

6. FPUC will implement the Storm Restoration Cost Process Improvements identified as “Storm Restoration Cost Process Improvements” and attached as exhibits to the Settlement Agreements approved by the Commission in Dockets Nos. 20170271-EI (TECO) and 20170272-EI (Duke) that are attached to this Agreement as Exhibit A, with the following exception. The Parties acknowledge that, while FPUC is not in a position to implement new software for tracking and monitoring of contractor crews during restoration work, FPUC has formalized and implemented for the 2020 hurricane season a manual tracking procedure that will allow it to monitor and track contractor crews during named storm events in a far more proactive manner and the information collected manually will be input into electronic spreadsheets in the format used in this proceeding. FPUC will also commit to move towards implementation of software that will enable automated tracking as soon as practical.

III. Future Storm Recovery

7. Nothing in this Storm Settlement shall preclude FPUC from petitioning the Commission to seek future recovery of costs associated with (1) any tropical systems named by the National Hurricane Center or its successor, or (2) other catastrophic storm events causing damage to FPUC’s generation, transmission or distribution system in the aggregate dollar amount of at least \$1,000,000, without the application of any form of earnings test or measure and irrespective of previous or current base rate earnings. If FPUC seeks to recover storm costs from its ratepayers during the term of this agreement, such filing(s) shall be consistent with Rule 25-6.0143, Florida Administrative Code. Consistent with this Storm Settlement, the Parties agree that recovery from customers of storm costs associated with any future event to which this paragraph 7 is deemed applicable will begin, on an interim basis (subject to refund following a hearing or a full opportunity for a formal proceeding), sixty days following the filing of a cost recovery petition and tariff

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

with the Commission and will be based on a 12-month recovery period if the storm costs for the future event do not exceed \$4.00/1,000 kWh on monthly residential customer bills. In the event the Company's reasonable and prudent storm costs exceed that level, any additional costs in excess of \$4.00/1,000 kWh shall be recovered in a subsequent year or years as determined by the Commission, after hearing or after the opportunity for a formal proceeding has been afforded to all substantially affected persons or parties. All incremental storm-related costs shall be calculated and disposed of pursuant to Rule 25-6.0143, F.A.C.

8. FPUC and OPC are not precluded from participating in any such future proceedings and opposing the amount of FPUC's claimed costs (for example, and without limitation, on grounds that such claimed costs were not reasonable or were not prudently incurred) or whether the proposed recovery is consistent with Rule 25-6.0143, F.A.C., or otherwise allowed by law.
9. The Parties agree that the \$4.00/1,000 kWh cap in this Section III shall apply in aggregate for a calendar year; provided, however, that FPUC may petition the Commission to allow FPUC to increase the initial 12-month recovery at rates greater than \$4.00/1,000 kWh or for a period longer than 12 months if FPUC incurs in excess of \$3 million of storm recovery costs that qualify for recovery in a given calendar year, inclusive of the amount needed to replenish the storm reserve to \$1.5 million. The Office of Public Counsel reserves its right to oppose such future petition.
10. The provisions of this Section III (Future Storm Recovery) shall remain in effect until the effective date of new base rates established for FPUC in the Company's next full base rate proceeding.

IV. Additional Commitments

11. FPUC will delay the filing of any test year notification letter for its next full base rate proceeding until at least September 1, 2021.

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

12. Nothing in this Storm Settlement will have precedential value.
13. The Parties' agreement to the terms in this Storm Settlement shall be without prejudice to any Party's ability to advocate a different position in future proceedings not involving this Storm Settlement. The Parties further expressly agree that no individual provision, by itself, necessarily represents a position of any Party in any future proceeding, and the Parties further agree that no Party shall assert or represent in any future proceeding in any forum that another Party endorses any specific provision of this Storm Settlement by virtue of that Party's signature on, or participation in, this Storm Settlement. It is the intent of the Parties to this Storm Settlement that the Commission's approval of all the terms and provisions of this Storm Settlement is an express recognition that no individual term or provision, by itself, necessarily represents a position, in isolation, of any Party or that a Party to this Storm Settlement endorses a specific provision, in isolation, of this Storm Settlement by virtue of that Party's signature on, or participation in, this Storm Settlement.
14. The Parties agree the direct and rebuttal testimony of FPUC's witnesses Cassel, Napier, Lee, and Cutshaw; the direct testimony of OPC witnesses Schultz and Garrett; and the direct testimony of Commission Staff witnesses Vinson and Dobiac, shall be entered into the record of this consolidated proceeding, along their exhibits and the exhibits on the stipulated Comprehensive Exhibit List.
15. Approval of this Storm Settlement resolves all issues in this proceeding. The Parties agree that approval of the Storm Settlement will avoid additional litigation costs for all Parties. The Parties agree to waive:
 - i. All notice requirements for a hearing as set forth in Section 120.569(2)(b), Florida Statutes, or other applicable law;
 - ii. Their right to require a hearing on the merits;

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

- iii. Their respective rights to seek reconsideration of any Final Order that approves this Storm Settlement in its entirety without change; and
 - iv. Their respective right to judicial review of any such final agency action approving this Storm Settlement afforded by Section 120.68, Florida Statutes.
16. The Parties further agree they will support this Storm Settlement and affirmatively assert that this Storm Settlement is in the public interest and should be approved. The Parties likewise agree and acknowledge that the Commission's approval of this Storm Settlement promotes planning and regulatory certainty for both FPUC and its customers.
17. The effective date of this Storm Settlement shall be the date of the Commission's vote approving this Storm Settlement.
18. The provisions of this Storm Settlement are contingent upon approval by the Commission in its entirety without modification, which the Parties agree is in the public interest. Approval of this Storm Settlement will resolve all matters and issues in these consolidated Dockets.
19. Attached hereto as Exhibit B are the appropriate tariff sheets reflecting the appropriate rate changes and surcharge, which, upon Commission approval, shall become effective on November 1, 2020.

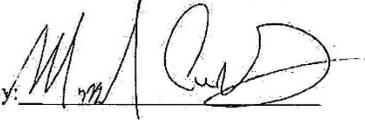
[SIGNATURE PAGES FOLLOW]

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

In Witness Whereof, the Parties evidence either acceptance and agreement with the provisions of this Storm Settlement by their signature.

Dated this 28th day of August, 2020.

Florida Public Utilities Company

By: 

Office of Public Counsel

s/J.R. Kelly
By: _____

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

Exhibit A

STORM RESTORATION COST PROCESS IMPROVEMENTS

Based on Dockets Nos. 20170271-EI (TECO) and 20170272-EI (Duke)

The following future processes summarizes the STORM RESTORATION COST PROCESS IMPROVEMENTS which is to ensure cost effective and timely storm damage recovery and service restoration which reasonably balances the customers right to prompt restoration of service with the customers' equal right not to pay excessive or improper costs to achieve that restoration:

[Where Items I.A-1 contain policies (and expectations) that are to be communicated to vendors through inclusion in the engagement documentation (i.e. the documentation which is to be transmitted to a vendor immediately after it has agreed to perform storm restoration work for the Company), an asterisk (*) is placed in front of each applicable term. Additional specific guidance or reinforcement may be contained in individual policy statements.]

I. Contracting and Vendor Engagement, Travel and Work Policies

- A. *Contracting policy* – The Company will (for damage assessment, line clearing and repair work) make good-faith efforts to contract and establish major terms and conditions with independent vendors who have non-embedded crews. Where applicable, the terms and conditions should reflect the procedures, policies and expectations outlined under I. A through I. An embedded crew provides storm restoration services and also performs similar or additional types of services for the Company in non-storm-restoration (non-emergency) conditions on a year-round basis. A non-embedded crew does not provide similar or additional types of services for the Company in non-storm-restoration (non-emergency) conditions on a year-round basis.
- B. **Billing Start Point Policy* - The Company will establish a policy that vendor billing should begin at the point in time the crew mobilizes after acquisition. The term “mobilize” does not include the time or activity associated with crew members traveling to the point of travel departure, but may include reasonable and prudent time and activities associated with stocking supplies and making vehicles ready to travel. Any exceptions to this requirement will be documented.
- C. **Travel Time Billing Policy* - The Company will establish a policy and use its best efforts to ensure that contracts with vendors include terms and conditions designed to limit compensation for travel time to actual time traveled, with no minimum hours, and to require documentation of any exceptions to the policy and the reason therefor. For safety, timing, and logistics purposes, Company will request an electronic version of the proposed route that will be taken.

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

- D. **Pace of Travel Guidance Policy* - The Company will establish a policy for invoice review and storm documentation purposes that it expects distribution vendor crews that bill for 12 hours or more hours of travel in a day to travel 500 miles per day and it will require explanations sufficient to explain the degree of divergence from the expected travel distance.
- E. **GPS Tracking Capability Policy* - The Company will establish a policy that GPS tracking of vendor crews using ARCOS or a similar application will be required of vendor crews where reasonably practicable and GPS tracking will be utilized to the maximum extent possible. The mandatory nature of this requirement will be communicated in the engagement documentation. Any exceptions to this requirement will be documented.
- F. **Anti-poaching Policy* - The Company declares that, on an informed basis, it does not, and will not, "poach" vendors and vendor crews who are committed to another utility or are part of another utility's mutual aid allocation without the consent of other utility. The Company will use its best efforts to communicate with Florida utilities regarding the engagement and the release of vendors. The standardized engagement documentation will communicate that the Company expects that vendors will communicate honestly with other utilities about any prior engagement to provide assistance to decrease the opportunity for "poaching."
- G. **Daily Timesheet Review and Documentation Policy* - The Company will require, review, verify, and approve the daily time sheets for all applicable vendor crews (i.e. other than those of an investor-owned utility ("IOU") allocated through a mutual assistance organization) and will maintain documentation of the Company's approval and any exceptions noted by the Company. Electronic interfacing for time sheet review and approval will be utilized by vendors where reasonably practicable, and a spreadsheet template will be made available to all contractors to facilitate consistent application to the maximum extent possible.
- H. **16 Hour Work/8 Hour Rest Policy* - The Company will establish a policy (and use its best efforts to ensure that contracts with vendors include necessary terms and conditions) to limit work time to 16 hours on, with 8 hours of rest, with no minimum hours, including the avoidance of double-time billing through efficient management of prior day's work time and/or current day's end of rest time/start time. The Company will document any exceptions if it is unable to include such provisions in its contract (in accordance with I.A.), and the reasons therefor. The Company will also document exceptions to the policy, if any, in the implementation of the policy, and the reasons therefor. The expectations in this policy will be communicated in the engagement documentation provided to all vendors.
- I. **Meal and Fuel Policy* - The Company will establish a policy for all vendors that all meals and fueling after vendor crews are on-boarded will occur at or be provided by the base camp; exception to this policy should rare and all exceptions

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

must be documented. Any authorized exceptions where meals are eaten off-site meals will not be reimbursed if they exceed a reasonable and customary amount. This Company policy will also include an expectation that no vendor crews will eat sit down meals outside the base camp or will purchase fuel off-site during working hours. The Company will establish a policy that vendor crews receiving meal stipends are expected to eat or receive all meals at or by the base camp once on-boarded. Time related to any unauthorized meals will not be paid. A sit-down meal is defined as a meal served in a restaurant where the crew park and leave their vehicles, enter the restaurant and sit down for a meal served by a server, and the meal is eaten inside the restaurant. The policies in I.I will be communicated to all vendors through the standard engagement documentation and, where possible, spelled out in the terms and conditions.

- J. Mutal Assistance Group Advocacy Commitments. The Company will use reasonable best efforts to recommend to Southeastern Electric Exchange ("SEE") and/or Edison Electric Institute ("EEI") and advocate for/achieve changes to mutual aid IOU and vendor policies that are inconsistent with the receiving utility's company policies. In discussions with SEE and/or EEI, the Company will encourage SEE to establish policies to eliminate billing for management double-time and mandatory meal stipends, and to establish standardized meal policies (reasonable *per diem*, if any). The Company will update the consumer parties annually in writing as to the status of this item.

II. Cost Documentation, Auditing and Regulatory Recovery Process

- A. Storm Cost Documentation. The Company will provide, for each named tropical storm, supporting documentation which includes binders (files) segregated by vendor with summaries and invoices, time sheets, etc., as follows:

- Summary identifying vendor, any reference number associated with discreet vendor crews, billing and point of origin location, distance to travel, assumed travel days, dates secured, date started travel, date arrived, date released, time released, released to whom and, if vendor travels home, the date arrived at home.
- Contractor review showing the results of the Company's internal review that contains the detail listed on a Storm Audit Narrative, including all exceptions documented pursuant to I.A. through I.
- Summary of expenses in a format that shows total billing (all invoices are listed separately).
- Filings will be very similar in organization, showing cost by storm and by cost category, including but not limited to Regular Payroll, Overtime Payroll, Payroll Overheads, Contractors Cost for line restoration, Line Clearing Contractor costs, Logistics, Materials & Supplies, Other.

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

The Company will provide the information outlined above in a format that comports with the Company's record keeping and accounting practices on the timeline discussed below. Testimony will be filed after any required independent audit is concluded.

B. *Initial Audit Required.* The Company will engage an independent outside audit firm to conduct an audit of the Company's presentation of recoverable costs of the first named-storm for which claimed damages exceed at least 50% of its full authorized storm reserve amount or \$40 million, whichever is greater. The purpose, scope and activities of this audit will include, at a minimum, the following:

(1) Audit Purpose and Scope

(a) The purpose of the audit is to validate that any and all storm costs paid were allowable, legitimate, accurate, incurred within the appropriate time period, adequately and completely supported, and properly approved, ensuring that only actual and approved storm costs are recovered in customer rates.

(b) The scope of the audit should be sufficient to enable the auditor to evaluate the adequacy and effectiveness of the Company's internal controls (or processes) governing the vendor procurement process, including (1) complete rate agreement, (2) invoice/billing payment review process, and (3) the approval/denial/resolution process, including but not limited to, the Company's payment approval logic for reasonableness, allowability and compliance with contract terms.

(2) Audit Activities should include:

(a) Interviews with key personnel

(b) Review of operating policies and procedures

(c) Review of relevant documents, such as executed contracts, labor and equipment rates, established work day hours, over time and double time criteria, and vendor employee rosters

(d) Comparisons between vendor employee rosters and approved timesheets, and expense receipts (hotel, fuel or meal)

(e) Inspection and comparison of paid invoices to submitted expense receipts, submitted timesheets

(f) Recalculation and reconciliation of paid invoices

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

(g) Reconciliation of paid invoices with overall vendor invoice summaries or utility expense recap documents

C. Provision of Supporting Documentation. All supporting documentation referenced under II. A will be provided to Interveners in response to an agreed, standardized discovery request shortly after the tiling of testimony.

D. Cost recovery for initial process implementation. For the first qualifying storm described under II. B, the Consumer Parties will not object to and will support the Company recovering the start-up costs for the new procedures required under these processes (e.g. audit costs, base rate payroll for employees needed to implement the process).

E. Incremental cost methodology. The Company will provide in its testimony full details as to how incremental and non-incremental costs were determined in accordance with the Incremental Cost Methodology Addendum below and Rule 25-6.0143, F.A.C. The Consumer Parties agree that the methodology explained below is a reasonable approach to identifying incremental storm costs as that concept is used in the rule.

Incremental Cost Methodology Addendum

- Base Payroll:
 - Affiliate employees: Charge time to the storm reserve charge codes. Then remove the difference between the actual and the 3-year historical average Affiliate base payroll dollars charged to IOU total Operation and Maintenance expense ("O&M") for the month(s) of the activities directly related to the storm in the absence of a storm. This is the non-incremental portion.
 - IOU employees in Transmission and Distribution ("T & D"): Charge all time to the storm reserve charge codes. For each T & D function, remove the difference between the actual and the 3-year historical average functional O&M base payroll dollars for the month(s) of the activities directly related to the storm in the absence of a storm. This is the non-incremental portion.
 - IOU employees not in T & D and not clause recoverable: Charge all base payroll time to normal charge codes as non-incremental.
 - IOU employees who are clause recoverable: Charge all base payroll time to the storm reserve charge codes. This amount is incremental and recoverable.

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

- The costs attributed to the new processes agreed to by the parties will be treated the same as the "IOU employees who are clause recoverable" bullet above for the first storm these processes are in place, and thereafter will be treated the same as the "IOU employees not in T&D and not clause recoverable" bullet above.
- Overtime (OT):
 - All IOU and Affiliate employees on storm duty charge OT to storm reserve charge codes.
 - Remove the difference between the actual and the 3-year historical average total IOU OT (including Affiliate OT charged to the IOU) for the month(s) of the activities directly related to the storm in the absence of a storm. This is the non-incremental portion.
- Burdens:
 - Labor burdens follow base and OT payroll charge codes. Follow the same procedures as base and OT payroll above.
- Exempt Supplemental Compensation (ESC):
 - All ESC associated with storm duty for employees who are eligible for overtime is charged to the storm reserve charge codes and is incremental recoverable.
- T & D Non-Vegetation Management Contractor Costs:
 - Non-native contractors: Charge all invoices to storm reserve charge codes as incremental recoverable.
 - Native contractors: Charge all time to storm reserve charge codes. For each T & D function, remove the difference between the actual and the 3-year historical average native contractor O&M costs for the month(s) of the activities directly related to the storm plus the month(s) following the storm in the absence of a storm. This is the non-incremental portion.
- T & D Vegetation Management Costs:
 - Charge all native and non-native vegetation contractor costs to the storm reserve charge codes.
 - For each T & D function, remove the difference between the actual and the 3-year historical average of vegetation management costs for the month(s) of the activities directly related to the storm plus the month(s)

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

following the storm in the absence of a storm. This is the non-incremental portion.

- Capitalized Costs:
 - Use a combined simple average of hourly foreign and native contractor costs to determine amounts to capitalize to plant, property and equipment along with the materials and other cost of equipment.
 - IOUs will be authorized to defer the depreciation expense impact on 40% of the total capitalized amount as a regulatory asset until the next rate case or settlement, and then will amortize and recover said regulatory asset over a 4 year period.
- Notes:

The term "IOU" (investor owned utility) is the same as Company and is used here to distinguish the operating regulated company from any affiliate.

To the extent that the three-year period referenced above in this Addendum includes a rate case or settlement test period, the approved rate case or settlement test period data for that year will be used in lieu of the actuals for that year that would otherwise be used in setting the 3-year average, and the other two years will be based on the actual results for those years.

The Company will include workpapers and journal entries that support the above calculations as part of its data request responses.

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

Exhibit B

Revised Tariff Sheets

(Legislative and Clean)



FILED 8/31/2020
DOCUMENT NO. 05344-2020
FPSC - COMMISSION CLERK

Writer's E-Mail Address: bkeating@gunster.com

August 31, 2020

VIA E-PORTAL

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

Re: 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 Mr. Teitzman:

Attached for electronic filing, please find Exhibit B to the Stipulation and Settlement, which was submitted under separate cover, along with a Joint Motion for Approval, on August 28, 2020. Exhibit B contains the tariffs, in clean and legislative format, that reflect the terms of the Stipulation and Settlement entered into by FPUC and the Office of Public Counsel. Exhibit B contains the following tariff sheets:

Fourth Revised Sheet No. 40	Fourth Revised Sheet No. 43	Fourth Revised Sheet No. 45
Fourth Revised Sheet No. 47	Fourth Revised Sheet No. 49	Fourth Revised Sheet No. 50
Fourth Revised Sheet No. 52	Fourth Revised Sheet No. 56	Fourth Revised Sheet No. 57
Fourth Revised Sheet No. 59	Fourth Revised Sheet No. 61	Fourth Revised Sheet No. 68

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

Sincerely,

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

MEK

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)
Storm Settlement

Exhibit B

Revised Tariff Sheets

(Legislative and Clean)

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

Fourth Revised Sheet No. 40
Cancels Third Revised Sheet No. 40

*RATE SCHEDULE RS
RESIDENTIAL SERVICE*

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable for service to a single family dwelling unit occupied by one family or household and for energy used in commonly-owned facilities in condominium and cooperative apartment buildings.

Character of Service

Single-phase service at nominal secondary voltage of 115/230 volts; three-phase service if available.

Limitations of Service

The maximum size of any individual single-phase motor hereunder shall not exceed five (5) horsepower.

The Company shall not be required to construct any additional facilities for the purpose of supplying three-phase service unless the revenue to be derived therefrom shall be sufficient to yield the Company a fair return on the value of such additional facilities.

Monthly Rate

Customer Facilities Charge:

\$17.16 per customer per month

Base Energy Charge:

2.402¢/KWH for usage up to 1000 KWH's/month

3.933 ¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

(Continued on Sheet No. 41)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C Electric Tariff
Third Revised Volume No. I

Fourth Revised Sheet No. 43
Cancels Third Revised Sheet No. 43

RATE SCHEDULE GS
GENERAL SERVICE – NON DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties
And on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial lighting, heating, cooking and small power loads aggregating
25 KW or less.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point.

Monthly Rate

Customer Facilities Charge:

\$28.18 per customer per month

Base Energy Charge:

All KWH 2.937¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in
January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

(Continued on Sheet No. 44)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C Electric Tariff
Third Revised Volume No. I

Fourth Revised Sheet No. 45
Cancels Third Revised Sheet No. 45

*RATE SCHEDULE GSD
GENERAL SERVICE – DEMAND*

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 25 KW but less than 500 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 25 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:
\$83.33 per customer per month

Demand Charge:
Each KW of Billing Demand \$4.54/KW

Base Energy Charge
All KWH 0.554¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet Nos. 65 & 66.

(Continued on Sheet No. 46)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

Fourth_Revised_Sheet No. 47
Cancels Third_Revised Sheet No. 47

*RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND*

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

\$159.30 per customer per month

Demand Charge:

Each KW of Billing Demand \$6.49/KW

Base Energy Charge

All KWH 0.257¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet No. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 65 & 66.

(Continued on Sheet No. 48)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

Fourth Revised Sheet No. 49
Cancels Third Revised Sheet No. 49

*RATE SCHEDULE GSLDT - EXP
GENERAL SERVICE - LARGE DEMAND
TIME OF USE (EXPERIMENTAL)*

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties. This service is limited to a maximum of 3 customers. This Rate Schedule shall expire on February 8, 2015.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:
\$159.30 per customer per month

Demand Charge:
Each KW of Maximum Billing Demand \$6.49/KW

Base Energy Charge:
All KWH 0.257¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission normally each year in January. For current purchase power costs included in the tariff see sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Maximum Billing Demand Charge for the currently effective billing demands.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet Nos. 65 & 66.

(Continued on Sheet No. 50)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

Fourth Revised Sheet No. 50
Cancels-Third Revised Sheet No. 50

RATE SCHEDULE GSLD 1
GENERAL SERVICE - LARGE DEMAND 1

Availability

Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial services of customers contracting for at least 5,000 kilowatts of electric service.

Character of Service

Three-phase, 60 hertz, electric service delivered and metered at a single point at the available transmission voltage, nominally 69,000 volts or higher.

Monthly Base Rates

Customer Facilities Charge:	\$986.43
Base Transmission Demand Charge:	\$1.84 /KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	\$0.44/kVar of Excess Reactive Demand

Purchased Power Charges (See Sheet 52 for descriptions)

The Purchased Power Charges recover Energy and Demand Charges billed to FPUC by FPUC's Wholesale Energy Provider and Wholesale Cogeneration Provider including applicable line losses and taxes. Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For correct purchased power charges included in the tariff, see Sheet No. 70 & 71.

Minimum Bill

The minimum monthly bill is the sum of the Transmission Demand Charge and the Customer Charge plus any Purchased Power Charges attributed to Transmission Demand Fuel Charge.

Terms of Payment

Bills are rendered net and due and payable within twenty (20) days from date of bill.

Conservation Costs

See Sheet Nos. 65 & 66.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the customer is located.

(Continued on Sheet No. 51)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. 1

Fourth Revised Sheet No. 52
Cancels Third Revised Sheet No. 52

*RATE SCHEDULE SB
STANDBY SERVICE*

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable only to customers which are self-generators with capabilities of serving the customer's full electronic power requirements and that require backup and/or maintenance service on a firm basis. This rate schedule is not applicable to self-generating customers for supplemental service.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage. The contract demand shall not exceed the KW capacity of customer's generator.

Monthly Rate

Customer Facilities Charge:

- (a) For those customers who have contracted for standby service capacity of less than 500 KW- \$122.54.
- (b) For those customers who have contracted for standby service of 500 KW or greater- \$986.43.

Local Facilities Charge:

- (a) For those customers who have contracted for standby service capacity of less than 500 KW- \$3.19/KW.
- (b) For those customers who have contracted for standby service of 500 KW or greater - \$.80/KW.

Purchased Power Charges

Demand and energy used by the customer in any month shall be charged at the then currently effective rates of the Company's wholesale supplier adjusted for estimated line losses and applicable taxes. Such charges will consist of Coincident Peak (CP) Demand charge and an energy charge. The CP Demand shall be the customer's measured KW coincident in time with that of the Company's maximum monthly demand at the substation serving the system to which the customer is connected. The energy charge shall be applied to the measured KWH during the billing period and shall be based on the actual energy charge (including fuel charges) of the Company's wholesale supplier during the billing period.

The currently effective rates of the Company's wholesale supplier would result in the following demand and energy charges for purchased power after adjustment for estimated line losses and applicable taxes. These are shown for illustrative purposes only. Actual purchased power rates in effect at the time of use shall be used for determining the monthly unit charges.

CP Demand Charge - Each KW of CP Demand	\$5.62/KW
Energy Charge - All	3.583¢

(Continued on Sheet No. 53)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
 F.P.S.C. Electric Tariff
 Third Revised Volume No. I

Fourth Revised Sheet No. 56
 Cancels Third Revised Sheet No. 56

*RATE SCHEDULE LS
 LIGHTING SERVICE*

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to any customer for non-metered outdoor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by high-pressure sodium vapor or metal halide lamps mounted on company poles as described herein. Company-owned facilities will be installed only on Company-owned poles.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Type	Lamp	Size	KWH/Mo.	Facilities	Maintenance*	Energy	Total
<u>Facility</u>	<u>Lumens</u>	<u>Watts</u>	<u>Estimate</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>
<u>High Pressure Sodium Lights</u>							
Acorn	16,000	150	61	\$19.92	\$2.52	\$3.23	\$25.67
ALN 440	16,000	150	61	\$28.40	\$3.36	\$3.23	\$34.99
Amer. Rev.	9,500	100	41	\$9.78	\$3.33	\$2.18	\$15.29
Amer. Rev.	16,000	150	61	\$9.16	\$3.37	\$3.23	\$15.76
Cobra Head	9,500	100	41	\$7.34	\$2.14	\$2.18	\$11.66
Cobra Head	22,000	200	81	\$9.90	\$2.56	\$4.31	\$16.77
Cobra Head	28,500	250	101	\$11.77	\$3.37	\$5.36	\$20.50
Cobra Head	50,000	400	162	\$10.99	\$2.80	\$8.64	\$22.43
Flood	28,500	250	101	\$11.51	\$2.45	\$5.36	\$19.32
Flood	50,000	400	162	\$18.06	\$2.30	\$8.64	\$29.00
Flood	130,000	1,000	405	\$22.63	\$3.04	\$21.55	\$47.22
SP2 Spectra	9,500	100	41	\$25.11	\$3.14	\$2.18	\$30.43
<u>Metal Halide Lights</u>							
ALN 440	16,000	175	71	\$27.18	\$2.64	\$3.81	\$33.63
Flood	50,000	400	162	\$12.26	\$2.24	\$8.64	\$23.14
Flood	130,000	1,000	405	\$20.86	\$2.95	\$21.55	\$45.36
Shoebox	16,000	175	71	\$22.95	\$2.97	\$3.81	\$29.73
Shoebox	28,500	250	101	\$24.43	\$3.32	\$5.36	\$33.11
SP2 Spectra	9,500	100	41	\$24.91	\$3.04	\$2.18	\$30.13
Vertical Shoebox	130,000	1,000	405	\$25.75	\$3.36	\$21.55	\$50.66

(Continued on Sheet No. 57)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

Fourth Revised Sheet No. 57
Cancels Third Revised Sheet No. 57

*RATE SCHEDULE LS
LIGHTING SERVICE*

(Continued from Sheet No. 56)

Charges for other Company-owned facilities:

1)	30' Wood Pole	\$ 4.88
2)	40' Wood Pole Std	\$ 10.85
3)	18' Fiberglass Round	\$ 10.10
4)	13' Decorative Concrete	\$ 14.31
5)	20' Decorative Concrete	\$ 16.61
6)	35' Concrete Square	\$ 16.02
7)	10' Deco Base Aluminum	\$ 18.78
8)	30' Wood Pole Std	\$ 5.42

For the poles shown above that are served from an underground system, the Company will provide up to one hundred (100) feet of conductor to service each fixture. The customer will provide and install the necessary conduit system to Company specifications.

Purchased Power Charges

Purchased power charges are adjusted annually by the Florida Public Service Commission. For current purch

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 65 & 66.

Conservation Costs

See Sheet No. 65 & 66.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the customer is located.

(Continued on Sheet No. 58)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
 F.P.S.C. Electric Tariff
 Third Revised Volume No. I

Fourth Revised Sheet No. 59
 Cancels Third Revised Sheet No. 59

*RATE SCHEDULE OSL
 MERCURY VAPOR LIGHTING SERVICE
 (Closed To New Installations)*

(Continued from Sheet No. 58)

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to customer for mercury vapor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by mercury vapor lamps of 7,000 or 20,000 initial level of lumens mounted on wood poles, as described herein.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Lamp Size	KWH/Mo.	Facilities	Maintenance*	Energy	Total
<u>Lumens</u>	<u>Estimate</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>
7,000	72	\$1.41	\$1.25	\$3.74	\$6.40
20,000	154	\$1.55	\$1.34	\$8.04	\$10.93

For concrete or fiberglass poles and/or underground conductors, etcetera, the customer shall pay a lump sum amount equal to the estimated differential cost between the special system and the equivalent overhead-wood pole system.

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

(Continued on Sheet No. 60)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

Second Revised Sheet No. 68
Cancels First Revised Sheet No. 68

STORM RECOVERY SURCHARGE

Hurricanes Matthew and Irma Surcharge:

Applicability:

Electric service under all rate schedules.

Description:

This surcharge is for recovery of storm costs and will be recovered for the two years beginning April 2019 through March 2021.

The surcharge of .1535¢/ KWH will be applied to each kilowatt hour billed from April 2019 through March 2021.

Hurricanes Michael Surcharge:

Applicability:

Electric service under all rate schedules.

Description:

This surcharge is for recovery of storm costs and will be recovered from November 2020 thru December 2025.

The surcharge of 1.280¢/ KWH will be applied to each kilowatt hour billed from November 2020 through December 2025.

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

~~Third~~ Fourth Revised Sheet No. 40
Cancels ~~Second~~ Third Revised Sheet No. 40

*RATE SCHEDULE RS
RESIDENTIAL SERVICE*

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable for service to a single family dwelling unit occupied by one family or household and for energy used in commonly-owned facilities in condominium and cooperative apartment buildings.

Character of Service

Single-phase service at nominal secondary voltage of 115/230 volts; three-phase service if available.

Limitations of Service

The maximum size of any individual single-phase motor hereunder shall not exceed five (5) horsepower.

The Company shall not be required to construct any additional facilities for the purpose of supplying three-phase service unless the revenue to be derived therefrom shall be sufficient to yield the Company a fair return on the value of such additional facilities.

Monthly Rate

Customer Facilities Charge:

~~\$23.35~~ 17.16 per customer per month

Base Energy Charge:

~~3.2692.402¢~~/KWH for usage up to 1000 KWH's/month

~~5.3543.933~~ ¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

(Continued on Sheet No. 41)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C Electric Tariff
Third Revised Volume No. I

~~Third~~ Fourth Revised Sheet No. 43
Cancels ~~Second~~ Third Revised Sheet No. 43

RATE SCHEDULE GS
GENERAL SERVICE – NON DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties
And on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial lighting, heating, cooking and small power loads aggregating
25 KW or less.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point.

Monthly Rate

Customer Facilities Charge:

~~\$38.36~~ 28.18 per customer per month

Base Energy Charge:

All KWH ~~3.998~~ 2.937¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in
January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

(Continued on Sheet No. 44)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C Electric Tariff
Third Revised Volume No. I

~~Third~~ Fourth Revised Sheet No. 45
Cancels ~~Second~~ Third Revised Sheet No. 45

*RATE SCHEDULE GSD
GENERAL SERVICE – DEMAND*

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 25 KW but less than 500 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 25 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

~~\$113.43~~ 83.33 per customer per month

Demand Charge:

Each KW of Billing Demand ~~\$6.18~~ 4.54/KW

Base Energy Charge

All KWH ~~0.754~~ 554/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet Nos. 65 & 66.

(Continued on Sheet No. 46)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

Third ~~Fourth~~ Revised Sheet No. 47
Cancels ~~Second~~ ~~Third~~ Revised Sheet No. 47

*RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND*

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

~~\$216.83~~ 159.30 per customer per month

Demand Charge:

Each KW of Billing Demand ~~\$8.84~~ 6.49/KW

Base Energy Charge

All KWH ~~0.350257¢~~ ¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet No. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 65 & 66.

(Continued on Sheet No. 48)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

~~Third~~ Fourth Revised Sheet No. 50
Cancels ~~Second-Third~~ Revised Sheet No. 50

RATE SCHEDULE GSLD 1
GENERAL SERVICE - LARGE DEMAND 1

Availability

Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial services of customers contracting for at least 5,000 kilowatts of electric service.

Character of Service

Three-phase, 60 hertz, electric service delivered and metered at a single point at the available transmission voltage, nominally 69,000 volts or higher.

Monthly Base Rates

Customer Facilities Charge:	\$1,342.67986.43
Base Transmission Demand Charge:	\$2.501.84 /KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	\$0.6044/kVar of Excess Reactive Demand

Purchased Power Charges (See Sheet 52 for descriptions)

The Purchased Power Charges recover Energy and Demand Charges billed to FPUC by FPUC's Wholesale Energy Provider and Wholesale Cogeneration Provider including applicable line losses and taxes. Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For correct purchased power charges included in the tariff, see Sheet No. 70 & 71.

Minimum Bill

The minimum monthly bill is the sum of the Transmission Demand Charge and the Customer Charge plus any Purchased Power Charges attributed to Transmission Demand Fuel Charge.

Terms of Payment

Bills are rendered net and due and payable within twenty (20) days from date of bill.

Conservation Costs

See Sheet Nos. 65 & 66.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the customer is located.

(Continued on Sheet No. 51)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

~~Third~~ Fourth Revised Sheet No. 52
Cancels ~~Second~~ Third Revised Sheet No. 52

*RATE SCHEDULE SB
STANDBY SERVICE*

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable only to customers which are self-generators with capabilities of serving the customer's full electronic power requirements and that require backup and/or maintenance service on a firm basis. This rate schedule is not applicable to self-generating customers for supplemental service.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage. The contract demand shall not exceed the KW capacity of customer's generator.

Monthly Rate

Customer Facilities Charge:

- (a) For those customers who have contracted for standby service capacity of less than 500 KW-
\$~~166.79~~122.54
- (b) For those customers who have contracted for standby service of 500 KW or greater-
\$~~1,342.67~~986.43.

Local Facilities Charge:

- (a) For those customers who have contracted for standby service capacity of less than 500 KW- \$~~4.343~~.19/KW.
- (b) For those customers who have contracted for standby service of 500 KW or greater -
\$~~1.08~~.80/KW.

Purchased Power Charges

Demand and energy used by the customer in any month shall be charged at the then currently effective rates of the Company's wholesale supplier adjusted for estimated line losses and applicable taxes. Such charges will consist of Coincident Peak (CP) Demand charge and an energy charge. The CP Demand shall be the customer's measured KW coincident in time with that of the Company's maximum monthly demand at the substation serving the system to which the customer is connected. The energy charge shall be applied to the measured KWH during the billing period and shall be based on the actual energy charge (including fuel charges) of the Company's wholesale supplier during the billing period.

The currently effective rates of the Company's wholesale supplier would result in the following demand and energy charges for purchased power after adjustment for estimated line losses and applicable taxes. These are shown for illustrative purposes only. Actual purchased power rates in effect at the time of use shall be used for determining the monthly unit charges.

CP Demand Charge - Each KW of CP Demand	\$5.62/KW
Energy Charge - All	3.583¢

(Continued on Sheet No. 53)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
 F.P.S.C. Electric Tariff
 Third Revised Volume No. I

~~Third~~ Fourth Revised Sheet No. 56
 Cancels ~~Second~~ Third Revised Sheet No. 56

*RATE SCHEDULE LS
 LIGHTING SERVICE*

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to any customer for non-metered outdoor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by high-pressure sodium vapor or metal halide lamps mounted on company poles as described herein. Company-owned facilities will be installed only on Company-owned poles.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Type	Lamp	Size	KWH/Mo.	Facilities	Maintenance*	Energy	Total
Facility	Lumens	Watts	Estimate	Charge	Charge	Charge	Charge
<u>High Pressure Sodium Lights</u>							
Acorn	16,000	150	61	\$27.11	\$3.43	\$4.40	\$34.94
ALN 440	16,000	150	61	\$38.66	\$4.58	\$4.40	\$47.64
Amer. Rev.	9,500	100	41	\$13.32	\$4.53	\$2.97	\$20.82
Amer. Rev.	16,000	150	61	\$12.47	\$4.59	\$4.40	\$21.46
Cobra Head	9,500	100	41	\$10.00	\$2.91	\$2.97	\$15.88
Cobra Head	22,000	200	81	\$13.48	\$3.48	\$5.86	\$22.82
Cobra Head	28,500	250	101	\$16.02	\$4.59	\$7.29	\$27.90
Cobra Head	50,000	400	162	\$14.95	\$3.81	\$11.76	\$30.52
Flood	28,500	250	101	\$15.67	\$3.34	\$7.29	\$26.30
Flood	50,000	400	162	\$24.58	\$3.13	\$11.76	\$39.47
Flood	130,000	1,000	405	\$30.80	\$4.13	\$29.33	\$64.26
SP2 Spectra	9,500	100	41	\$34.18	\$4.27	\$2.97	\$41.42
<u>Metal Halide Lights</u>							
ALN 440	16,000	175	71	\$36.99	\$3.59	\$5.18	\$45.76
Flood	50,000	400	162	\$16.69	\$3.05	\$11.76	\$31.50
Flood	130,000	1,000	405	\$28.40	\$4.02	\$29.33	\$61.75
Shoebox	16,000	175	71	\$31.24	\$4.04	\$5.18	\$40.46
Shoebox	28,500	250	101	\$33.26	\$4.51	\$7.29	\$45.06
SP2 Spectra	9,500	100	41	\$33.91	\$4.13	\$2.97	\$41.01
Vertical Shoebox	130,000	1,000	405	\$35.05	\$4.58	\$29.33	\$68.96

(Continued on Sheet No. 57)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

~~Third~~ Fourth Revised Sheet No. 57
Cancels ~~Second~~ Third Revised Sheet No. 57

*RATE SCHEDULE LS
LIGHTING SERVICE*

(Continued from Sheet No. 56)

Charges for other Company-owned facilities:

1)	30' Wood Pole	\$ 6,644.88
2)	40' Wood Pole Std	\$ 14,7610.85
3)	18' Fiberglass Round	\$ 13,7510.10
4)	13' Decorative Concrete	\$ 19,4814.31
5)	20' Decorative Concrete	\$ 22,6116.61
6)	35' Concrete Square	\$ 21,8016.02
7)	10' Deco Base Aluminum	\$ 25,5718.78
8)	30' Wood Pole Std	\$ 7,375.42

For the poles shown above that are served from an underground system, the Company will provide up to one hundred (100) feet of conductor to service each fixture. The customer will provide and install the necessary conduit system to Company specifications.

Purchased Power Charges

Purchased power charges are adjusted annually by the Florida Public Service Commission. For current purch

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 65 & 66.

Conservation Costs

See Sheet No. 65 & 66.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the customer is located.

(Continued on Sheet No. 58)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
 F.P.S.C. Electric Tariff
 Third Revised Volume No. I

~~Third~~ Fourth Revised Sheet No. 59
 Cancels ~~Second~~ Third Revised Sheet No. 59

*RATE SCHEDULE OS1
 MERCURY VAPOR LIGHTING SERVICE
 (Closed To New Installations)*

(Continued from Sheet No. 58)

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to customer for mercury vapor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by mercury vapor lamps of 7,000 or 20,000 initial level of lumens mounted on wood poles, as described herein.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Lamp Size	KWH/Mo.	Facilities	Maintenance*	Energy	Total
<u>Lumens</u>	<u>Estimate</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>
7,000	72	\$1,921.41	\$1,701.25	\$5,093.74	\$8,716.40
20,000	154	\$2,441.55	\$1,831.34	\$10,958.04	\$14,8910.93

For concrete or fiberglass poles and/or underground conductors, etcetera, the customer shall pay a lump sum amount equal to the estimated differential cost between the special system and the equivalent overhead-wood pole system.

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

(Continued on Sheet No. 60)

Issued by: Kevin Webber, President

Effective:

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

Second Revised Sheet No. 68
Cancels First Revised Sheet No. 68

STORM RECOVERY SURCHARGE

Hurricanes Matthew and Irma Surcharge:

Applicability:

Electric service under all rate schedules.

Description:

This surcharge is for recovery of storm costs and will be recovered for the two years beginning April 2019 through March 2021.

The surcharge of .1535¢/ KWH will be applied to each kilowatt hour billed from April 2019 through March 2021.

Hurricanes Michael Surcharge:

Applicability:

Electric service under all rate schedules.

Description:

This surcharge is for recovery of storm costs and will be recovered from November 2020 thru December 2025.

The surcharge of 1.280¢/ KWH will be applied to each kilowatt hour billed from November 2020 through December 2025.

Issued by: Kevin Webber, President

Effective:

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 31st day of August, 2020:

Florida Public Utilities Company Mike Cassel 208 Wildlight Ave. Yulee, FL 32097 mcassel@fpuc.com	Ashley Weisenfeld Rachael Dziechciarz Bianca Lherisson Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 aweisenf@psc.state.fl.us rdziechc@psc.state.fl.us blheriss@psc.state.fl.us
	Office of Public Counsel J.R. Kelly/Patricia Christensen/Mireille Fall-Fry c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Kelly.jr@leg.state.fl.us christensen.patty@leg.state.fl.us fall-fry.mireille@leg.state.fl.us

By:


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



FILED 9/3/2020
DOCUMENT NO. 05944-2020
FPSC - COMMISSION CLERK

Writer's E-Mail Address: bkeating@gunster.com

September 3, 2020

VIA E-PORTAL

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

Re: 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 Mr. Teitzman:

Attached for electronic filing, please find FPUC's response to Staff's First Data Request regarding the proposed Settlement and Stipulation.

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

Sincerely,

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

MEK

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

In re: Petition for establishment of regulatory assets for expenses not recovered during restoration for Hurricane Michael, by Florida Public Utilities Company.

DOCKET NO. 20190155-EI

In re: Petition for approval of 2019 depreciation study by Florida Public Utilities Company.

DOCKET NO. 20190174-EI

DATED: September 3, 2020

FPUC'S RESPONSE TO STAFF'S FIRST SETTLEMENT DATA REQUEST

1. Please refer to FPUC and OPC's Stipulation and Settlement (SS), paragraph I.5, filed on August 31, 2020, and the Direct Testimony of FPUC Witness Lee, Exhibit PSL-1, filed on May 8, 2020, Schedules 1 – 4. Please provide revised Schedules 1 – 4 that reflect what FPUC and OPC agreed upon and discussed in paragraph I.5 of the SS.

Company Response:

See Attached File Settlement Sch 1 to 4. Please note that for accounts 371, 373 and 392.4 are different from OPC's response to staff but agree to OPC Witness Garrett.

FLORIDA PUBLIC UTILITIES
 2019 CONSOLIDATED ELECTRIC DIVISIONS
 COMPARISON OF CURRENT AND PROPOSED DEPRECIATION RATES

ACCOUNT	CURRENT		CURRENT					SETTLEMENT PROPOSED - EFFECTIVE DATE 1/1/2020				
	1/1/2020 INVESTMENT	1/1/2020 RESERVE	AVERAGE SERVICE LIFE (YRS.)	AVERAGE REMAINING LIFE (YRS.)	NET SALVAGE (%)	AGE (YRS.)	CURVE	AVERAGE SERVICE LIFE (YRS.)	AVERAGE REMAINING LIFE (YRS.)	NET SALVAGE (%)	(Sch. L) AGE (YRS.)	CURVE
TRANSMISSION PLANT												
350.1 - Land Rights	\$0	\$0	70.0	26.0	0.0	44.2	SQ	75.0	75.0	0.0	0.0	SQ
352 - Structures and Improvements	\$1,919,496	\$59,504	55.0	50.0	0.0	5.2	S5	60.0	57.0	0.0	3.2	S5
353 - Station Equipment	\$7,581,692	\$1,623,570	40.0	27.0	5.0	13.4	S2	53.0	43.0	0.0	10.2	S3
354 - Towers and Fixtures	\$249,798	\$197,091	55.0	14.5	(15.0)	40.5	S6	60.0	19.0	(15.0)	41.0	S6
355 - Poles and Fixtures	\$1,659,809	\$487,283	40.0	16.9	(40.0)	23.2	R5	50.0	26.7	(50.0)	23.0	R4
355.1 - Poles and Fixtures - Concrete	\$4,014,730	\$676,469	45.0	41.0	(30.0)	4.5	R4	56.0	50.2	(30.0)	5.8	R4
356 - Overhead Conductors and Devices	\$3,674,653	\$593,667	50.0	36.0	(20.0)	14.1	S2	55.0	46.0	(20.0)	9.2	S2
359 - Roads and Trails	\$6,788	\$6,009	65.0	12.5	0.0	52.5	SQ	70.0	12.5	0.0	57.5	SQ
Total Transmission Assets	\$19,106,966	\$3,615,614										
DISTRIBUTION PLANT												
360.1 - Land Rights	\$56,995	\$34,100	60.0	31.0	0.0	29.5	SQ	60.0	26.0	0.0	34.5	SQ
361 - Structures and Improvements	\$1,198,983	\$108,223	60.0	47.0	(5.0)	13.0	SQ	60.0	54.0	(5.0)	5.6	SQ
362 - Station Equipment	\$13,235,887	\$3,869,925	45.0	34.0	(10.0)	11.2	S3	55.0	42.6	(10.0)	11.9	S3
364 - Poles, Towers, and Fixtures	\$25,869,769	\$9,265,961	36.0	24.0	(45.0)	14.4	R4	44.0	33.6	(50.0)	10.2	R4
365 - Overhead Conductors & Devices	\$20,427,593	\$10,443,893	40.0	21.0	(35.0)	19.3	R5	45.0	30.0	(35.0)	15.1	R5
366 - Underground Conduit	\$7,034,164	\$1,359,793	60.0	50.0	(5.0)	10.4	R5	64.0	51.3	(5.0)	12.6	R5
367 - Underground Conductors & Devices	\$10,218,344	\$3,955,509	35.0	23.0	(5.0)	12.2	R4	47.0	32.6	(5.0)	13.9	R4
368 - Line Transformers	\$22,458,863	\$15,095,313	30.0	12.4	(20.0)	17.7	S4	36.0	19.7	(20.0)	16.5	S4
369 - Services	\$14,341,344	\$8,198,131	37.0	19.9	(35.0)	17.1	R5	48.0	32.4	(40.0)	15.4	R5
370 - Meters	\$5,085,099	\$3,085,554	30.0	11.9	(10.0)	18.2	R5	30.0	13.0	(10.0)	17.0	R5
371 - Installation on Customers' Premises	\$3,263,292	\$1,784,044	20.0	9.6	10.0	10.7	S3	25.0	13.6	5.0	11.6	S3
373 - Street Lighting & Signal Systems	\$2,725,584	\$1,441,996	22.0	7.6	(10.0)	16.6	R3	22.0	11.4	(10.0)	11.5	R3
Total Distribution Assets	\$125,915,937	\$58,642,442										
GENERAL PLANT												
390 - Structures & Improvements	\$4,044,796	\$1,006,938	50.0	41.0	0.0	9.0	R4	50.0	36.0	0.0	12.7	R4
392.1 - Transportation-Cars	\$23,951	\$10,768	7.0	6.0	15.0	1.0	S2	11.0	5.2	15.0	6.5	S2
392.2 - Transportation-Light Trucks & Vans	\$1,041,834	\$575,092	9.0	4.9	12.0	4.1	S4	11.0	4.1	12.0	7.0	S4
392.3 - Transportation - Heavy Trucks	\$3,755,922	\$2,005,662	13.0	6.4	10.0	6.8	S3	15.0	6.1	10.0	9.4	S3
392.4 - Transportation - Trailers	\$144,084	\$94,053	25.0	13.8	5.0	11.4	R4	25.0	9.4	5.0	16.4	R4
396 - Power Operated Equipment	\$888,523	\$335,752	25.0	8.4	0.0	16.6	S6	25.0	15.4	0.0	9.6	S6
Total General Plant Assets	\$9,909,111	\$4,028,265										
GRAND TOTAL	154,932,014	66,286,321										

* Reflects Settlement Terms

FLORIDA PUBLIC UTILITIES
 2019 CONSOLIDATED ELECTRIC DIVISIONS
 COMPARISON OF CURRENT AND PROPOSED DEPRECIATION COMPONENTS

ACCOUNT	CURRENT EFFECTIVE 1/1/2015			SETTLEMENT PROPOSED - EFFECTIVE DATE 1/1/2020			
	AVERAGE REMAINING LIFE (YRS)	NET SALVAGE (%)	REMAINING LIFE RATE (%)	AVERAGE REMAINING LIFE (YRS)	NET SALVAGE (%)	11/2020 RESERVE (%)	REMAINING LIFE RATE (%)
TRANSMISSION PLANT							
350.1 - Land Rights	26.0	0.0	1.4	75.0	0.0	0.00	1.3
352 - Structures and Improvements	50.0	0.0	1.8	57.0	0.0	3.10	1.7
353 - Station Equipment	27.0	5.0	2.6	43.0	0.0	21.41	1.8
354 - Towers and Fixtures	14.5	(15.0)	2.1	19.0	(15.0)	78.90	1.9
355 - Poles and Fixtures	16.9	(40.0)	4.1	26.7	(50.0)	29.36	4.5
355.1 - Poles and Fixtures - Concrete	41.0	(30.0)	2.9	50.2	(30.0)	16.90	2.3
356 - Overhead Conductors and Devices	36.0	(20.0)	2.5	46.0	(20.0)	15.34	2.3
359 - Roads and Trails	12.5	0.0	1.5	12.5	0.0	88.52	0.9
DISTRIBUTION PLANT							
360.1 - Land Rights	31.0	0.0	1.6	26.0	0.0	59.83	1.5
361 - Structures and Improvements	47.0	(5.0)	1.7	54.0	(5.0)	9.03	1.8
362 - Station Equipment	34.0	(10.0)	2.4	42.6	(10.0)	29.24	1.9
364 - Poles, Towers, and Fixtures	24.0	(45.0)	3.9	33.6	(50.0)	35.82	3.4
366 - Overhead Conductors & Devices	21.0	(35.0)	3.4	30.0	(35.0)	51.13	2.8
366 - Underground Conduit	50.0	(5.0)	1.8	51.3	(5.0)	19.33	1.7
367 - Underground Conductors & Devices	23.0	(5.0)	3.2	32.6	(5.0)	38.71	2.0
368 - Line Transformers	12.4	(20.0)	4.0	19.7	(20.0)	67.21	2.7
369 - Services	19.9	(35.0)	3.6	32.4	(40.0)	57.16	2.6
370 - Meters	11.9	(10.0)	3.7	13.0	(10.0)	60.68	3.8
371 - Installation on Customers' Premises	9.6	10.0	4.5	13.6	5.0	54.67	3.0
373 - Street Lighting & Signal Systems	7.6	(10.0)	4.9	11.4	(10.0)	52.91	5.0
GENERAL PLANT							
390 - Structures & Improvements	41.0	0.0	2.0	38.0	0.0	24.89	2.0
392.1 - Transportation-Cars	6.0	15.0	11.9	5.2	15.0	44.96	7.7
392.2 - Transportation-Light Trucks & Vans	4.9	12.0	7.8	4.1	12.0	55.20	8.0
392.3 - Transportation - Heavy Trucks	6.4	10.0	7.0	6.1	10.0	53.40	6.0
392.4 - Transportation - Trailers	13.8	5.0	3.7	9.4	5.0	65.28	3.2
396 - Power Operated Equipment	8.4	0.0	4.4	15.4	0.0	37.37	4.1

FLORIDA PUBLIC UTILITIES
 2019 CONSOLIDATED ELECTRIC DIVISIONS
 COMPARISON OF ANNUAL DEPRECIATION EXPENSES

ACCOUNT	3/1/2020 INVESTMENT	1/1/2020 RESERVE	CURRENT		SETTLEMENT PROPOSED - EFFECTIVE DATE: 1/1/2020		
			RATE	EXPENSES	RATE	EXPENSES	CHANGE EXPENSES
TRANSMISSION PLANT							
350.1 - Land Rights	\$0	\$0	1.4	\$0	1.3	\$0	\$0
352 - Structures and Improvements	\$1,919,496	\$59,504	1.8	\$34,551	1.7	\$32,631	(\$1,920)
353 - Station Equipment	\$7,581,692	\$1,623,570	2.6	\$197,124	1.8	\$138,745	(\$58,379)
354 - Towers and Fixtures	\$249,798	\$197,091	2.1	\$5,246	1.9	\$4,746	(\$500)
355 - Poles and Fixtures	\$1,659,809	\$487,283	4.1	\$68,052	4.5	\$75,023	\$6,971
355.1 - Poles and Fixtures - Concrete	\$4,014,730	\$678,489	2.9	\$116,427	2.3	\$90,331	(\$26,096)
356 - Overhead Conductors and Devices	\$3,674,653	\$563,667	2.5	\$91,866	2.3	\$84,517	(\$7,349)
359 - Roads and Trails	\$6,788	\$6,009	1.5	\$102	0.9	\$61	(\$41)
TOTAL TRANSMISSION PLANT	\$19,106,995	\$3,615,614		\$513,368		\$426,054	(\$87,314)
DISTRIBUTION PLANT							
360.1 - Land Rights	\$66,995	\$34,100	1.6	\$912	1.5	\$855	(\$57)
361 - Structures and Improvements	\$1,198,983	\$108,223	1.7	\$20,383	1.8	\$21,582	\$1,199
362 - Station Equipment	\$13,235,887	\$3,869,925	2.4	\$317,661	1.9	\$251,482	(\$66,179)
364 - Poles, Towers, and Fixtures	\$25,869,789	\$9,265,961	3.9	\$1,008,522	3.4	\$879,573	(\$128,949)
365 - Overhead Conductors & Devices	\$20,427,583	\$10,443,893	3.4	\$694,538	2.8	\$571,973	(\$122,565)
366 - Underground Conduit	\$7,034,164	\$1,359,793	1.8	\$126,615	1.7	\$117,471	(\$9,144)
367 - Underground Conductors & Devices	\$10,218,344	\$3,955,509	3.2	\$326,987	2.0	\$207,432	(\$119,555)
368 - Line Transformers	\$22,458,863	\$15,095,313	4.0	\$898,355	2.7	\$601,898	(\$296,457)
369 - Services	\$14,341,344	\$6,198,131	3.6	\$516,288	2.6	\$367,138	(\$149,150)
370 - Meters	\$5,085,099	\$3,085,554	3.7	\$188,149	3.8	\$193,234	\$5,085
371 - Installation on Customers' Premises	\$3,263,292	\$1,784,044	4.5	\$146,848	3.0	\$97,899	(\$48,949)
373 - Street Lighting & Signal Systems	\$2,725,584	\$1,441,996	4.9	\$133,554	5.0	\$136,279	\$2,725
TOTAL DISTRIBUTION PLANT	\$125,915,937	\$58,642,442		\$4,379,212		\$3,446,816	(\$932,396)
GENERAL PLANT							
390 - Structures & Improvements	\$4,044,796	\$1,006,936	2.0	\$80,896	2.0	\$80,896	\$0
392.1 - Transportation-Cars	\$23,951	\$10,758	11.9	\$2,850	7.7	\$1,844	(\$1,006)
392.2 - Transportation-Light Trucks & Vans	\$1,041,834	\$675,092	7.8	\$81,263	8.0	\$83,347	\$2,084
392.3 - Transportation - Heavy Trucks	\$3,755,922	\$2,005,662	7.0	\$262,915	6.0	\$225,355	(\$37,560)
392.4 - Transportation - Vans	\$144,084	\$94,053	3.7	\$5,331	3.2	\$4,611	(\$720)
396 - Power Operated Equipment	\$898,523	\$335,752	4.4	\$39,535	4.1	\$36,839	(\$2,696)
TOTAL GENERAL PROPERTY	\$9,909,111	\$4,028,265		\$472,790		\$432,892	(\$39,898)
TOTAL RATES	\$154,932,014	\$66,286,321		\$5,365,370		\$4,177,288	(\$1,188,082)
					4-Yr Amort	(\$128,474)	(\$128,474)

* Reflects Settlement Terms

FLORIDA PUBLIC UTILITIES
 2019 CONSOLIDATED ELECTRIC DIVISIONS
 COMPARISON OF ACCUMULATED BOOK RESERVE AND THEORETICAL RESERVE - PROPOSED RATES

ACCOUNT	11/2020 INVESTMENT	1/1/2020 RESERVE	THEORETICAL RESERVE (%)	THEORETICAL RESERVE	IMBALANCE	WLR (%)	ARL (YEARS)	NET SALV (%)
TRANSMISSION PLANT								
350.1 - Land Rights	\$0	\$0	2.50	\$0	\$0	1.3	75.0	0.0
352 - Structures and Improvements	\$1,919,496	\$59,504	3.10	\$59,504	\$0	1.7	57.0	0.0
353 - Station Equipment	\$7,581,692	\$1,823,570	18.30	\$1,387,450	\$236,120	1.9	43.0	0.0
354 - Towers and Fixtures	\$249,798	\$197,091	78.90	\$197,091	\$0	1.9	19.0	(15.0)
355 - Poles and Fixtures	\$1,659,809	\$487,283	69.90	\$1,160,206	(\$572,923)	3.0	28.7	(50.0)
355.1 - Poles and Fixtures - Concrete	\$4,014,730	\$678,489	14.54	\$583,742	\$94,747	2.3	50.2	(30.0)
356 - Overhead Conductors and Devices	\$3,674,653	\$563,667	18.80	\$690,835	(\$127,168)	2.2	48.0	(20.0)
359 - Roads and Trails	\$6,788	\$6,009	82.50	\$5,600	\$409	1.4	12.5	0.0
Total Transmission Assets	\$19,106,966	\$3,615,614		\$4,084,428	(\$468,814)			
DISTRIBUTION PLANT								
360.1 - Land Rights	\$56,995	\$34,100	55.80	\$31,803	\$2,297	1.7	26.0	0.0
361 - Structures and Improvements	\$1,199,983	\$108,223	7.80	\$93,521	\$14,702	1.8	54.0	(5.0)
362 - Station Equipment	\$13,235,887	\$3,869,925	24.80	\$3,282,500	\$587,425	2.0	42.6	(10.0)
364 - Poles, Towers, and Fixtures	\$25,869,789	\$9,265,961	35.76	\$9,251,037	\$14,924	3.4	33.6	(50.0)
365 - Overhead Conductors & Devices	\$20,427,593	\$10,443,893	45.00	\$9,192,417	\$1,251,476	3.0	30.0	(35.0)
366 - Underground Conduit	\$7,034,164	\$1,359,793	22.92	\$1,612,230	(\$252,437)	1.6	51.3	(5.0)
367 - Underground Conductors & Devices	\$10,218,344	\$3,955,509	33.28	\$3,400,665	\$654,844	2.2	32.6	(5.0)
368 - Line Transformers	\$22,458,863	\$15,095,313	54.99	\$12,350,129	\$2,745,184	3.3	19.7	(20.0)
369 - Services	\$14,341,344	\$8,198,131	46.04	\$6,602,755	\$1,595,378	2.9	32.4	(40.0)
370 - Meters	\$5,085,099	\$3,085,554	61.90	\$3,147,676	(\$62,122)	3.7	13.0	(10.0)
371 - Installation on Customers' Premises	\$3,263,292	\$1,784,044	43.32	\$1,413,658	\$370,386	3.6	13.6	5.0
373 - Street Lighting & Signal Systems	\$2,725,584	\$1,441,996	53.00	\$1,444,559	(\$2,563)	5.0	11.4	(10.0)
Total Distribution Assets	\$125,915,937	\$58,642,442		\$51,822,950	\$6,819,492			
GENERAL PLANT								
390 - Structures & Improvements	\$4,044,796	\$1,006,935	24.00	\$970,751	\$36,187	2.0	38.0	0.0
392.1 - Transportation-Cars	\$23,951	\$10,768	44.96	\$10,768	\$0	7.7	5.2	15.0
392.2 - Transportation-Light Trucks & Vans	\$1,041,834	\$575,092	55.20	\$575,092	\$0	8.0	4.1	12.0
392.3 - Transportation - Heavy Trucks	\$3,755,922	\$2,005,862	53.40	\$2,005,662	\$0	6.0	6.1	10.0
392.4 - Transportation - Vans	\$144,084	\$94,053	59.28	\$85,413	\$8,640	3.8	9.4	5.0
395 - Power Operated Equipment	\$898,523	\$335,752	38.40	\$345,033	(\$9,281)	4.0	15.4	0.0
Total General Plant Assets	\$9,909,111	\$4,028,255		\$3,992,719	\$35,546			
GRAND TOTAL	\$154,932,014	\$66,296,321		\$59,900,097	\$6,386,224			

* Reflects Settlement Terms

Docket No. 20190156-EI (Dockets Nos. 20190155-EI and 20190174-EI)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 3rd day of September, 2020:

Florida Public Utilities Company Mike Cassel 208 Wildlight Ave. Yulee, FL 32097 mcassel@fpuc.com	Ashley Weisenfeld Rachael Dziechciarz Bianca Lherisson Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 aweisnf@psc.state.fl.us rdziehc@psc.state.fl.us blheriss@psc.state.fl.us
	Office of Public Counsel J.R. Kelly/Patricia Christensen/Mireille Fall-Fry c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Kelly.jr@leg.state.fl.us christensen.patty@leg.state.fl.us fall-fry.mireille@leg.state.fl.us

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