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

Gunster

June 9, 2026

BY E-PORTAL

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

Re: **Docket No. 20240019-PU – In re: Amendment of Rule 25-14.004, F.A.C., Effect of Parent Debt on Federal Corporate Income Tax**

Dear Mr. Teitzman:

Attached for filing in the above-referenced docket, please find the Joint Comments of Florida Public Utilities Company and Florida City Gas.

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

MEK
cc:/(Docket Interested Persons List)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Amendment of Rule 25-14.004, F.A.C., Effect of Parent Debt on Federal Corporate Income Tax	Docket No. 20240019-PU Filed: June 9, 2026

Joint Post Workshop Comments of Florida Public Utilities Company and Florida City Gas

Florida Public Utilities Company ("FPUC") and Florida City Gas ("FCG") (jointly, "Companies"), by and through their undersigned counsel, submit the following post workshop comments and respectfully request that they be accepted out of time:

1. The Companies appreciate the efforts of the Commission Staff and workshop participants to fully explore the issues around the proposed amendments to Rule 25-14.004, Florida Administrative Code (herein, "Parent Debt Rule") during the workshop. The workshop discussion was extensive and informative. The discussion also indicated that the Parent Debt Rule has been a topic of some debate for a number of years. Staff's efforts to proactively address concerns regarding whether it is appropriate to apply double leverage adjustments to regulated utilities are to be commended.

2. The Companies also agree with comments at the workshop that only the costs and risks specifically associated with providing regulated utility service should be incorporated in a regulated utility's rates. Thus, the amendments proposed by Staff would better reflect a regulated utility's stand-alone income tax expense for ratemaking and earnings surveillance reporting purposes than the current rule.

3. It is, however, difficult for the Companies to quantify the benefit they might see as a result of the changes, because the Commission has not required that the Parent Debt adjustment be made for either Company, at least as far back as 1996 for FCG and 1990 for FPUC. Likewise, adoption of the amendments would not, as posited by some stakeholders, result in a rate increase or upward pressure on either Company's rates in their next rate case, because the adjustment has not been applied to either Company.

In sum, the Companies appreciate the Commission staff's efforts to modernize the Parent Debt Rule to align with generally-accepted regulatory concepts. While the direct impact to the

Companies is unclear, adoption of the amendments would provide regulatory certainty and align the Rule with the standalone principle of regulatory ratemaking.

RESPECTFULLY SUBMITTED this 9th day of June, 2026,

By: ______________________

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

Attorneys for Florida Public Utilities Company and Florida City Gas