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FPSC - COMMISSION CLERK

July 2, 2025

BY E-PORTALMr. Adam Teitzman
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850**Re: Docket No. 20250000-OT – Undocketed filings (2025)**

Dear Mr. Teitzman:

Attached for filing, please find Florida Public Utilities Company's Responses to Staff's First Data Requests on FPUC's 2024 Storm Protection Plan Annual Status Report.

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

Sincerely,

Beth Keating
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215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706MEK
cc:/(Penelope Buys)

Docket No. 20250000-OT - Florida Public Utilities Company's 2024 Storm Protection Plan Annual Status Report

Florida Public Utilities Company's Responses to Staff's First Data Request
(2024 SPP Status Report)

1. Please explain why the cost of the following projects appear to increase when FPUC is planning to complete less projects in 2025 compared to 2024.
 - a. Distribution Overhead Feeder Hardening
 - b. Distribution Overhead Lateral Hardening
 - c. Distribution Overhead Lateral Hardening Underground

Company Response:

- a. Please see response to questions 2(a), 2(b), and 7(a) in Staff's First Set of Interrogatories to FPUC (Nos. 1-13) on Docket No. 20250010-EI, which are attached for convenience. FPUC adjusted unit cost projections in 2025 to account for lessons learned from 2022 – 2024. The unit cost projections made are intended to be more reflective of expected costs and thus minimize variances moving forward. These same adjusted calculations were utilized in developing FPUC's 2026-2035 Storm Protection Plan as part of Docket No. 20250017-EI.
 - b. Please see response to 1(a) above.
 - c. Please see response to 1(a) above.
2. Please refer to page 20 of FPUC's SPP Annual Report. For Table 6-3 FPUC's Actual and Projected Bill Impacts (in dollars) (SPPCRC + Base Rates). Please provide the bill impacts for the Storm Protection Plan Cost Recovery Clause separate from Base Rates.

Company Response:

See Updated Table 6-3 for this request below:

[Following Page]

Undocketed – SPP Report Data Responses

Table 6-3 FPUC's Actual and Projected Bill Impacts (in dollars) (SPPCRC)

2023 Actual**		2024 Estimated**		2024 Actual**		2025 Estimated**	
Total Costs (Millions)	Residential Bill Impact (\$/1,000kWh)	Total Costs (Millions)	Residential Bill Impact (\$/1,000kWh)	Total Costs (Millions)	Residential Bill Impact (\$/1,000kWh)	Total Costs (Millions)	Residential Bill Impact (\$/1,000kWh)
\$8.81	\$2.20	\$15.82	\$6.13	\$19.14	\$5.61	\$24.27	\$10.93

** Reflect impact of revenue requirement based on the total cost

INTERROGATORY 2(a)

2. Please refer to lines 6 to 10 on page 5 of Witness Cutshaw's April 4, 2025, direct testimony. The witness states that the variance occurred "as a result of FPUC working to ramp up the construction activities for projects that have been previously engineered and original cost estimates being understated based on the actual work that was performed in these areas. Access to the facilities, traffic control, energized work, vegetation management activities and material cost increases all contributed to the overrun on costs."
- a. Why were the original cost estimates understated?

Response: As described above, prior to 2024 preliminary engineering and estimates were established for the work to be performed in 2024. During the time lapse there were increases in material costs that were not anticipated, as well as, work conditions that changed requiring additional energized work and traffic control. These conditions resulted in increased cost from a material and labor perspective.

Respondent: Mark Cutshaw

INTERROGATORY 2(b)

- b. What adjustments has FPUC made to prevent recurrence of similar cost estimate understatements?

Response: During 2024, FPUC was able to get the full-time equivalent position to focus on the SPP, which included a review of the estimates being produced and the actuals that are occurring. Cost projections provided in 2025 account for adjustments in unit cost estimates made as part of this effort.

Respondent: Mark Cutshaw

INTERROGATORY 7(a)

7. Please refer to lines 1.2 and 1.4 of SPPCRC Form 6A of Revised Exhibit No. BB-1 of Witness Baker's May 2, 2025 revised testimony.
 - a. Please explain the variance between actual and estimated actual Overhead Hardening Capital Investment Program costs for Overhead Lateral Hardening.

Response: Preliminary engineering and estimates were established for the work to be performed in 2024 during the 2023 or 2022 time period. Observed variances are due to the time lapse involving increases in material costs that were not anticipated, as well as, work conditions that changed requiring additional energized work, enhanced traffic control, difficult access to facilities and additional vegetation growth all of which increased costs. These conditions resulted in increased cost from a material and labor perspective.

Respondent: Mark Cutshaw

INTERROGATORY 7(b)

- b. Please explain the variance between actual and estimated actual Overhead Hardening Capital Investment Program costs for Transmission System Inspection and Hardening.

Response: Preliminary engineering and estimates were established for the work to be performed in 2024 during the 2023 or 2022 time period. Observed variances are due to the time lapse involving increases in material costs that were not anticipated, as well as, work conditions that changed requiring enhanced traffic control, night time work, difficult access to facilities and unusual geotechnical issues. The geotechnical issues resulted in the existing equipment being incapable of digging the holes resulting in the mobilization of specialty equipment being needed to dig the holes for the poles. These conditions resulted in increased cost from a material and labor perspective.

Respondent: Mark Cutshaw