

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

May 7, 2025

VIA E-PORTAL

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

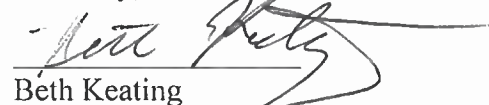
Re: Docket No. 20250057-GU –Petition for approval of tariff modification for equipment financing, by Florida Public Utilities Company.

Dear Mr. Teitzman:

Attached for filing, please find Florida Public Utilities Company's Responses to Staff's First Data Requests.

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

Sincerely,



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

MEK

Cc:// Office of the General Counsel (Crawford)

Docket No. 20250057-GU: Petition for approval of tariff modification for equipment financing, by Florida Public Utilities Company.

Florida Public Utilities Company's Responses to Staff's First Data Requests

- 1. In its Petition at Page 1, FPUC states that the proposed tariff will allow it “to provide and finance compression, conversion, or RNG equipment for its customers.”**
 - a. Please explain what specific equipment types fall under each of these categories (compression, conversion, or RNG equipment).**
 - b. Please address whether different financing terms, options, or offerings are applicable for each category.**
 - c. Please address whether different financing terms, options, or offerings are applicable for residential and commercial customers.**
 - d. Please explain where on the bill financing charges will appear, and whether such charges will be separately identified. For demonstrative purposes, provide a sample bill or mock-up showing where such charges would appear. Please describe the accounting treatment for the proposed equipment sales and finance charges.**
 - e. Please describe the accounting treatment for the proposed equipment sales and finance charges.**
 - f. With the “equipment to be owned and maintained by the Customer”, such that FPUC plant and reserve account balances do not appear to be impacted, please clarify whether any of the expenses associated with the provision of gas conversion, compression, or RNG equipment (e.g. depreciation, O&M, marketing, administrative and general) and revenues associated with rates in monthly rate section of the agreement are expected to be treated as “above the line” (i.e. regulated) or “below the line” (unregulated). Explain.**
 - g. Are customers who rent their residence, including those in multifamily dwellings or apartment complexes, eligible to participate in the proposed equipment financing program? If so, please explain how the Company will manage ownership, access, and repayment responsibilities in such cases.**

- h. **In the event a customer makes only a partial bill payment, how will the Company allocate the payment across base charges, usage, and financing charges? Under what circumstances, if any, would a customer be subject to disconnection while still carrying a balance related to equipment financing?**

Company Response:

- a. Currently, FPUC is focused on implementation of this tariff to facilitate financing of water heaters, which would fall under the under the “conversion” category. The equipment in the “compression” and “RNG” categories will likely depend on the type and size of the project, and therefore, be considered on a case-by-case basis. Examples of some typical equipment in these categories, include compressors, dispenser pumps, filtration storage units, and digesters.
- b. For any future expansion of this program, FPUC will review the equipment and installation costs and develop financing terms accordingly, but, yes, it is likely terms will differ somewhat.
- c. The Company has not reached any conclusions on this yet, as it is focused primarily on financing for residential water heaters.
- d. The monthly fixed charge will appear in a separate line on the bill. Please refer to Attachment “A” for a mock-up showing how the charges would appear.
- e. The Company and Customer will enter an agreement for FPUC to provide the necessary equipment to be owned and maintained by the Customer which will contain terms and conditions governing recovery of the costs for such equipment. The amount financed by the Customer will be recognized as a receivable by the Company. On a monthly basis, the Company will bill the customer a fixed amount to recover both the outstanding principal and a return on the Company’s investment (based on the Company’s cost of capital). The receivable balance on the books will be reduced monthly by the monthly principal payment amount with the return being recorded to interest income.
- f. All items will be treated “above the line”
- g. Only property owners taking service from FPUC are eligible to participate.

- h. Payment will be allocated to service charges first with any remainder allocated to the equipment financing charge. FPUC will not disconnect a customer for outstanding balances related to this charge. FPUC will place a “UCC-1” lien at the property for customers opting to participate in this program to guarantee payment and continuity of debt to the next owner in case the original owner moves out before the balance is covered.
- 2. **Paragraph 4 of the Petition (Page 2) references that, pending approval, the utility and the customer would enter into an agreement to recover equipment costs, plus interest.**
 - a. **Is a single agreement applicable for all equipment types identified (conversion, compression, and RNG)? Please provide a sample agreement, or one for each equipment type, if applicable. If sample agreement(s) cannot be provided, discuss why not.**
 - b. **What is the basis for the interest rate charged? Address in your response if the interest rate is fixed, variable, or negotiated with each agreement.**
 - c. **Please explain whether customers who enter into equipment financing agreements will be subject to creditworthiness screening prior to approval. If so, describe what metrics or financial thresholds will be used, and what documentation applicants will be required to submit.**
 - d. **Please explain whether the cost of installing the equipment is included with the cost of the equipment for purposes of determining the amount subject to financing and cost recovery. Will FPUC install the equipment directly, or will installation be performed by a third-party contractor(s)?**
 - e. **Please discuss whether the equipment being financed remains the property of the customer throughout the repayment period or whether FPUC will retain**

ownership until the equipment is paid in full. If FPUC retains ownership, explain what rights it has to access or reclaim the equipment in the event of nonpayment.

- f. What terms and conditions are applicable if a customer fails to make payments (i.e. defaults on the agreement)?**
- g. Please explain whether non-participating ratepayers may bear any risk or cost associated with this proposed equipment financing program, either directly or indirectly, and what those risks might be. If not, please describe the internal mechanisms that will be used to ensure that only participating customers are liable for the financing and administrative costs of the program.**

Company Response:

- a. Residential water heaters are the main motivating factor behind the proposed tariff change given customer demand; as such, the Company has not fully investigated or developed agreements for other types of equipment yet. The Company has proposed the tariff to cover equipment beyond water heaters in the interest of efficiency to ensure financing is an available option the Company can consider for other equipment without having to pursue another tariff change. It is likely the agreement may vary according to the equipment type. Please refer to attachment “B” for a preliminary example of a residential water heater agreement.
- b. It is a fixed interest based on the Company’s overall cost of capital at the time of agreement inception.
- c. To qualify FPUC will verify that the customer’s account has been in good standing over the course of the last 12 months. Additionally, in order to guarantee payment FPUC will place a “UCC-1” lien at the property for the amount financed, which will be promptly terminated once the financed amount is fully recovered.
- d. FPUC will partner with third-party contractors in order to establish a fixed equipment and installation cost. The Customer will be responsible to pay the

contractor for any special request that exceeds the preestablished equipment and installation cost. The third-party contractors participating in this program will be responsible for installation of the equipment.

- e. Participating customers will retain the ownership of the equipment throughout the repayment period.
- f. Please refer to attachment “B” for the terms and conditions of the program.
- g. Non-participating ratepayers will have no risk; only participating customer will be liable to the payment of the equipment. FPUC will place a “UCC-1” lien at the property for customers opting to participate in this program to guarantee payment and continuity of debt to the next owner in case the original owner moves out before the balance is covered. A provision for loss is included in the total finance amount.

3. **Paragraph 4 of the Petition (Page 2) references that, pending approval, the tariff modification is intended to “help customers facilitate their conversion costs to help ease the transition to natural gas.”**

- a. **Is the transition referenced an “electric to gas” conversion? Is financing limited to conversions only, or is it available for a “gas-to-gas” efficiency upgrades? Please explain.**
- b. **Please discuss the nexus of this proposed tariff provision and the offering of programs under the Natural Gas Conservation Cost Recovery Clause (NGCCRC)?**
- c. **Please explain whether the proposed equipment financing provision is expected to impact participation levels, cost-effectiveness, or customer savings associated with FPUC’s existing residential and commercial retention programs under the**

NGCCRC. If so, please provide any internal projections or evaluations conducted by the Company, and describe how such impacts will be tracked and reported.

- d. Please explain why the proposed tariff modification is needed at this time. Has FPUC received customer inquiries, survey results, or market feedback indicating demand for such financing? If so, please provide supporting data or documentation.**

Company Response:

- a. Financing will be available for the conversion of electric to gas and equipment efficiency upgrades from gas-to-gas.
 - b. The Natural Gas Conservation Cost Recovery Clause (NGCCRC) applicable rebate will be applied to the cost of the appliance. This cost reduction is taken into account in the total amount subject to finance.
 - c. FPUC is expecting similar customer participation in this program as FCG. Please refer to question “4 a” for expected participation.
 - d. FPUC has had customers verbally request to participate in the program outlined. The program provides a low-cost option for customers who need to replace their existing water heater with a more efficient natural gas water heater rather than converting to an electric water heater.
- 4. Paragraph 6 of the Petition (Page 2) asserts that “FPUC expects a similar level of interest in financing service as that which Florida City Gas (FCG) has received.”**
- a. **Please provide FCG customer participation in gas conversion, compression, and RNG both before and after equipment financing (e.g. demand for water heaters before and after implementation of such financing).**

- b. Please provide historical and projected annual FPUC customer participation in gas conversion, compression, and RNGs assuming approval of the proposed equipment financing tariff. Please provide estimates by customer class and explain how FPUC prepared its assessment.**
- c. Please describe any relevant experiences or lessons learned from FCG's equipment financing tariff or similar tariffs implemented by Chesapeake-affiliated utilities in other jurisdictions that may mirror FPUC's proposed equipment financing tariff.**

Company Response:

- a. FCG implemented the tankless water heater financing in last quarter of 2023. Since the implementation, there have been 23 electric to gas conversions and 138 gas to gas equipment efficiency upgrades. Regarding historical participation, for residential tankless water heaters, not including the financing option, in 2023 FCG had 297 electric to gas, and 384 gas to gas. In 2024, 280 electric to gas, 537 and gas to gas.
- b. Based on the FCG customer participation response, FPUC anticipates a similar level of participation. FPUC projects participation by up to 100 customers in the first year, with 80% corresponding to equipment efficiency upgrades for gas to gas and 30% representing conversions from electric to gas tankless water heaters. Historically, FPUC had 212 gas to gas conversions to tankless water heaters and 129 electric to gas conversions to tankless water heaters in 2023, while in 2024 there were 239 gas to gas conversions and 77 electric to gas conversions applicable to tankless water heaters.
- c. FCG customers have been appreciative of this low-cost option to replace aging equipment that requires replacement due to failure and also an affordable option for those who are switching to natural gas.

5. **In part, the proposed tariff provision (Original Sheet No. 6.154) states that “the rates established in the monthly rate section may be adjusted to provide for recovery by the Company of the costs incurred, including carrying cost at the Company’s overall cost of capital, in providing such equipment.” Please provide sample cost development and rate development for each installation type, based on a typical contract term, and show how such adjustments would be calculated.**

Company Response

Please refer to attachment “C” for an example of a hypothetical calculation and amortization table.

Attachment A

Billing Date	Account Number	Next Reading Date	Invoice Number	
Apr 8, 2025		May 2, 2025		

Previous Account Balance	\$83.79
Payment - Thank You!	(\$83.79)
Total Current Charges - Utility	\$78.08
Total Account Balance	\$78.08

Detailed Current Charges - Utility

805-801: RS-1 Residential

Charges: 03/04/25 - 04/02/25

Basic Service Charge	\$18.00
Energy Charges: CRA: $.00613 \times 5.3 = \$0.03$, Distribution: $.67667 \times 5.3 = \$3.59$, ECCR: $.25141 \times 5.3 = \$1.33$	\$4.95
PGA: Gas Cost: $.0041 \times 5.3 = \$0.02$, WACOG: $.8159 \times 5.3 = \$4.32$	\$4.34
SAFE Charge	\$4.66
Utility Tax	\$2.83
Gross Receipts Tax	\$0.31
Incremental Billing - Tankless Water Heater	\$42.99
Total Current Charges - Utility	\$78.08

Attachment B

EQUIPMENT FINANCING AGREEMENT

Incremental Billing Request #:

THIS EQUIPMENT FINANCING AGREEMENT (this "Agreement"), dated _____ is made by and between _____ ("Applicant" or "you"), the owner of the real property located at _____ ("Service Location") and Florida Public Utilities Company ("Company," "us," or "we"). Applicant and Company are collectively referred to as the "Parties" and individually referred to as a "Party".

Applicant has agreed, or will agree, to contract with a contractor that the Company has identified as qualified to perform the labor and installation to convert appliance(s) at the Service Location (the "Trade Ally"). This Agreement provides for the financing of the natural gas equipment and installation (collectively, the "Program") purchased by Applicant from the Trade Ally for the Service Location. Applicant has obtained from Company this Program, and the proceeds shall be disbursed by the Company to the Trade Ally to pay for the Program appliances and Program installation for Applicant.

Applicant and Company have agreed to the terms and conditions of, and wish to enter into, this Agreement in order to set forth the terms and conditions of the Program and the disbursement of the Program proceeds.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, Applicant and Company agree as follows:

- 1. EQUIPMENT FINANCING.** Applicant promises to pay to the order of Company, or any subsequent holder of this Agreement, the sum of \$_____ (the "Financing"). The Financing includes the cost of the appliance and installation service paid to the Trade Ally (minus any rebates) and charges, plus a fixed return of _____% and any outstanding charges or late fees, until the full amount of the Financing and all other amounts due under this Agreement are paid in full ("Financing Cost"). The Financing Cost is as shown in Exhibit 1. The term of this Agreement is sixty (___) months or (___) years. Applicant promises to repay the Financing by making, at a minimum, the monthly payments described on the Payment Schedule set forth herein. The Payment Schedule set forth herein may change in the event you do not make all payments as scheduled or in the event you accrue any fees. You may prepay all or any part of the Financing without any pre-payment penalty at any time.

- 2. DISBURSEMENT OF PROCEEDS AND REBATE.** Subject to a potential prior credit check, upon completion of the Equipment Financing Completion of Work Document (attached hereto as Exhibit 2) for the purchase and installation of the Program appliance(s) and/or piping at the Service Location, Company shall, on behalf of the Applicant, disburse the proceeds of the Program financial allowance to the Trade Ally. In consideration for Applicant's participation in this Financing program, Company has offered an Energy Conservation Rebate (the "Rebate")

to Applicant. Applicant hereby agrees to assign and transfer the Rebate to Company to be applied as a credit toward the total cost of the Financing. Applicant understands that while this Rebate is not being distributed directly to the Applicant, the entirety of the value of the Rebate is being used as to offset the total cost of the Financing.

3. SECURITY INTEREST IN COLLATERAL. To secure repayment of the Financing and all other amounts due hereunder, Applicant hereby grants Company a security interest in all of Applicant's right, title and interest in, whether now owned by or hereafter acquired by Applicant, the Program appliance(s) and/or gas fuel line piping, owned by Applicant all related appurtenances, and all other collateral to which Applicant has granted Company a security interest in to secure any other obligations of Applicant to Company (collectively, "Collateral"), including all equipment, software, upgrades, parts and replacements for or which are added to or become attached to or a part of the Program appliance and/or associated gas fuel line piping or related appurtenances, and any proceeds of the Collateral, which include the following: a) whatever is acquired upon the sale, lease, license, exchange, or other disposition of the Collateral; b) whatever is collected on, or distributed on account of the Collateral; c) rights arising out of the Collateral; d) to the extent of the value of the Collateral, claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to the Collateral; and e) to the extent of the value of the Collateral and to the extent payable to the Company or the secured party, insurance payable by reason of the loss or nonconformity of, defects in, or damage to the Collateral. Applicant hereby authorizes Company, or its assignee(s), to file any UCC-1 financing statement or fixture filing that confirms Company's or its assignee's interests in the Collateral. The Program appliance and/or gas fuel line piping and all related appurtenances shall at all times while the Financing or any other amounts due hereunder are outstanding be kept at the Service Location and shall not be removed therefrom or released from the possession of the Applicant without Company's prior written consent. The Applicant shall bear the entire risk of loss for damage to the Collateral. The Company shall release the security interest in the Collateral within ninety (90) days after the amount of the Financing is fully paid.

4. OWNERSHIP AND SALE OF PROPERTY. Applicant represents that the real property located at the Service Location set forth above (i) is used as a residence by Applicant, (ii) is legally owned by Applicant, (iii) is permanently affixed to the underlying real property owned by Applicant, and (iv) is taxed by the applicable taxing authority as real property and not as personal property. Applicant will notify Company in writing within five (5) business days of any listing for sale of the Service Location. Unless otherwise agreed to by Company, Applicant shall pay the remaining balance of the Financing prior to the sale of the Property. If Applicant sells or otherwise transfers the Service Location, Applicant shall inform the transferee, before the effective date of the sale or transfer, of the existence of this Agreement and the Collateral installed at the Service Location. Company may, in its sole and absolute discretion, permit the transferee to assume Applicant's rights and obligations under this Agreement, effective from the date of sale or transfer; provided that: a) Applicant notifies the transferee in the sale or transfer agreement that the Collateral is subject to this Agreement; b) Applicant notifies Company in advance of the transferee's name and the intended date of sale or transfer; c) Applicant advises Company in advance of the address and telephone number where Applicant can be contacted after the date of sale or transfer; d) the transferee agrees in writing or by conduct to assume Applicant's obligations under this Agreement; e) Applicant has paid Company all amounts due and owing under this Agreement at the time of the transfer; f)

Company all amounts due and owing under this Agreement at the time of the transfer; f) Applicant performs all actions necessary to transfer any service agreement associated with the Collateral at the Service Location to the transferee, and g) transferee agrees to a credit review and to provide any other information requested by Company. Unless and until these conditions are satisfied, or unless Company otherwise waives any or all of these conditions at its sole discretion, Applicant will remain responsible for the obligations under this Agreement, including the payment of all service fees. Applicant hereby authorizes Company to respond to information requests relating to Applicant's account made by or on behalf of the proposed transferee.

5. FINANCING COST LIMITATION. If at any time and for any reason whatsoever, the Financing Cost payable on the Financing shall exceed the maximum rate of interest permitted to be charged under applicable law, including, but not limited to, FPUC's approved tariff on file with the Florida Public Service Commission, such Financing Cost shall be reduced automatically to an amount no higher than the maximum rate of interest permitted to be charged under applicable law.

6. METHOD OF PAYMENT. You agree to make each payment due under this Agreement on the date when due in lawful money of the United States to Company. Unless otherwise agreed to by Company, your payment must be made in U.S. dollars pursuant to a check payable to Company or a recurring credit card, Automated Clearing House (ACH) or Electronic Data Interchange (EDI) payment authorization that you have signed.

7. BILLING STATEMENT. We will furnish a natural gas utility invoice (each, a "Billing Statement") to you on a monthly basis. Company will bill the monthly payment under this Agreement as a separate line item on the Billing Statement. Payments will be applied first to the utility charges for service, then to any outstanding charges or late fees, then to the Financing Cost. The monthly payment amount shown on each Billing Statement is required to keep your account current.

8. OTHER CHARGES. In addition to interest (and delinquency charges if applicable) provided for in this Agreement, we may also charge you for the following:

- (a) Applicable taxes and lawful fees, if any, actually and necessarily paid out by us to any public officer;
- (b) actual and reasonable attorney fees and court costs as determined by the court in which suit is filed; and
- (c) the greater of \$25 or an amount equal to the actual charge made to us by a depository institution for the return of the unpaid or dishonored instrument or payment authorization given by you.

9. EVENTS OF DEFAULT. The occurrence and continuance of any of the following shall constitute an "Event of Default" under this Agreement:

- (a) Applicant fails to pay (i) any principal amount of the Financing when due or (ii) interest or any other amount when due, and such failure to pay interest or such other amount continues for twenty (20) days.

(b) Applicant fails to perform or observe any other agreement, term, or condition under this

(b) Applicant fails to perform or observe any other covenant, term or condition under this Agreement (other than as provided in subclauses (a) or (c) of this Section 9) and such failure is not cured within thirty (30) days after written notice thereof by Company.

(c) Applicant fails to provide timely notice to Company or transferee pursuant to Section 4.

(d) Except as provided in Section 4, Applicant sells, transfers or otherwise disposes of the Service Location.

(e) Any representation or warranty made by Applicant or otherwise furnished to Company in connection with the Agreement shall prove at any time to have been untrue or misleading in any material respect.

(f) Applicant is in default, after any cure period, under any other agreement with Company.

10. LATE FEES. If a payment is late, you will be charged a late fee as set forth in the Company's tariff on file with the Florida Public Service Commission, as such may be amended from time-to-time.

11. ELECTRONIC COMMUNICATIONS. Unless you inform Company otherwise, you agree to receive all communications from us, including but not limited to all required disclosures, electronically via the email address you have provided us during your application process.

12. CREDIT REPORTS. You authorize us to report information concerning this account to credit bureaus and anyone else we believe in good faith has a legitimate need for such Information. Late payments, missed payments, or other defaults on this account may be reflected in your credit report.

13. VERIFICATION. You authorize us to verify all of the information you have provided in obtaining approval of the Financing.

14. ACTION UPON REPAYMENT. Upon your full repayment of this Financing and all other amounts due hereunder, we will inform you that the Financing is fully paid and will remove any UCC-1 financing statement or fixture filing with respect to the Collateral.

15. ASSIGNMENT. We may assign or transfer this Agreement or any of our rights under it to an affiliate of Company. You may not assign or transfer this Agreement or any of your rights hereunder without the prior written consent of Company. This Agreement shall inure to the benefit of, and be binding upon, the parties and their successors and permitted assigns.

16. SEVERABILITY. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

17. USA PATRIOT ACT. We hereby notify you that pursuant to the requirements of the USA PATRIOT Act, we may be required to obtain, verify, and record information that identifies you,

which information includes your name and other information that will allow us to identify you in accordance with the USA PATRIOT Act, and you agree to provide such information to us from time to time as we may request.

- 18. PRIVACY ACT NOTICE.** You acknowledge and agree that we may use third party service providers to process or handle your personal information on our behalf. When personal information is provided to our service providers, we will require them to protect the information in a manner that is consistent with our privacy policies and procedures. We may disclose your information to third-party financial institutions, consumer reporting or credit agencies to determine your eligibility for a product or service you have requested from us or our experience with you. If you do not want us to share this information, you must notify us in writing at _____. Even if you notify that you do not want us to share this information, you understand and agree that we may still share with our affiliates or related entities information solely regarding this Agreement and/or experiences with you.

- COUNTERPARTS; ELECTRONIC DELIVERY.** This Agreement may be signed in any
- 19.** number of counterparts and each counterpart shall represent a fully executed original as if signed by both Parties. An electronically signed or transmitted copy of the Agreement shall be deemed an original for evidentiary purposes.

- WAIVER OF NOTICE.** You hereby waive demand for payment, presentment for payment,
- 20.** protest, notice of payment, notice of dishonor, notice of nonpayment, notice of acceleration of maturity and diligence in taking any action to collect sums owing hereunder.

- GOVERNING LAW.** The parties acknowledge that a substantial portion of the negotiations,
- 21.** anticipated performance and execution of this Agreement occurred or shall occur in Florida. The Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida, exclusive of conflicts of laws provisions.

- JURISDICTION AND VENUE.** Any legal action, suit or proceeding arising out of or relating to
- 22.** this Agreement shall be brought in the Circuit Court for _____ or _____ or the United States District Court for the Southern District of Florida. Each of the parties hereby submits to the exclusive jurisdiction of any such court in any such action, suit or proceeding. Final judgment against you in any action, suit or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment. You irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, any objection that you may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement in any such court and the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

- WAIVER OF JURY TRIAL.** THE PARTIES HEREBY IRREVOCABLY WAIVE, TO THE
- 23.** FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

YOU CONFIRM THAT YOU HAVE READ ALL OF THE TERMS AND CONDITIONS OF THIS AGREEMENT AND AGREE TO BE BOUND HEREBY. YOU UNDERSTAND AND AGREE THAT YOUR EXECUTION OF THIS AGREEMENT BY ELECTRONIC MEANS SHALL HAVE THE SAME LEGAL FORCE AND EFFECT AS A PAPER CONTRACT. BY SIGNING BELOW, YOU AFFIRM THAT THE ABOVE AGREEMENT WAS COMPLETE, WITH ALL BLANKS FILLED IN, BEFORE SIGNING BELOW AND THAT YOU RECEIVED A COPY OF THE COMPLETED AGREEMENT, INCLUDING THE TRUTH-IN LENDING DISCLOSURES IN EXHIBIT 1.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

APPLICANT:

By (Signature): ★ _____

Name (Print): ★ _____

Title (Homeowner): ★ _____

Florida Public Utilities Company

By: _____

Name: _____

Title: _____

Exhibit 1

EQUIPMENT FINANCING AGREEMENT FINANCIAL DISCLOSURE STATEMENT

Creditor Name: Florida Public Utilities Company

Applicant Name and Address:

The Total Sale Price:

FINANCE CHARGE RATE	FINANCE CHARGE	AMOUNT FINANCED	TOTAL OF PAYMENTS
The cost of the Program as a yearly Rate	The dollar amount the Program will cost you	The amount of credit provided to you or on your behalf	The amount you will have paid after all payments are made as scheduled
____%	\$____	\$____	\$____

You have the right to receive at this time an itemization of the Amount Financed.

☐ I want an itemization

☐ I do not want an itemization

ITEMIZATION OF AMOUNT FINANCED	
Amount Financed:	
Amount Paid Directly to Trade Ally on behalf of Borrower:	\$____
Amount Paid to Florida Dept. of Revenue (Documentary Stamp Tax):	\$____
Application/Credit Check Fee:	\$0

PAYMENT SCHEDULE		
NUMBER OF PAYMENTS	AMOUNT OF PAYMENTS	WHEN PAYMENTS ARE DUE
____	\$____	* Monthly on the due date of the natural gas utility bill beginning the month of install and ending after __ complete payments.

Attachment C

Hypothetical Example of Equipment Financing Calculation and Payments

Cost Determination	Appliance
Cost of Equipment and Installation	\$ 2,500.00
Rebate	\$ (675.00)
Admin fees including lien	\$ 100.00
Bad debt reserve	\$ 38.50
Total Cost	\$ 1,963.50

Interest 6.02%

Term (months) 60

Period	Beginning Balance		Payment	Interest	Principal	Ending Balance	
	Receivable					Receivable	
1	1,963.50		37.83	9.59	28.24	1,935.26	
2	1,935.26		37.83	9.45	28.38	1,906.88	
3	1,906.88		37.83	9.31	28.52	1,878.36	